

**Assessment of new market opportunities and
development of effective market penetration for
Australian Southern Rocklobster in the USA,
Middle East and Europe.**

Matthew Muggleton

Project No. 2007/704

Final Report

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List of Acronyms

Australia Business Limited - ABL

Australian Seafood Cooperative Research Centre - CRC

Australian Seafood Cooperative Research Centre Project 2007/704 – *Assessment of new market opportunities and development of effective market penetration strategies for Australian Southern Rocklobster in the USA, Middle East & Europe* – CRC 2007/704

Australian Southern Rocklobster – ASR

Ehrenberg-Bass Institute for Marketing Science – EBI

Fisheries Research and Development Corporation - FRDC

Fisheries Research and Development Corporation Project No: 2002/313, *Southern Rock Lobster R&D plan and subprogram development*, Strategic Plan Summary 2003 – FRDC 2002/313

Fisheries Research and Development Corporation Project 2004/251 *Identification of New Market Opportunities for Southern Rocklobster* – FRDC 2004/251

Fisheries Research and Development Corporation Project No: 2006/215, *Southern Rocklobster industry research and development planning, implementation and extension* – FRDC 2006/215

Fisheries Research and Development Corporation Project 2006/216 *Implement & Establish the USA Market Development Platform to Enable Trade of Certified Clean Green Australian Southern Rocklobster* - FRDC 2006/216

Global Financial Crisis – GFC

Gross Value of Production - GVP

International Marine Products - IMP

International Market Development Program – Version 8 – MDP

Memorandum of Understanding - MOU

Point of Differences - POD

Research and Development – R&D

Santa Monica Seafoods - SMS

South Australian Rock Lobster Advisory Council - SARLAC

Southern Rocklobster Limited - SRL

Super Premium Fine Dining - SPFD

Tasmanian Rock Lobster Fishermen's Association - TRLFA,

United States of America - USA

University of South Australia - UniSA

Victorian Rocklobster Association - VRLA

Non – Technical Summary

2007/704 - Assessment of new market opportunities and development of effective market penetration for Australian Southern Rocklobster in the USA, Middle East and Europe.

PRINCIPAL INVESTIGATOR: Matthew Muggleton

ADDRESS: C/- PO Box 2085, Camberwell West 3124

OBJECTIVES (final):

- 1 Determine the super premium markets for Australian Southern Rocklobster in the USA (Mid West, Central, South and East Coasts), Middle East and Europe
- 2 Evaluate the supply chain (SRL Management Model) performance in the USA and domestic market
- 3 Identify effective market entry strategies to achieve market penetration in the USA (Mid West, Central, South and East Coast)
- 4 By June 2008, achieve sales of 10 tonne of lobster in the USA, at a significant price premium per kilogram, with a significant trend towards repeat buyers
- 5 By June 2008, decide whether or not to establish a self-funded commercial entity to export lobsters to USA, based on preparation of a business plan and identification of sources of start-up funds.

This report provides a synopsis of the Southern Rocklobster Limited (SRL) Market Development Program from 2004, including the Seafood CRC Project 2007/704; commercial trade facilitation; SRL experiences; and suggested next steps for the SRL Market Development Program (MDP). The report has been written with a commercial focus on SRL's long-term objective of protecting and/or improving prices through globally diversified markets.

SRL is the national Australian Southern Rocklobster (ASR) industry development body. SRL operates according to a Strategic Plan that has identified market development as the highest priority in research and development investment for the Southern Rocklobster industry. Since its inception in 2004, SRL has generated new industry investment in research and development with a particular emphasis on market development.

This project was an extension of the SRL Fisheries Research and Development Corporation (FRDC) Project 2006/216 *Implement & Establish the USA Market Development Platform to Enable Trade of Certified Clean Green Australian Southern Rocklobster* and followed FRDC Project 2004/251 *Identification of New Market Opportunities for Southern Rocklobster*.

The FRDC project 2004/251 identified opportunities to create new markets for Australian Southern Rocklobster (ASR) within the global western fine dining market in the USA and Europe. The research highlighted that establishing the culinary and commercial capability of the ASR, and gaining acceptance within this market, would require a commitment to a comprehensive global campaign to understand the market and develop systems and structures to respond to consumer expectations and associated supply chain and logistics issues. The need for underpinning research, development, communication and education programs was also highlighted.

Based on the direction provided in FRDC 2004/251, the FRDC project 2006/216 developed and trialled a 'Fisher-Direct' import platform model in the USA. This included supply chain, distribution and communication tools to support entry of live Australian Southern Rocklobster into the Super Premium Fine Dining (SPFD)/Steakhouse and Gaming sectors in the USA.

The research also included holding a sensory evaluation and customer needs analysis with leading chefs on the West Coast of the USA.

FRDC project 2006/216 confirmed the following:

- The culinary capabilities of ASR needed to be positioned within the super premium fine dining (SPFD) sector.
- A supply chain, based on traceability, quality, best practice operating standards and fisher ownership through the chain, can build the value of the product (price/kg).
- Developing a new supply chain and additional global research and development would be required before commercialisation would be feasible.
- Commitment existed amongst fishers and chain service providers to work in a coordinated way to capture the premiums on offer.

The approach to this project was informed by research and development previously undertaken (FRDC 2004/251, 2006/216). While the initial objectives included Middle East and European market research, the focus of this project was subsequently narrowed to achieve commercial outcomes solely in the USA.

The project involved the following research and development activities:

- identification and selection of potential customers across the USA
- assessment of standards, logistics, product specifications, culinary capability, and communication requirements
- new product development
- supply chain development
- operation of the 'Fisher-Direct' import platform
- education and communication activities
- assessment of commercialisation prospects
- establishment of a commercial trading entity.

A project team drawn from the Ehrenberg-Bass Institute for Marketing Science (EBI) at the University of South Australia (UniSA) provided the initial direction and expertise in experimental design, methodology and strategic direction, and both the EBI and SRL provided resources for the research and development activities.

At the direction of the Australian Seafood Cooperative Research Centre (CRC), targets were set for commercial trade in the USA during the project. These targets were not met and, as a consequence, two independent reviews were undertaken with the view to moving the project towards establishing a commercially sustainable trading entity.

This significant change in direction led to the incorporation of other seafood products and value added lobster products into the market development program – a '*basket of seafood*' approach.

It should be noted that operating commercial businesses was outside the remit of SRL as it is a not-for-profit organisation. The direction taken led to conflict between sections of the industry and SRL during the project. It should further be noted that SRL's intent in pursuing market development is to facilitate development of trade for existing participants and not trade in its own right.

Four other key considerations emerged during the project as follows:

1. Limits to price exist, and this is evidenced by the loss of sales when price exceeded US\$30/lb. (approximately \$AU69/kg) through the combination of beach price, costs, and/or when the exchange rate increased.
2. It is essential to guaranteed long-term supply with forward contracts at the individual lobster business level and/or through a collective industry commitment to the market.
3. Development of the market with capacity to supply a range of seafood products can be mutually beneficial to the lobster and other Australian sectors such as the abalone, kingfish, crab, prawn and oyster sectors.
4. Long-term industry-funding commitment to R&D and promotion is required if more rapid and sustained development of the ASR brand, both in the USA and globally, is to be achieved. Essential to success is a marketing fund to guarantee secure long-term resources to sustain the program.

Attempting to build a commercial business in the USA market, with highly priced new products, in a limited time frame, and with no promotion budget, was unrealistic. However, this does not detract from contributions the project has made to change the culture of SRL members in terms of market development and supply chain management. These are significant subsidiary outcomes of the project.

Outcomes against objectives:

1. Determine the super premium markets for Australian Southern Rocklobster in the USA (Mid West, Central, South and East Coast), Middle East and Europe
Achieved for the USA
(Note: activity in Middle East and Europe was removed from the project at commencement)
2. Evaluate the supply chain (SRL Management Model) performance in the USA and domestic market
Achieved
3. Identify effective market entry strategies to achieve market penetration in the USA (Mid West, Central, South and East Coast)
Achieved

4. By June 2008, achieve sales of 10 tonne of lobster in the USA, at a significant price premium per kg, with a significant trend towards repeat buyers

Not Achieved

5. By June 2008, make a decision whether or not to establish a self-funded commercial entity to export lobsters to the USA, based on preparation of a business plan and identification of sources of start-up funds.

Achieved

Specific outcomes were as follows:

1. Database: A key outcome has been the creation of a comprehensive database of potential and actual consumers of ASR, the key purchasing decision makers, opportunities, and reports detailing effective strategies to gain market entry.
2. Education, Training and Communication: The project has involved education, training and extension at 4 levels, namely:
 - Industry: information updates about project progress and in-market training
 - SRL: in-market training and input via the University of South Australia
 - In-market research program with undergraduate students from the University of South Australia.
 - Market – in market communication and education of chefs, restaurant staff and distributors about ASR.

Direct communication has been established with key stakeholders including licence holders, supply chain participants and service providers, with wider industry and government communication via letters, email circulars and facsimile.

There has been industry participation and presentations at key industry functions/seminars such as a national lobster congress, launches and displays, and local industry network activities including port meetings and annual general meetings.

Media interaction occurred through regular media releases, media liaison, interviews and distribution of newsletters to media outlets including radio, television and magazines.

Industry in-market training was implemented involving market visits, attendance at relevant in-market venues/events, data gathering, observations and analysis.

Existing education and training tools and approaches have been evaluated and refined including written materials, web-based materials, the traceability system, multimedia CD presentation, banners, photo library and website. These tools have been utilised in a range of in-market events, meetings and communication activities.

3. Incorporation of external expertise: The project was a partnership between SRL and the Ehrenberg-Bass Institute for Marketing Science at the University of South Australia, and involved high level guidance by the University research team members. This also strengthened the market research experience within the project team.

In addition, an undergraduate research program involving students was incorporated into the project. The students undertook both desktop and in-market activities.

4. SRL market development capacity: The project has established capacity to implement global market development activities, including:
 - Skilled resources – people with experience to develop markets, manage supply chains and develop value-added products
 - Knowledge – products, packaging/labelling, logistics, live holding, supply sourcing, understanding and dealing with market forces, exchange rate movement, supply capacity, market position and market development strategies
 - Framework – SRL has the understanding and commercial option to undertake global business
 - Relationships – key relationships have been developed over the life of the project which are essential to establish commercial business
 - Industry capacity/knowledge – the industry has an understanding of the challenges and strategies required to develop the market.

5. Commercial trade facilitation capacity: The project has established the capacity to undertake Australian seafood trading in Australia and the USA, including importing/exporting, logistics, account and contract management, banking, and processing capacity in Australia and the USA to produce value-added ASR products.

6. Commercial Entity: An Australian owned commercial seafood export business is now operating in the USA and Australia with no ongoing ASR industry investment. SRL maintains ownership of all intellectual property from the project and has an option to take 50% ownership in the business.

In summary the project has:

- established a database of actual and potential customers
- developed a range of products to meet the specifications of the market
- established and trialled a supply chain management platform from catcher to customer over 3 years
- developed distribution and communication tools to support the entry of Australian Southern Rocklobster into the Super-Premium-Fine-Dining(SPFD)/Steakhouse and Gaming sectors in the USA
- assessed performance and financial viability
- led to the formation of a commercial, Australian owned seafood import/export business that operates in the USA and Australia.

The project has not overcome the ongoing problems of the traditional ASR commodity selling structure with many competing exporters selling to limited export markets, namely China, Hong Kong and Taiwan. The current traditional chain does not involve a brand, standards, traceability and information flows between catchers and consumers.

The need to build demand in diversified markets to spread risk and create upward price pressure for ASR has not changed, as evidenced by the recent uncertainty of access in traditional markets and the strengthening Australian dollar (2010). These challenges were never going to be dealt with in three years through this project, and this was understood by the SRL Board which was taking a longer view of the R&D program.

Through the project activities in the USA, SRL has determined that 'high-end' restaurants and celebrity chefs in Australia and the USA can and do support ASR as one of the finest lobsters in the world.

In addition, these restaurants will use ASR when product quality is assured through a quality assurance program such as the ASR Clean Green program; when supply is assured through a managed or contracted supply chain; and when the program and process is thoroughly explained and understood.

The project has proven that markets can be diversified and chain structures changed to position ASR on the basis of quality, standards, service and brand recognition, but price points need to be met.

In addition, the project has proven that fishers can maintain ownership through the chain to create opportunities to capture a greater share of the current margins and premiums on offer.

The project has also shown that SRL can facilitate market development activities dealing with all elements of the logistics, administration and finance involved in a *Fisher-Direct* model.

A suite of value-added products, utilising low value large lobsters (which are an ongoing issue), has been developed which may be produced in Australia for distribution in any market.

A significant outcome of the project is the development of a successful private-sector company SRL Marketing Pty Ltd. That company is continuing to develop the USA (and Australian) market for ASR to the benefit of the whole industry, and while the performance of the company is commercially confidential, it can be reported that trade turnover has continued to increase annually by around 100% of the 2009-10 turnover.

The next step is the sustained commitment of fishers to provide financial resources and product to a global market development strategy. However, while prices remain at current levels (average price in 2010 at \$65/kg at the beach), it is unlikely the catching or processing sectors will take an interest in such a global strategy to protect and/or build the value of the industry. The current context is too comfortable compared to conditions in 2002-04.

Further, it is not in the immediate interest of individual fishers or processors to divert supply away from the current highly priced market, which is currently an expanding market in China, to potentially shorter-term, lower-priced markets for the sake of uncertain long term gains for the industry.

Ongoing leadership in this area by SRL will be essential.

KEY WORDS:

- Clean Green program
- Fisher-Direct
- Value-added
- Basket of Seafood
- Market Development
- Australian Southern Rocklobster (ASR)

1. Introduction

The Australian Southern Rocklobster (ASR) industry generates in excess of 3,000 jobs and \$0.5 billion in economic activity, primarily in the regional communities of South Australia, Victoria, Tasmania and Western Australia¹.

The industry comprises around 700 small owner/operator businesses and the economics of fishing is subject to increased costs such as fuel and licence fees, and large fluctuations in price. The small business nature of the industry (catching, processing and exporting) means there is limited capacity at the enterprise level to make substantial investment in and undertake industry development projects. In fact, there is a strong disincentive to invest, as the benefits from individual investment in industry development are difficult to capture at the individual business level.

Operators cannot respond to declining terms of trade by increasing catches as the current volume of the industry profitability equation is constrained by strict catch tonnage or catch quotas.

Each year the industry exports approximately 90% of the 4,400 tonnes harvest as a live product to Hong Kong and mainland China. The export value peaked at approximately \$190 million in 2001-2002, but the reliance on a single product in a single export market makes the industry susceptible to changes in those markets, world events and conditions.

Southern Rocklobster Limited (SRL) is the national industry development body. SRL operates according to a strategic plan. The first ASR strategic plan and summary (refer to Appendix 3) identified market development as the highest research and development investment (R&D) priority for the ASR industry. Since its inception in 2004, SRL has generated new industry investment in R&D above the standard FRDC 0.25% gross value of production (GVP) levy, on the basis the investment is targeted at market development.

¹ FRDC 2002/313

SRL aims to build the value of exports by \$90m per annum in the long-term through market development with a long-term objective to achieve 500 tonne of branded ASR sales into new markets, in order to spread industry risk away from its existing market in China.

In 2002, the SARS outbreak in China, among other factors, resulted in a fifty percent collapse in the price of live lobsters in China. This raised concerns throughout the ASR industry and highlighted the industry's vulnerability while relying on China, as a single market, and live lobsters, as a single product form.

The price slowly recovered post SARS, but in 2004 the beach price once again collapsed to \$24 per kg for premium sized lobsters, while the larger 2kg+ lobsters reached a low beach price of \$17 per kg. With the ASR industry operating under a quota management structure, lobster fishers high-graded their catch, returning anything over 2kg back into the water, and only harvested the premium-sized lobsters for the Chinese market in order to maximise their returns. This scenario resulted in a proportion of the ASR catch being discarded due to its low value resulting in extra costs being incurred to fulfil quotas.

Fishers across the industry demanded that "something be done" to address this issue.

In response to this and other development issues, Southern Rocklobster Limited (SRL) was formed in February 2004 by the three State licence holder bodies, Tasmanian Rock Lobster Fishermen's Association (TRLFA), Victorian Rocklobster Association (VRLA) and South Australian Rock Lobster Advisory Council (SARLAC). Their goal was to co-ordinate national research and development interests. An independent Chair was appointed and a management consultancy engaged to provide executive and project management services.

In December 2005, SRL entered into a formal Research and Development (R&D) Memorandum of Understanding (MOU) with the Fisheries Research & Development Corporation (FRDC), and in July 2007, SRL became a core participant of the Australian Seafood Cooperative Research Centre (CRC).

The starting point for SRL's market development planning was the FRDC Project 2004/251 *Identification of New Market Opportunities for Southern Rocklobster*, which was undertaken by the independent research group, Australia Business Limited (ABL). The project identified broad opportunities to create new markets for Australian Southern Rocklobster (ASR) within the global western fine dining market, and in particular in the USA and Europe.

SRL was advised by ABL that it is a long-term and complex process to develop new markets which would require constant attention if members were to protect the value of their industry, whilst maximizing returns from the catch quota.

Based on the direction provided in FRDC 2004/251, the FRDC project 2006/216 *Implement & Establish the USA Market Development Platform to Enable Trade of Certified Clean Green Australian Southern Rocklobster*, developed and trialled a Fisher-Direct import platform model (see section 2.1 below). This included supply chain, distribution and communication tools to support entry of live ASR into the Super-Premium-Fine-Dining/Steakhouse and Gaming sectors in the USA.

The research also included holding a sensory evaluation and customer needs analysis with leading chefs on the West coast of the USA. The trial confirmed the culinary capabilities of ASR to be positioned within the Super Premium Fine Dining (SPFD) sector.

This project is an extension of the previous project, FRDC 2006/216 and has built on the outcomes of that work and other associated R&D completed by SRL.

1.1 Need

The traditional Australian Southern Rocklobster (ASR) supply chain is complex, involving many changes of ownership from the wharf to the consumer. It is a commodity selling structure with many competing exporters selling to limited export markets, namely Hong Kong, mainland China and Taiwan.

The chain does not involve a brand, standards, traceability and information flows between catchers and consumers.

The structure supports supply of ASR on the basis of price that serves to minimise premiums based on quality, service and brand recognition. Fishers in this structure have little appreciation of the chain and market opportunities, and limited understanding of market needs and consumer preferences. Hence, they are weak sellers and price-takers.

With a single product in a dominant market, it remains necessary to build demand and to spread risk and create upward price pressure for ASR, as evidenced by the uncertainty of access in traditional markets.

Previous R&D has shown that re-engineering supply chains into diversified markets, based on market requirements and fisher ownership through the chain, can create opportunities to capture premiums for product quality and integrity. The previous R&D work can be summarised as follows:

Product – In-market trials and testing indicated a ready culinary acceptance of the ASR. However, it was essential that product was consistent with appropriate quality, and delivered every time to specific market requirements. SRL's Clean Green Program² was identified as the vehicle suitable for ensuring that the lobsters are of a consistently high quality and meet the market requirements.

Distribution – The industry needs to establish and work with partners who understand the crucial requirements of the industry for success in the global market. Designing a distribution system, and utilising these partners, is another thing. The industry needs to develop strategies 'outside the square' and consider an implementation program that gives control of the supply chain back to its Clean Green members. By using existing resources within the industry, and working with qualified, enthusiastic partners, an ultimate guarantee can be made to the global market that the product moves directly 'from pot to plate'.

² The SRL Clean Green program is a standards based product certification program. See <http://www.southernrocklobster.com/cleangreen/main.aspx>

Communication – A robust communications and educational campaign developed for each market was needed for commercial market penetration to occur. This was not about mass marketing or promotion, but about educating the end users (chefs) and other key influencers about the qualities of the product. In order to do so, it was necessary to analyse how chefs utilise and respond to different information, and with this information, strategies needed to be tested. Existing communication assets such as the educational DVD were viewed as being suitable with some refinement and linking with programs such as the track and trace system.

The next steps proposed for the market development program were as follows:

- expand the research and development and implementation process geographically to new target markets
- establish suitable cash flow support
- secure chain partners through additional support
- deal with the exchange rate and mortality risk.

Hence this project needed to build on the previous R&D to identify new global markets for ASR, and then test and evaluate strategies for appropriate and efficient supply chain development aimed at market penetration. This includes evaluation of market requirements, product standards, shipping protocols, traceability, quality parameters, survival technologies, data management and information flow.

1.2 Objectives

The original project objectives were:

1. Determine the super premium markets for Australian Southern Rocklobster in the USA (Mid West, Central, South and East Coast), Middle East and Europe
2. Determine the Australian Southern Rocklobster supply specification requirements of the Middle East and European markets
3. Evaluate the supply chain (SRL Management Model) performance in the USA and Domestic market
4. Identify effective market entry strategies to achieve market penetration in the USA (Mid West, Central, South and East Coast).

At the commencement of Project 2007/704, it was a requirement of the Australian Seafood CRC that the following objectives for Year 1 of the project be added:

5. By June 2008, achieve sales of 10 tonne of lobster in the USA, at a significant price premium per kg, with a significant trend towards repeat buyers
6. By June 2008, decide whether or not to establish a self-funded commercial entity to export lobsters to USA, based on preparation of a business plan and identification of sources of start-up funds.

SRL and the Seafood CRC agreed that all market research and development for Year 1 was to be concentrated on the USA market and agreed that Objective 2, relating to Middle East and European markets, be removed.

Objective 5 was not achieved, which triggered a review of the project undertaken by Pitcher Partners (see Appendix 4).

As a result of the Pitcher Partners review, in an attempt to direct the project towards a commercially viable entity, additional reporting requirements and sales targets were set by the CRC to assess project performance. They were:

1.3 Quarterly reporting against Key Performance Indicators (KPIs)

KEY PERFORMANCE INDICATORS (KPI)	Target - 08/09	Target - 09/10
No of restaurants engaged per week	75	100
Volume (kg) – USA	20000	34536
Volume (kg) – AUST	8000	1200
Total Sales \$	1820000	
Cost of Sales	1280000	
Return Customer Sales – after they have made a purchase	90%	90%
Mortality	5%	5%
Downgrades	15%	15%
Lost Customers	10%	10%

Table 1: Key Performance Indicators

2. Methods

This section summarises SRL's International Market Development Program (MDP) in accordance with the timeline of events and steps taken by SRL since 2002 including:

- implemented projects
- significant meetings and workshops
- external project reviews
- changes in operating structures and service providers
- significant events
- annual activity summaries for this project.

2.1 **Australian Business Limited (ABL) Market Research Project 2004/251: Identification of New Market Opportunities for Southern Rocklobster, March 2005**

SRL commissioned Australia Business Limited (ABL), an independent market research company, to undertake a global market research project in 2005 to identify new opportunities in Europe and the USA Super Premium Fine Dining (SPFD) sector (see Appendix 5).

The research identified that the SPFD sector was currently undergoing rapid change with increasing emphasis on 'New World' or 'Fusion' cooking, where chefs were pushing traditional boundaries and developing new recipes based on a combination of English, Japanese, French, Indian, Thai and Chinese influences. High profile celebrity chefs including Jamie Oliver, Kylie Kwong and Neil Perry were reinforcing the popularity of New World cooking, which in turn generated consumer interest and demand for such restaurants.³

Leading markets included Napa Valley, San Francisco, New York, Chicago, Milan, Madrid, Sydney, Melbourne, London, Manchester and Dubai. The research identified the SPFD market segment is particularly appealing as chefs are generally open to new ideas and willing to use the finest ingredients sourced from around the world.

³ FRDC 2004/251

ABL found that ASR is of superior quality and can demand premiums in the SPFD sector or the top five percent of restaurants, where return is perceived to be the highest. They advised that servicing the SPFD is highly sophisticated and that the industry needed to invest in the appropriate infrastructure to effectively service this market sector.

ABL further advised that marketing of premium food ingredients is highly complex and involves the integration of facets from *Product*, *Distribution* and *Communication* to create the 'Ultimate Offer and Guarantee'. They concluded that the success of new markets and subsequent rise in returns to regional economies lies with the industry's commitment to consistently deliver on the promise: "Australian Southern Rocklobster – finest in the world".

The research highlighted that establishing the culinary and commercial capability of the ASR and gaining acceptance within this market would require a commitment to a comprehensive global campaign to understand the market and develop systems and structures to deal with consumer expectations and associated supply chain and logistics issues. The need for underpinning research, development, communication, quality standards and education programs was also highlighted. The approach recommended is summarised as follows:

- *Product* - acknowledge that the product is more than the lobster and that the industry's handling, grading and packing will provide the platform to create value and allow ASR to command a premium price
- *Distribution* - develop a network that meets the highest quality standards, and check and manage distribution to create exclusivity and mystique
- *Communication* - communicate and create relationships with the chefs and reinforce ASR's position and the value proposition of the product.

The USA was established as the priority market, with key factors of price and the distance to market relative to Europe and other potential destinations.

ABL recommended a Fisher-Direct Model (Figure 1) that involves managing supply chain partners through contracts to provide services to agreed specifications at an agreed rate. Service providers are required to meet the quality specifications of the Clean Green program. In addition, the fisher owns the product until it reaches the end user, or restaurant, which then becomes a debtor to the fisher.

Figure 1 Fisher-Direct Model

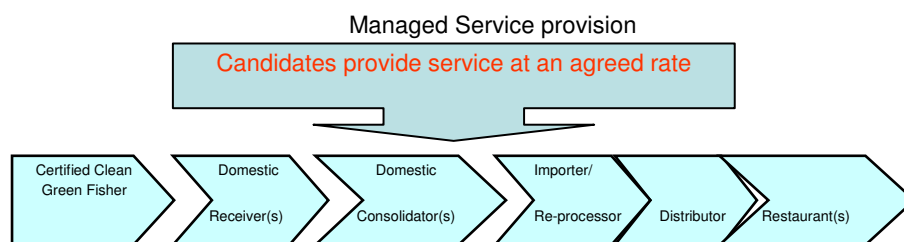


Figure 1 shows the ABL recommended Fisher-Direct management model proposed for development of the USA market. The model included activities such as Australian service provider management, implementation of communication strategies and account management services such as debtor management and in-market service administration.

The project recommended the initial target market was the USA West Coast region incorporating San Francisco, the Napa Valley, Los Angeles and Las Vegas (see Appendix 5).

The Fisher-Direct model was endorsed at a series of industry meetings as a mechanism for fishers to take greater ownership of the marketing process. The industry subsequently committed additional funding to the FRDC and subsequently joined the CRC, specifically to support the market development initiative. Pursuing the Fisher-Direct model also provided incentive to participate in the Clean Green program.

2.2 SRL Market Development workshop, March 2005

In March 2005, the SRL Board conducted a two-day Market Development workshop using the ABL report to guide the development of SRL's approach to market development. The Board approved the following implementation priorities:

Priority 1 - The USA was selected as the number one priority market due to the shorter transit time for live lobsters compared with Europe and the volume market opportunity in the western Super Premium Fine Dining (SPFD)/Steakhouse sector for 2kg+ white⁴ live Southern Rocklobster.

Priority 2 - The London market was chosen as the ABL research indicated that this market would pay more than the USA market. It was assumed that the outcomes of the USA R&D could be applied to the European market.

Priority 3 - Opportunities existed in the European market, for example in Paris, for whole cooked product over the Christmas period.

The SRL Board also endorsed adoption of the ABL recommended Fisher-Direct model and managing the program using existing in-house SRL resources.

2.3 Southern Rocklobster International Market Development Program, August 2005

Based on the FRDC 2004/251 project report and SRL workshop outcomes, in August 2005, SRL released a five-year International Market Development Program – Version 8 (MDP)(see Appendix 6).

SRL's strategy was to “develop alternative markets to China for lower valued ASR (2kg+ white southern lobsters)” to spread the industry's market risk and increase the price per kilogram for 2kg+ lobsters.

⁴ A white, lighter colour, also referred to as a porcelain lobster within this report, is a lobster generally harvested from deeper waters and is considered by the traditional market as a less valuable lobster.

Guided by the ABL research recommendations, SRL's MDP was based on the following four planks:

1. Positioning in the western SPFD segment to attract price premiums through communication, product development and relationships with key influencers such as chefs
2. Replacing the gatekeepers, or large importer distributors, with industry managed niche distributors to guarantee service
3. Guaranteeing the supply and quality offered through facilitating the supply chain so that catchers would maintain product ownership and therefore commitment through to the customer
4. Implementing the Clean Green program product certification, branding and traceability through the supply chain.

2.4 SRL Market Development Project 2006/216 Implement & establish the USA Market Development Platform to Enable Trade of Certified Clean Green Australian Southern Rocklobster

The initial stage of the research and development (FRDC Project 2006/216), focused on creating the 'building blocks' necessary for delivering on the USA component of the MDP. The project initially focussed on the USA West Coast region incorporating San Francisco, the Napa Valley, Los Angeles and Las Vegas.

The project involved a mix of the USA platform development, drawing on the outcomes of the initial work, and implementation of the platform based on the Fisher-Direct management model. The platform elements developed and implemented included the following:

- quality management systems
- coordinated supply
- managed distribution
- communication and education program
- financial model
- risk management systems and
- measurement and performance reporting.

At implementation, SRL in-house resources were used to undertake a number of roles to deliver the platform activities. These included project (or platform), account, supply, quality, financial transaction and administration management. A position description for each of these roles and their relationship to each other is detailed in Appendix 7.

Comprehensive market assessments and sensory evaluation and customer needs analysis with leading chefs on the West coast of the USA were undertaken by ABL as part of the project 2006/216 (see Appendix 8).

Project 2006/216 R&D activities can be summarised as follows:

- a legal and financial framework was developed to allow SRL to facilitate trade while ensuring all contractual and legal obligations and requirements were met by the fishers who maintained ownership
- various communication tools, education and communication programs were developed and implemented
- risk management strategies covering key risks of exchange rate, mortalities, logistics and payment defaults were established
- the platform development was completed for trialling in January 2007 and implementation followed
- confirmation of the culinary capabilities of ASR to be positioned within the Super Premium Fine Dining (SPFD) sector (see Appendix 9).

Implementation involved considerable adjustments to the Fisher-Direct model and a range of start-up and ongoing development issues occurred. Outcomes of the trial can be summarised as follows:

- In excess of 6,000 kilograms of live ASR was managed through the Fisher-Direct import platform.
- 72 Clean Green Certified fishers participated in the platform.
- Supply chain processing partners participated in the platform operating to Clean Green Program supply chain standards on a fee for service basis.
- Communication and education program activities occurred with forty potential accounts established.
- Thirty-two new accounts received certified, branded and traced large (2kg+) white (porcelain) ASR.

- Implementation contributed to a lift in the order of 40% of the beach price for lower valued lobster across the entire harvest.
- An estimated 25% increase in export returns to Australia for the product, above the traditional chain, was achieved.

Testing the platform was completed successfully in that it provided a fisher-owned structure to capture opportunities identified through the R&D. The culinary acceptance of the certified Clean Green ASR by SPFD/Steakhouse and gaming chefs in the USA was confirmed.

Access to the USA market was based on the following assumptions:

- exchange rate would not exceed 1AUD = 0.79USD
- beach price of \$35 per kg would not be exceeded
- supply would be consistently available
- lobster mortality through the chain would be approximately 7.5 percent
- interest existed for live Australian (2kg+) lobsters in the western SPFD market.

The market conditions and supply chain results varied significantly from the assumptions, and the comparisons are documented below:

- Exchange rate always exceeded 1AUD = 0.79USD and the average rate over the project period was 1AUD = 0.84USD.
- The beach price of \$35 per kg was not exceeded, but the unfavourable exchange rate resulted in a \$36.75 per kg equivalent beach price.
- Rocklobster supply was consistently available between January and April, but the fishing slowed significantly after April and large lobsters were difficult to source. This highlighted the nature of the supply of large ASR with the majority of the catch landed between late January and April.
- Lobster downgrades and mortality through the chain were as high as 25 percent, which was 17.5 percent more than assumed, resulting in an equivalent beach price of \$43.18. This was a significant problem, created as a result of the following factors:
 - The demand that eventuated was at about 25 percent lower than anticipated and so stock initially was held in all locations for periods that

resulted in extraordinary losses. The stock holding strategy was subsequently adjusted to more closely align stock to sales.

- The losses were exacerbated by the 'newness' of participants of the entire chain not having a full understanding of each others' detailed operating systems. For example new equipment, such as tanks in the USA and the traceability handling requirements contributed to this higher than expected mortality rate.
- The USA partner, Pacific Pride Seafood, did not provide sufficient care/attention to live holding of the lobsters, and this also contributed to the mortality rate.
- The low uptake levels highlighted the challenges of developing a new niche market for live Australian (2kg+) Rocklobster in the western American SPFD sector. This reinforced the need for dedicated resources on the ground in the USA to conduct end-user education, training and product sampling.

Issues identified during the trial included cash flow; promotion and level of market development investment; securing chain partners during start-up; and the capacity to remain in the market for sufficient time to build volumes. Mortality management and further deterioration of the exchange rate were also identified as major issues requiring management responses.

The next steps for implementing the SRL Market Development Program – Version 8 (MDP) were to identify new USA and global markets and develop efficient supply chains and strategies to support market penetration.

2.5 SRL Board endorsed continuation of USA Market Development program, March to June 2007

In March 2007, the SRL Board agreed to continue implementation of the MDP in the USA, and the activities endorsed included:

- expand the research and development strategy to new geographic target markets including the Mid West and East Coast
- establish suitable cash flow support
- secure supply chain partners through additional support

- deal with the exchange rate and mortality risk.

2.6 SRL Market Development Partner Change, December 2007

SRL's USA partner, Pacific Pride Seafood, which provided the live lobster system in the USA, withdrew from SRL's market development program, primarily due to a lack of returns from low sales volumes.

SRL returned to the USA and secured Santa Monica Seafoods (SMS) as a distribution partner in late December 2007. SMS had their own tanking system and allowed SRL to share their infrastructure in conjunction with their Californian lobster program.

2.7 CRC Project 2007/704 Seafood CRC – Assessment of new market opportunities and development of effective market penetration strategies for Australian Southern Rocklobster in the USA, Middle East & Europe – January 2008

The Seafood CRC approved Project 2007/704 in January 2008 (see 1.2 above for discussion about the project objectives). In the lead up to commencement of the project, SRL activities in the USA were reduced, but certified Clean Green ASR were still entering the market through the Fisher-Direct model.

CRC Project 2007/704 included the University of South Australia to strengthen the market research in the USA, and involved two market research students undertaking an assessment of the USA market. The focus of the project was set to achieving set trade volumes in the short term.

2.8 Seafood CRC Project 2007/704 – YEAR 1, June 2008

SRL had no permanent resources based in the USA and the market development activity was based on the key project principal undertaking six visits to the USA during the 2007/2008 financial year. The initial focus was to develop markets in the Mid West, Central, South and East Coast supported by a small team based in Australia dealing with fishers and supply chain management.

During Year 1, the following research and development activities were undertaken

- identification and selection of new markets in the USA, namely the Mid West, Central, South and East Coasts, following on from project FRDC 2006/216
- assessment of standards, logistics, product specifications, culinary capability, communication and education strategies in the new markets
- testing USA market entry strategies to identify the most effective methods to gain penetration into a marketplace
- evaluation of the Fisher-Direct model performance in the USA and domestic market.

The project team, consisting of members from the Ehrenberg-Bass Institute for Marketing Science (EBI, University of South Australia) and SRL, was established to undertake the research and development activities. The research and development team included:

- Senior Research Associates - Dr Hervé Remaud and Dr Carl Driesener from EBI
- Undergraduate Students - Ryan Jones and Bryony Jardine
- Speciality Marketing Expert – Santa Monica Seafood
- SRL Market Development Team (refer to Appendix 7).

Whilst the R&D activities occurred, initially the Fisher-Direct program continued to facilitate trade of live ASR. The participant agreements provided the legal framework to manage the Fisher-Direct chain as shown in Appendix 10.

During the year, SRL implemented the following strategies to manage exchange rate and mortality risks:

- The exchange rate risk was transferred to the fishers with 10 percent of fishers' payments withheld to manage exchange rate movements.
- Stock levels held in tanks were reduced, maximizing the rotation of lobsters to reduce holding time and hence mortality
- The USA supply chain practices were improved and included reduced tank-to-tank transit times, better water quality, and safer handling techniques.

2.8.1 Market research (Objective 1)

This component of the project involved a review of past and more recent research to identify the top 5% of new market opportunities. This was directed by Dr Hervé Remaud and Dr Carl Driesener (EBI) and undertaken by Ryan Jones and Bryony Jardine (UniSA undergraduate Students) in conjunction with the SRL team.

Results from following past research were reviewed:

- Fisheries Research and Development Corporation Project No: 2004/251, *Identification of New Market Opportunities for Southern Rocklobster*, Final Report 2005
- Fisheries Research and Development Corporation Project No: 2002/313, *Southern Rock Lobster R&D plan and subprogram development*, Strategic Plan Summary, 2003
- National Food Industry Strategy Ltd, Seafood Services Australia, Western Australian Department of Fisheries, *Australian Seafood Strategy for Export Growth*, 2004
- Southern Rocklobster Limited, *International Market Development Program – Version 8*, August 2005
- Fisheries Research and Development Project No. 2006/216 ABL Component *US Market Development Project*, 2006
- Fisheries Research and Development Project No: 2006/216, *Implement & Establish the USA Market Development Platform to Enable Trade of Certified Clean Green Australian Southern Rocklobster*, Interim report, 2007.

The desktop research and in-market survey (see Appendix 11) were used to screen new market opportunities in the SPFD sector. The research included identification of the high wealth areas in cities based on income per capita via census data⁵. The research then identified the top 5% of market opportunities using the following resources:

- Magazines and publications
 - *Gourmet Magazine*
 - *Bon Appetite*
 - *Gourmet Traveler*

⁵ <http://www.census.gov/hhes/www/income/income.html>

- *USA Today*
- *Qantas Magazine, American way (American airline magazine), United Airline magazine*
- Restaurant and hotel accreditation and ranking guides
 - *Zagat guide*
 - *Michelin guides*
 - *Relaix & Chateax*
- Websites and online sources
 - *Food and wine – (<http://www.foodandwine.com>)*
 - *Gourmet.com*
 - *Zagat.com*
 - *The web and Michelin guide on the web (www.michelintravel.com)*
 - *Food and Wine – (<http://www.foodandwine.com>)*
 - *Mobile Star Ratings (AAA Diamond ratings)*
 - *Gayot*
 - *Opentable.com*
 - *Chefsdb.com*
- Recommendations/referrals
 - *Current accounts*
 - *Distributors*
 - *Government – Austrade and State Development groups*
 - *Food Shows*
 - *National Restaurant Show*
 - *Fancy Food Show (San Francisco)*
 - *New York Food Show*
 - *Star Chefs*
 - *Boston Seafood Show*
 - *Country Club Shows*
 - *Vendor Shows*

2.8.2 Evaluate the supply chain (Objective 2)

This component of the project involved a review of past research and a supply chain survey including previous assessments of the *Traditional Broker* and *Fisher-Direct* models as detailed by ABL in the following reports:

- Fisheries Research and Development Corporation Project No: 2004/251, *Identification of New Market Opportunities for Southern Rocklobster*, Final Report, 2005.
- Fisheries Research and Development Project No. 2006/216, *ABL Component, US Market Development Project, 2006*
- Fisheries Research and Development Project No: 2006/216, *Implement & Establish the USA Market Development Platform to Enable Trade of Certified Clean Green Australian Southern Rocklobster*, Interim Report, 2007.

The participating supply chain members were surveyed to gather the logistics and supply specifications for the East Coast market. The specifications were compared to the Fact Sheets developed as part of project 2006/216 (See Appendix 12 – Clean Green Specification Sheets, a series of 5 sheets).

A survey (see Appendix 13) covering the Fisher-Direct supply chain and operating model was developed and completed by the following Australia Southern Rocklobster processors:

- Ocean Wave Seafood Trading Pty Ltd
- Stanke Ociana Seafoods
- Coastal Waters Seafoods
- Air Lobster Pty Ltd
- MD Pty Ltd
- Fox Fishing.

2.8.3 Identify effective market entry strategies (Objective 3)

This component of the project involved information gathering and strategy development directed by Dr Hervé Remaud and Dr Carl Driesener (EBI). The research was supported by Ryan Jones and Bryony Jardine (UniSA Undergraduate Students) in conjunction with the SRL team.

A survey was developed (See Appendix 11, and refer to the Market Research Report, Appendix 6) and in-depth interviews were conducted with the chefs/owners and managers. The responses to the survey (see Appendix 11 and refer to the Market Research Report, Appendix 6) provided information about the marketplace requirements in terms of the product specifications and communication tools.

Information about the culinary capabilities of ASR was further confirmed in the marketplace by:

- Providing a live ASR sample to the chefs to confirm acceptance of flavour, texture, uniqueness and provenance of the product
- Interviewing chefs about the product and supply chain, including:
 - perception of the ASR
 - relative pricing of ASR to similar products originating from other countries and within the country
 - product consistency and uniformity
 - buying requirements
 - delivery method whether live, fresh, frozen, cooked
 - grading of size and quality
 - quantity that could be potentially used within their outlet
 - packaging
 - quality assurance programs
 - cool chain integrity
 - food safety
 - traceability
 - if products originating from Australia attract a premium due to the mystic associated with isolation, the pristine environment, labelling and the Clean Green Program, or what might be deemed the X-Factor.

A range of tools, processes and technologies were developed, tested and assessed in terms of market and industry impacts, and included:

- Chef News, developed by Australian Chef Ann Oliver, was created and distributed to the database of chefs and provided exposure and communication to the marketplace about ASR. The Chefs were provided with ASR utilization through a series of recipes and educational material (see Appendix 14).
- A Food Service manual was re-development to provide further communication to the market on the fisher, origin, Clean Green program, culinary capabilities, storage, handling, preparation and utilization methods (see Appendix 15)
- A DVD was produced to provide background on the lobster and industry and also to educate the customer on how to extract the meat from the lobster (see Appendix 15)
- Chef/wait staff presentations providing direct training to allow the restaurant staff to communicate the desired messages to the customer and influence the purchase decision. For example, SRL supported Michael Cimurusti (Owner of the two Michelin Hat Providence restaurant in Los Angeles), to present the Clean Green ASR at a black tie dinner to leading chefs in New York City and held a workshop at which he trained chefs to breakdown the lobster into small portions
- A staff incentive strategy in the US, offering a trip to Australia to the chef of the restaurant selling the greatest number of lobsters
- The supply of a live holding tank with installation and training of restaurant staff to manage and operate the tank - this strategy was tested at Nobu Melbourne Restaurant in Australia
- SRL attempted to recruit celebrity Australian chef, Curtis Stone, but could not afford to pay the significant retainers required to have him represent ASR.
- The supply of product to various high profile charity and government events linked to brand Australia, including events with Luke Mangan, Neil Perry and Austrade's G'DAY USA
- A volume rebate was offered to existing accounts which was a simple approach involving a discount for achieving certain order volume levels.

- Personal introductions and connections with high-end chefs by a distributor selling a range of seafood. Trials involved SRL providing live lobsters box in/box out scenario. The distributor sold the product but wasn't responsible for the product quality / survival. This penetration strategy also included SRL providing training to sales staff and being available to educate chefs in conjunction with the distributor's sale staff. The two distributors selected for the trial included Santa Monica Seafoods and International Marine Products (IMP)
- An external sales support person with a background in the food service sector, but not linked to a distributor, was engaged for trials in the Manhattan market
- Attendance at the National Restaurant Association (NRA) Show, Fancy Food Show (San Francisco) and Star Chefs.

A further survey was developed and conducted with existing customers using the Fisher-Direct model and was used to gather information about product requirements and strategies (see Appendix 16)). The survey canvassed views about the importance of the following:

- clean Green certification
- origin (cold southern Australian waters)
- wild caught
- sustainability in relation to quotas, size limits, protection of berried females
- traceability system (traceable back to individual fishers)
- Australian
- premium quality akin to Waygu/Kobe beef of Seafood
- Fisher-Direct (from the pot to the plate)
- individual fisherman's story
- other.

2.9 Pitcher Partner Review of SRL model, March 2008

The CRC placed a 'Go/No Go' trade volume target for the end of Year 1 to determine whether a fully commercial entity, established to export ASR to the USA, would be financially viable. Further project investment after Year 1 was to be determined once the commercial opportunity was clearer to the CRC.

SRL facilitated trade of 10.513 tonnes of large lobsters in the 2007-08 financial year, of which 4506 kilograms was traded in the USA and 6007 kilograms was traded in Australia. Overall, the sales increased by 87 percent in the 2007-08 financial year.

Objective 4 set a volume of 10 tonne of ASR sales in the USA which was not achieved, and this triggered an independent review of the Fisher-Direct model by Pitcher Partners, an Adelaide based accounting firm (see Appendix 4).

The independent review of the model undertaken by Pitcher Partners provided the following broad conclusions:

- SRL sales were well below targets set.
- Targets were unlikely to be met with the current level of resources.
- A break-even volume of 180-250 tonnes per annum was required.
- A lack of traction needed urgent review by the SRL Board.
- To achieve volume targets, a market development team of five account managers and a business development manager at a cost of approximately \$750k was needed.

In the longer term, the outsourced management model would be challenged and SRL would require its own internal management structure.

The SRL Board held a workshop in June 2008, facilitated by Strategy Co, to form a response to the Pitcher Partner review.

2.10 Strategy Co response to the Pitcher Partner Report, June 2008

In response to the Pitcher Partner Report, the SRL Board engaged Strategy Co to facilitate a planning workshop with SRL Board, CRC and FRDC representatives. At the workshop it was agreed a collaborative two-year Business Plan be developed, covering modified in-market methods and targets along with funding arrangements beyond Year 2 of the project. In summary, the meeting agreed that:

- R&D funds (\$600K per annum for two years) would be used for development resources in the USA, product development, education and training, reducing costs in the chain, and working with other members of the processing supply chain.
- Sales targets were to be set by the Board and monitored throughout the life of the project.
- The Board was to develop a strategy to continue its operations beyond the two year R&D project.

2.11 Revised Seafood CRC 2007/ 704 Project methodology, June 2008

The Pitcher Partner report, released in April 2008, concluded that break-even international sales of ASR of between 180– 250 tonnes was required by SRL in the USA market, assuming no financial support was provided by the Seafood CRC.

Following the Pitcher Partners review and Strategy Co workshop the CRC and FRDC agreed to proceed with funding for Project CRC 2007/704, and establish and implement a development team in the USA to build trade volumes in the market over the next two years of the project (2008-09 and 2009-10). This was subject to SRL having a self-sustaining path forward, post the research and development funding.

It was agreed before any funding option above was implemented, that CRC 2007/704 be restructured with the inclusion of the following elements:

- Establishment and implementation of a development team in the USA
- Delivery of a communication plan
- Development or sourcing of value-added products to increase the product portfolio of ASR

- Improvement of supply chain supply chain costs and efficiencies
- Improvement and trial of an alternative SRL trading model(s)
- Engagement of other ASR processors across southern Australia.

Key Performance Indicators (KPI) developed for the project are shown in Table 1 (above Section 1.3).

The FRDC agreed to further support SRL to assess and develop longer-term commercial model options in response to the Pitcher Partner report. A joint SRL and FRDC steering committee was established and the terms of reference were developed. Capital Strategies was engaged to undertake the task to assess and develop the longer-term commercial model options, with a reporting timeline of December 2008.

2.12 Capital Strategies review of the Market Opportunities and Seafood CRC Market Development project, October 2008

Capital Strategies was appointed to determine options to meet the revised objectives of Project 2007/704, and to assess:

- the current structure of SRL and its links with its service providers
- detail alternatives to deal with governance, competition with its own members, conflicts of interest and stakeholder perceptions
- options for asset ownership including intellectual property and maximising benefits to the whole industry of any technology or process development
- recommend to the SRL Board the model that best met the short and long term needs of the Southern Rocklobster industry.

Capital Strategies' key structural recommendations (see Appendix 4) were that:

- the Market Development program be transferred to its service provider company as a wholly owned subsidiary by June 2009, which should hold all the intellectual property and assets of the project, employ the key personnel, and account for all receipts and payments
- the key project officer enter into a mutually acceptable incentivised employment contract until at least June 30, 2010 with the new entity
- dedicated resources and offices be established in the USA to manage logistics and market develop activities from within the market

- SRL or its nominee be granted a \$1 option to purchase 50 percent of the issued capital at any time up to June 30, 2010, for 50 percent of the value of the underlying net assets
- the new entity would need to have assured funding (FRDC/Seafood CRC grants could be paid quarterly in advance); could be in place by December 31, 2008, for example; and would need to comply with appropriate corporate governance requirements
- the cash flow and timing of funding for the program be clarified between the parties and consideration given to a potential 2+2 year extension, subject to satisfactory progress and review of objectives and required outcomes, in light of such progress
- the service provider should actively pursue marketing/sales arrangements with other Australian premium seafood producers, maintaining the Fisher-Direct model.

Unlike Pitcher Partners, Capital Strategies did not view short-term financial sustainability by 2010 as the critical question. They argued the project would be successful and funding would be warranted if:

- an increasing number of SRL members adopt the Clean Green accreditation (or its equivalent) which would ultimately be required in all major markets
- the major US distributor, Santa Monica Seafoods, achieve sufficient sales to continue to grow and service a market set up by SRL up to 30 June 2010 along with the other US distributors to be appointed.
- the product range diversifies to include other Australian premium seafood, and hence achieve sustainability.
- a safe method is developed for achieving live shipments to EU as well as the USA, and a value-adding methodology applied to minimise the cost of potential mortalities
- Value-add product line(s) are developed and accepted by the market in the USA, with the hope that this might produce a different outcome than was originally envisaged
- The technology being developed is followed by other processors/ distributors in other key markets such as EU, Dubai, and direct to China.
- The value of the 'Southern Rocklobster' brand is lifted in the key domestic market as the 'premium' Australian seafood, and the average price obtained lifted. The average export price should be a key KPI in measuring the relative success of the project.

Capital Strategies concluded that: “an Australian distribution business to high-end customers is in itself a significant success, and this business should be continued, expanded, supported and included in the new corporate entity,” and “If successful, such an entity could develop into a powerful and successful USA export sales/marketing venture for premium Australian seafoods. Such an entity could provide substantial opportunities for premium seafood export growth into the important and duty exempt USA market.”⁶

The CRC process had focused the project on establishing a commercial structure, while the Capital Strategies recommendations provided a direction to place the program in a commercial framework to deliver certainty to all involved, while providing the industry with an option for effective control.

2.13 Seafood CRC Project 2007/704 – YEAR 2 – 3 June 2009

From Year 2 onwards the project direction changed fundamentally with the focus on sales targets and a short-term objective of achieving a commercially sustainable business in the USA.

SRL Marketing Pty Ltd was established with SRL holding a \$1 option over 50 percent of the issued capital at an exercised price equivalent to 50 percent of Net Total Assets and working capital. This allowed SRL an option to capture future commercial benefits for the industry and provided a mechanism to provide a self-funding model to undertake market development and commercial trading beyond the life of this project.

The SRL Board transferred all trade facilitation responsibilities to the company and developed commercial agreements covering program assets, intellectual property and trading entity ownership based on Capital Strategies’ recommendations (See Appendix 17).

⁶ Capital Strategies 2008

The Board's decision was based on the adoption of the Capital Strategies' recommendation to "establish a corporate structure". Access was granted by SRL to SRL Marketing Pty Ltd to the intellectual property and assets of the project. SRL Marketing Pty Ltd was required to employ key personnel, and account for all receipts and payments.

To achieve sales targets and short term commercial sustainability, the Fisher-Direct model based solely on facilitated trade of ASR was dismantled and replaced with a conventional trading model whereby SRL Marketing Pty Ltd took ownership of the product.

The project team was expanded and included the following resources:

- SRL Market Development Manager
- SRL USA project officers – 4
- SRL Australia supply chain manager
- Project Manager
- Administration Officer

The overall project budget was reduced in Year 3 and the project extended until December 2010. FRDC and CRC advised that no further funding would be available to continue market development in the USA. It was apparent that maintaining a presence in the market with R&D funding support beyond 2010 was unlikely, even though the SRL Board supported taking a longer term view about R&D investment in the USA.

From Year 2 onwards the project undertook the following research and development program:

- establishment of a market development team in the USA
- delivery of ongoing communication and education program
- development and supply of an expanded product portfolio
- development of value-added products in the USA
- development of value added products in Australia
- improved supply chain efficiencies
- increased interaction with processors.

During the final year, SRL maintained resources in the USA and also expanded the focus to different sectors, away from the SPFD Food Service/ Steakhouse sector, towards retail sectors with value-added lobster items and the Chinese Food Service sector with large (2kg+) live white ASR.

2.13.1 Establishment of a market development team in the USA

Based on the recommendations from the Pitcher Partner and Capital Strategies reports, SRL placed more resources in the USA to continue the efforts to expand the Food Service Market in the Mid West, Central and East Coasts of the USA.

SRL based five full and part-time people in the USA to further develop the market aimed at sales growth. In addition, SRL Marketing Pty Ltd assumed responsibility for all operational activities including importing, tank management, packing orders, and local deliveries from its supply chain partner, Santa Monica Seafoods (SMS).

In-market training was provided for the team to develop their skills in educating chefs and wait staff, providing product briefings to USA distributors, arranging product demonstrations and using communication materials.

On-line internet communication with chefs was trialled but on-line sales capacity was not implemented due to the infrastructure, resources and cost required to establish a functional site and logistic system to offer all product lines.

2.13.2 Delivered ongoing communications and education program

SRL developed and delivered a revised communication program (see Appendix 18). The program was informed by the previous research undertaken by the UniSA. The program focussed on:

- direct communication to stakeholders via telephone, in-market visits and distribution via email of Chef News
- further distribution of the Food Service manual and DVD
- direct chef/wait staff training

- events including the *Boston Seafood Show*, Sydney Restaurant Show, *Santa Monica Seafood vendor support series* (see Appendix 19) and the National Restaurant Association (NRA) Show.

SRL had a display booth at the National Restaurant Show in Chicago in 2009 and 2010. The presentation included product display in a live tank, product information brochures, and trained SRL team members to speak about the product and answer questions.

2.13.3 Developed supply of an expanded product portfolio

The Capital Strategies 'basket of seafood' recommendation was adopted by SRL and the product range was expanded to include other items including a value-added range of lobster products, tuna, kingfish, abalone, mulloway, prawns and oysters.

A range of Australian seafood companies supplied products.

2.13.4 Development of value-added products in the USA

The early project findings indicated that the US market was receptive to alternative lobster products that were less risky and required less expertise to handle and utilise. For example, a trial of ASR 'steaks', in the form of green frozen lobster portions, and pre-made ravioli were presented at the NRA show in Chicago in May 2009 and 2010. The feedback was positive. The Santa Monica Seafood sales team also expressed a willingness to carry these items.

To develop value added products, SRL initially approached Australian processors, such as Ferguson Australia to conduct processing services without success.

SRL continued to pursue the value-added opportunities in the USA and worked with USA operators to develop a range of value added products and undertake lobster processing including raw tails, portions (steaks), raw shells, cooked spiders and meat, bisque and ravioli, using in-house resources located at Santa Monica Seafood.

The lobster portions (steaks) were produced using a fine tooth blade in a meat band-saw to cut across the tail in the same direction as the segments. An educational specification sheet was designed and printed for the lobster steak (see Appendix 20).

The following steps were taken to create the ASR bisque and ravioli:

- Lobster ravioli and bisque recipes suited to the high-end US food service sector were sourced from three existing customers.
- The SRL team undertook a tasting for each of the recipes and selected the final recipe based on taste and texture.
- Commercial production possibilities for each product was explored with following USA companies:
 - Ravioli
 - Pasta Mia
 - Cucina della Cucina
 - Monterey Gourmet Foods
 - Bisque
 - Village Foods (which was highly recommended and also based in Los Angeles).
- The final recipes were taken to the respective manufacturers to discuss the commercial production and capacity to produce the products in terms of process, costs and willingness to work with SRL was assessed.
- After agreement on the final recipe, a link was formed with a chef in Orange County to work with Pasta Mia (a commercial pasta manufacturer) and Village Foods (a commercial soup production company). SRL worked with these two companies to produce a commercial ready product. Both companies were based in Los Angeles.
- The recipes were adjusted to suit the commercial production process – quantities extrapolated to suit commercial quantities and the manufacturer made necessary adjustments to suit their production facilities/equipment.
- SRL provided commercial quantities of fresh cooked meat for the ravioli and raw lobster shells, liver and heads for the bisque. Small batches of each recipe were produced and then analysed to determine its quality and readiness for market testing.

- This process was repeated five times for each recipe and the necessary improvements were made to achieve commercial ready recipes (See Appendix 21).
- The final batches of the lobster bisque and ravioli were tested with six restaurants and a distributor's sales team to confirm market readiness.
- At completion, a USA labelling expert was engaged to determine the labelling requirements for both products.
- The following information was established for the products:
 - product name
 - product description
 - product picture
 - portion weight (oz / grams)
 - ingredients
 - allergies information
 - manufacturing details / contacts
 - nutritional information provided by nutritional experts
 - barcodes
 - preparation instructions
 - storage information
 - used by details
 - caution information
 - barcodes
- A gap analysis was undertaken and adjustments made to align the labels with the requirements of the Australian New Zealand Food Standards Code (www.foodstandards.gov.au).
- The final label was designed with the correct layout, sizing and content ready for printing. Education material was designed and printed for both the Bisque and Ravioli products (see Appendix 22).

As a result of this process, SRL then had confidence in the products and provided samples to high-end chefs to compare to competitor lobster ravioli and bisque products.

The resultant SRL value added range included:

- Lobster Ravioli
- Lobster Bisque

- Lobster Steaks
- Lobster Tails.

SRL also investigated the feasibility of creating and/or sourcing other value added lobster products including:

- Lobster Hors d'oeuvre
- Lobster Mayonnaise
- High pressure processed green meat
- Fresh tails
- Picked meat
- Fresh cooked spiders
- Lobster oil.

SRL did not proceed with commercial production due to cost, and in particular the record high price of ASR at the time and freight costs of small volumes of live ASR.

2.13.5 Value-add capacity established in Australia

SRL followed up the USA value-added work by assessing Australian processors in terms of capacity to produce value-added products. Brisbane-based Jobfish Australia Pty Ltd was engaged based on their history of processing large lobsters in Australia, dating back to the mid 1990's and their track record of processing and exporting other products to the USA, including bugs, crabs and prawns.

Jobfish Australia also specialises in producing valued-added crab products including whole raw/cooked crabs, raw/cooked crab sections and raw/cooked crabmeat. The appointment of Jobfish Australia provided the capacity to produce high quality products for the USA market while removing some of the costs.

An initial trial to process a batch of lobsters raw tails, raw meat and processed raw shells was undertaken (see Appendix 23). The value-added products produced at Jobfish Australia were tested in the USA (tails) and Australian (raw lobster meat) market with positive feedback about quality and presentation.

2.13.6 Improved supply chain supply chain costs and efficiencies

SRL Marketing Pty Ltd implemented these strategies to reduce supply chain costs:

- Reducing freight and importing charges
 - SRL Marketing Pty Ltd increased the tanking capacity in Los Angeles to receive larger lobster shipments, thereby reducing the freight rates due to the breaks provided when shipping larger volumes. Import charges were also reduced as the fixed cost was spread over a larger volume of lobsters.
 - SRL Marketing Pty Ltd consolidated with other seafood shipments to the US to also reduce the freight rates.
- Reduce mortality/downgrades
 - SRL Marketing Pty Ltd improved its supply chain operating procedures of live tanking with better training and by engaging its own dedicated resources and management of SRL's warehouse options in the USA.

2.13.7 Increase interactions with other Southern Rocklobster processors

SRL Marketing Pty Ltd broadened its engagement with other processors and purchased lobsters from a number of processors within the ASR industry in South Australia, Victoria and Tasmania.

3. Results

Results against the objectives are summarised as follows:

Objective 1 - Determine the super premium markets for Australian Southern Rocklobster in the USA (Mid West, Central, South and East Coast), Middle East and Europe. Achieved for USA. Note: activity in Middle East and Europe removed from the project at commencement.

The review of past research concluded that there is a significant opportunity to develop a market for ASR in the Super Premium Fine Dining sector in the USA. However, it was noted that in order to ensure the long-term viability of the program it was essential that resources were focused towards maintaining the supply chain and infrastructure, as well as building the product brand.

The NFIS Investigation Report indicated that significant capital, especially relating to live holding systems for lobsters, should be invested into the developing infrastructure in the USA. A long-term commitment towards building the market and brand awareness was also highlighted.

The desktop research and in-market survey work resulted in a comprehensive database of contacts (see Appendix 24).

The key findings from the desktop and in-market research are provided in Appendix 11 (and see Appendix 5). Table 2 shows the key results.

Objective 2 - Evaluate the supply chain (SRL Management Model) performance in the USA and domestic market. Achieved

The evaluation of the supply chain results has been documented (see Appendix 13).

From logistic and legal perspectives, the Fisher-Direct model combined with contracted chain management was successful. That is, lobster owned by the fisher from pot to plate, were supplied to customers via a contracted supply chain. The customers paid, all the fishers were paid the contracted prices plus end of year premiums, and all supply chain partners expenses were covered.

Key Finding	Implications
Customers pay approximately one third the price of ASR for whole live lobster	The market requires education on the Point of Differences (POD) of ASR that justify the price premium
Customers are familiar with using lobsters sized 1-2 pounds	The market requires education on effective and efficient methods of utilising a much larger animal (lobster)
The Executive Chef is the primary decision maker in the majority of restaurants	Communication strategies need to target the Executive Chefs
Decision makers are difficult to access, and time spent with the majority is limited	The research and development process (including education) is an enduring process that requires sufficient resources (including human)
Price and quality are the two main factors influencing purchase decisions	The market requires education on the ultra- premium quality of the product which assists to justify its price premium
The 'internal forum' of peers/ fellow chefs is the greatest communication influencer on customers (and decision makers)	Personal selling, market awareness, positive word of mouth, and customer satisfaction levels need to be increased
Majority of customers purchase only one brand of lobster	SRL must replace customers' existing brand of lobster, and not be purchased in addition to it
Customers do not purchase on contract, and utilise a number of lobster/seafood suppliers	Distributors do not appear to be obstructing sales of ASR
Customers purchase 'as required' or 'daily	SRL must be able to supply on demand and/or on a daily basis
Premium quality, wild caught, and origin were rated/selected as the 3 most important POD	In the opinion of chefs, these POD would be the most effective at encouraging consumer purchasing

Table 2: Market Research Results

The fishers had complete control of their product and were free to make decisions about supply chain services.

From a financial perspective, the freight costs associated with the Clean Green supply chain were too high given small shipping volumes; the management costs were too high for a single product; and mortalities were too high as a result of prolonged holding periods. This was not a supply chain/logistical issue but rather a combination of cost, volume and price.

Under the revised objective of achieving a sustainable commercial business model, the Fisher-Direct model was dismantled, including the traceability system, branding and fisher ownership. This was replaced by the SRL Marketing Pty Ltd importer-distributor model, drawing on any

products that could generate a profit margin.

Objective 3 Identify effective market entry strategies to achieve market penetration in the USA (Mid West, Central, South and East Coast). Achieved

The evaluation demonstrated satisfaction in high-end restaurants with ASR quality, supply, communication materials and relationship with the customer. A lack of understanding about the Clean Green Program was identified. No specific strategy emerged about how to increase the ASR purchases, apart from significantly reducing the price of the product.

The communication materials, training and events were well received by the market and provided an excellent guide and information to potential customers with no experience in using live ASR. It is difficult to judge the effectiveness in terms of sales of these activities. However, the National Restaurant Association Show was an excellent method to generate leads. Sales generation required sufficient resources to follow-up on all of the leads.

Wait staff training and incentive programs were found to be a useful penetration strategy but the chef, or the person responsible for making the purchase decisions, needed to be receptive. For example, in one trial involving incentives and staff training, subsequent sales increased by 33% in one night. An incentive program was not implemented in the USA as funding for such rewards were not available as part of the R&D project.

Distributor training generated limited results because the enthusiasm of the distributors decreased rapidly with minimal volumes and therefore profits. Typically, the distributors act as order-takers and not sellers and a high-priced, low-volume product like ASR that was difficult to sell, was 'too hard' to focus on.

Use of an external sales person also generated limited results. The cost to have a person representing a single product line in a very niche market was not cost effective with the limited volumes involved.

The provision of a live holding tank in one restaurant increased sales by having live lobsters available on demand in the restaurant. Prior to having the tank, sales to the restaurant were irregular and no more than 10kg per week. After installing the tank, the sales increased to 60kg

per week. In addition, following wait staff training and the trial incentive program sales rose further to 100kg per week. Supplying a tank did cause issues, as follows:

- lack of skilled people to operate the tank, which resulted in loss of lobsters within the tank
- ongoing troubleshooting and deliveries of water to keep the tank functioning correctly
- the customer still expected the cheapest price possible, even with the extra services provided.

The volume rebate program was not effective, and it was found that the restaurants purchased the lobster if they really wanted it, regardless of such a scheme.

The research has highlighted that there is not one single solution required to gain penetration into the SPFD marketplace in the USA, apart from applying additional resources to train, educate and stimulate chefs about the product thereby creating new demand. This assumes an acceptable price.

Objective 4 By June 2008, achieve sales of 10 tonne of lobster in the USA, at a significant price premium per kg, with a significant trend towards repeat buyers. Not Achieved

The target volume of 10 tonne of ASR sales in the USA was not achieved for the following reasons:

- The lack of development resources to penetrate the marketplace, combined with the significant challenges of developing a new high-end product in the USA
- Unfavourable exchange rate that continued to rise steadily from the June 30, 2007 rate of \$1AUD = \$0.84 to a high of \$1AUD = 0.95USD. This 11 percent increase was 16 percent above the anticipated exchange level of \$1AUD = \$0.79.
- The beach price rose to record highs at \$107/kg
- The USA experienced an economic downturn and this resulted in the price reduction of the American lobster
- A movement started in the USA food service sector to accept product forms that would assist in reducing labour costs, and this resulted in the market choosing cheaper protein forms, pre-prepared to minimise costs and maintain profits.

Objective 5 By June 2008, make a decision whether or not to establish a self-funded commercial entity to export lobsters to USA, based on the preparation of a business plan and identification of sources of start-up funds. Achieved

Failure to meet the Objective 4 target triggered a series of reviews and recommended actions aimed at establishing a sustainable commercial entity. This became the key objective for SRL and in response to the strategy recommended by Capital Strategies, SRL Marketing Pty Ltd was established to undertake commercial trading.

From 2009 onwards, SRL Marketing Pty Ltd increased its range products sold, increased sales volumes and created freight consolidation from Australia to the USA, thereby reducing costs and increasing revenue.

The live ASR market remained a challenge, with 10 to 15 percent mortality rates upon arrival as well as within the tanks, and seasonal supply of large lobster and extremely high beach prices impacted on volumes.

SRL achieved some success in penetrating the traditional Chinese food service sector with large live ASR. This was a challenge, but a worthwhile exercise, with approximately 200 to 250 kilograms of live ASR sold to the traditional Chinese sector on a weekly basis, and this was the most consistent business SRL Marketing Pty Ltd had achieved in the USA.

SRL developed and created value-added products for the USA marketplace (see Table 3) in conjunction with Jobfish Australia, Pasta Mia, Pacific Pride Seafood and Village Green Foods.

The market feedback on the quality and packaging, coupled with the ability to process and store, highlighted that value-adding was a key strategy for utilising undervalued live ASR (2kg+, legless, damaged or weak lobster). This finding was in line with the original direction proposed by ABL in 2005.

The valued-added items developed through the project by SRL received positive feedback from the market. However, given the downturn in the US Food Service sector, price was the limiting factor against the cost effectiveness of processing in the USA compared to Australia.

Penetration of the retail sector did not occur in the USA with valued-added items (ravioli and bisque) primarily due to high wholesale price points of each of the respective products:

- ASR ravioli wholesale price of \$1.12 per piece (1oz) versus competitor lobster ravioli prices as low as \$0.80 per piece (1oz)
- ASR bisque wholesale price of \$0.46 per oz versus competitor lobster bisque prices as low as \$0.30 per oz.

The high price of ASR value-added products was the result of the high purchase price of ASR at the beach⁷, production costs for low volumes and the exchange rate. The products were well received, but required further development work to reduce the price point, and provide and education and training programs to build awareness of the POD of ASR value-added products to the USA market.

At the time, Australian production capacity options were identified for both the Ravioli and bisque, and the two key companies identified included:

- San Remo for the Lobster ravioli
- Sydney Fish Market for the lobster bisque.

Even though the industry received record prices over the 2008-09 fishing season, large lobsters (2kg+) continued to be a problem for the industry through the peak catch period from late January until May, with an average price of approximately \$28 per kg. SRL Marketing Pty Ltd traded of 4395.11 kilograms of live ASR in the 2008-09 financial year, of which 3190.64 kilograms was traded in the USA and 1204.47 kilograms in Australia.

In addition, SRL Marketing Pty Ltd facilitated trade of 3575.66 kilograms of other seafood items (Kingfish, Mulloway and New Zealand oysters) and traded \$49,676.43 (~431kg) of value-added ASR products in the 2008-09 financial year. With the expansion of the seafood basket, volumes increased in the USA by 87 percent.

In 2009-10 financial year, SRL Marketing Pty Ltd facilitated trade of approximately 7,600 kilograms of ASR products (live, frozen and value-added products) and a further 37,000 kilograms of other seafood items (Australian farmed Abalone, New Zealand Oysters, Australian Crabs) and fish (Barramundi, Cobia and Snapper).

⁷ By 2009-10 season, the ASR average beach price rose to approximately \$65/kg, and the exchange rate increased to as much as \$1USD = \$0.9AUD.

VALUE-ADDED ITEM	STATUS
ASR Ravioli (Food Service package) made and packaged in the USA	Developed product received excellent customer feedback regarding <i>taste, quality</i> and <i>flavour</i> . Wholesale price point \$USD\$1.12 per piece (~1oz) restricted business.
ASR Bisque (Food Service package) made and packaged in the USA	Developed product received excellent customer feedback regarding <i>taste, quality</i> and <i>flavour</i> . Wholesale price point \$USD\$0.46 per piece (~1oz) restricted business.
ASR Ravioli and Bisque package (retail package – 7oz package of bisque and ravioli) made and packaged in the USA.	The first commercial product was produced in Feb 2010. Market feedback was limited due supply availability of raw materials to produce the product and limited timeframe due to the project completion.
ASR Bisque package (10oz) made and packaged in the USA	A commercially ready product was produced on March 10, 2010. Market feedback was limited due supply availability of raw materials to produce the product and project completion.
ASR green raw leg and knuckle meat (500grams) made and packaged in Australia	Product yields determined (15-17% recovery from the lobster body – legs, horns, head and knuckle meat), raw material assessed and market feedback were excellent. Trials were completed with customers in Australia and the feedback was excellent regarding the <i>taste, texture and quality</i> . The product form adds further value to the food service sector as it saves labour costs. Wholesale price point was \$115 per/kg, based on a beach price to fishers of \$35 per kg.
ASR Frozen tails (5kg package) made and packaged in Australia	Product yield (33-35% recovery from the lobster tail – shell on and including the meat connecting the tail to the carapace) and packaging tested and market feedback was excellent. Trials were completed with customers in Australia and the feedback was excellent regarding the <i>taste, texture and quality</i> . This product was <i>Rock Salt Frozen (RSF)</i> and produced only from live lobster. The outcome is super high-end sashimi grade and optimal freshness. Wholesale price point was \$115 per/kg, based on a beach price to fishers of \$35 per kg.
ASR stock package – consists of green shells and tomalley (500gram) made and packaged in Australia	Produced during the product yield trials, but limited market feedback.
ASR frozen steaks (2-3, 3-4, 4-5 & 5.5oz+) made and packaged in Australia	Production in the USA occurred and customers were satisfied with the presentation and quality. It wasn't viable to produce steaks by themselves and needed to be done in conjunction with raw meat and bisque production. Steaks have not been produced in Australia.

Table 3: Value-added products utilising undervalued Australian Southern Rocklobster

The ravioli and bisque products were not taken to the market on a commercial basis because the project was due to end.

The commercial results of SRL Marketing Pty Ltd trade are detailed in Table 4.

	2007/2008	2008/2009	2009/2010
SRL facilitated commercial sales	\$749,475.00	\$566,416.00	\$1,334,942.21
Margin available to pay platform resources	\$54,649.00	\$76,836.00	\$140,000.00
Margin percentage of total sales value	7%	14%	10%
ASR volume traded (kg) – USA	4506	3190.64	7300
ASR volume traded (kg) – AUSTRALIA	6007	1204.47	300
Other seafood volumes traded (kg) – USA	0	3575.66	37000
Project 2007/704 expenditure	\$611,517	\$674,772	\$485,000

Table 4 Commercial Results: 2007 – 2010

Since SRL Marketing Pty Ltd adopted the “basket of seafood” approach in the USA, it continued to build margin to contribute to USA resources and market development costs.

More specific results from the project are as follows:

- Skilled resources – people with experience to develop markets, manage supply chains and develop value-added products
- Knowledge – products, packaging/labelling, logistics, live holding, supply sourcing, understanding and dealing with market forces, exchange rate movement, supply capacity, market position and market development strategies
- Framework – SRL has the understanding and commercial option to undertake global business

- Relationships – key relationships have been developed over the life of the project which is essential to establish commercial business
- Industry capacity/knowledge – the industry has an understanding of the challenges and strategies required to develop the market.

It has also been established that:

- High-end restaurants and celebrity chefs, in Australia and USA, can and do support ASR as one of the finest lobsters in the world.
- High-end restaurants will pay a premium for ASR when its freshness, product quality and texture and Clean Green process is thoroughly explained and understood and price is competitive.
- Partnerships between SRL, fishers and the supply chain can be established with direct benefits of the partnership flowing back to ASR fishers.

Specific project outputs include:

1. database of contacts and relationships in the USA/Australia and other contacts from around the world
2. commercial entity - SRL Marketing Pty Ltd (Australian company) which SRL maintains an option take a 50% interest on behalf of industry
3. commercial agreement between SRL Marketing Pty Ltd and SRL
4. resource kit – website, recipes, education materials, sales techniques, management systems, draft online e-commerce shop, online email education system, chefs' newsletter, photos and testimonials
5. financial systems – USA bank accounts, companies, visas for key project resources, accounting systems and foreign exchange facility
6. branding – Clean Green product certification
7. intellectual Property – Processes and techniques to create value-added products such as bisque, ravioli, raw meat, tails and portions
8. supply chain contract management system
9. traceability system established and trialled for individual lobsters.

The R&D results and outputs are currently being applied on a day-to-day basis by SRL Marketing Pty Ltd and are transferable to new markets.

4. Discussion

Project CRC 2007/704 was ambitious and faced difficult challenges in developing a USA market for 2kg+ live ASR in the SPFD sector. A number of the starting assumptions, based on the best information at the time, were found to be flawed or at best highly variable. Global economic conditions, supply contraction and quota reductions, record beach prices and a rapidly appreciating Australian dollar, also contributed substantial challenges for project. Key assumptions included the following:

- Demand existed and this was demonstrated by research in Project 2004/251 for super-high-end items in western Super Premium Fine Dining (SPFD), Steakhouse and Gaming Food Service sectors
- Supply chain mortality would not exceed 7.5 percent
- Exchange rate was relatively stable around \$1AUD = \$0.78USD
- Large lobsters were a significant problem with the average beach price being approximately \$30 AUD per kilogram and supply readily accessible, with fishers willing to commit to supply under a contract
- World lobster prices were at reasonably high levels at the starting point and lobster were considered a luxury seafood item.

The challenge increased as a result of many uncontrollable changes, including:

- unpredicted downgrades and mortality levels along the supply chain of between 20 to 25 percent
- 12 percent increase in the value of the AUD, over the target rate of 1AUD = 0.78USD
- world Global Financial Crisis (GFC), resulting in a downturn in demand for luxury items within the Western Food Service sector
- increased Australian live lobster prices in the Chinese market of \$10 to \$15 AUD per kilogram beach price above the target price of \$30 AUD per kg beach price for 2kg+ lobsters, and average prices across all grades exceeding \$65/kg
- reduced ASR catches, resulting in limited supply due to management constraints- The result of reduced catches within quota-managed fisheries is that the fishers targeted higher valued lobsters (0.6 – 2kg) to maximize their individual returns, resulting in fewer lobsters harvested in the 2kg+ range

- World lobster (e.g. Maine, Floridian, Cuba) prices collapsed in value by at least 50 percent, and ASR premium grade (0.6-2kg) prices escalated by 50 percent for the live Chinese market, and this was against the world trend.

Other elements of the project are discussed below.

4.1 Market Understanding

The lead up research did not provide a comprehensive understanding of the nature of the US market before commencing development activities in the USA. In particular, the USA's highly competitive market was underestimated and the anticipated opportunities were much higher than the immediate reality.

The US market across all seafood / food segments does not discriminate on origin and uses the following criteria in to make purchasing decisions;

- price and this has been a more significant factor given the recent economic conditions in the US market
- product form
- supply capacity
- quality
- service /relationships.

If the market development approach includes the criteria above, the chance of success in the USA market will be increased. If these criteria cannot be met then failure is likely. Based on experience in developing the USA market the following checklist is required for success:

- the culinary capability of the product needs to be accepted by the market
- the product form needs to be accepted by the market
- consistent supply because this varied and provided supply problems over the life of the project
- consistent high quality of live ASR
- SPFD chefs need a high level of service, and a trusting relationship must be established, even though this can take many years to establish and is an expensive exercise.

- Acceptable protein price level to achieve a 30% - 35% food cost.

To build the USA market at a high price of US\$30/lb. (A\$65/kg), the product must be differentiated and it takes significant time and resources to develop such a market. The product form can also impact on the level success in the USA market. For example, lobster tails are an accepted product form in the western USA SPFD sector, and it is believed that the uptake would have been greater compared to live lobster.

Based on the SRL's experiences, it is assumed that the criteria above can be applied to all markets, as the world is becoming a global market and being local does not mean the product being marketed automatically has an advantage. The learning is that the USA market is highly competitive and this attribute can't be ignored when trying to develop a new product.

In addition, the USA is an extremely large market, so knowing the target market and having more than one target market is important for success. The USA, in the opinion of the author, has a combination of distinct segments:

- high-end western food service sector (value-added/ live)
- high-end Chinese food service sector (value-added/ live)
- high-end Japanese food service sector (value-added/ live)
- high-end western retail sector (value-added/ live)
- high-end Chinese retail sector (value-added/ live)
- high-end Japanese retail sector (value-added/ live)
- e-commerce (value-added/ live).

SRL commenced working directly with high-end Western Food Service sector via chefs in that sector because this was identified through project FRDC 2004/251. However due to the changes in the market, such as that GFC and high prices for product, SRL was forced to diversify.

The USA experience strongly indicates the need for more than one market or product because markets and global conditions can change substantially.

4.2 Supply

SRL commenced the project with fishers committed to forward supply contracts stimulated by a price “crisis” in the early 2000's. Fishers were not used to maintaining ownership through the entire chain and accepting reduced payment if a lobster died after it left their boat.

To SRL's knowledge it was the first time that ASR fishers had committed supply through a forward contract arrangement. SRL secured 30 tonnes of forward contracted lobster supply by 31 December 2006 in preparation for the development of the USA market.

In addition, forward contracting fishers also provided cash flow for the program to cover stock and debtors. The traditional model sees payment within a few days of passing ownership to processors, while the USA program required fishers to “wait” until stocks were sold. Final “bonus” payments occurred after the end of the financial year when returns from all sales including downgraded product and chain costs were finalised in Australian dollars.

These were significant changes in culture for the industry, and demonstrated that if the drivers are present, in this case low beach price and desire to spread market risk, fishers will change. That said, memories are short, and supply became variable as prices recovered to record highs during the project.

Taking the best price on the day continues to dominate the thinking of fishers and development of alternative markets will be difficult in the absence of a mechanism to guarantee long-term supply and deal with cash flow requirements.

SRL has commenced exploring options to create ‘import desk’ type models to enable a single entry point with supply and price certainty, similar to the Riversun citrus model through a market visit to China in 2005 (See Appendix 25).

4.3 Capacity, Competitiveness and Competition

This follows on from market understanding as described above. To be successful long term, sustained commitment is required in the communication and distribution process involving product introductions, training, samples, niche distribution and logistics.

The project had the education tools and materials but SRL operated a managed supply chain structure involving some participants/partners who were supportive but sceptical. As a result, the SRL program was low priority and simple operational matters were sometimes difficult.

Delivering on the promise in this early start-up phase was time-consuming and resource intense, and SRL's competitiveness and ability to deliver a premium product to the marketplace was impacted.

Essentially, a difficult task was made more difficult as a result of the following:

- Capacity and desire at every level of the supply chain did not exist to create logistics/production costs that were globally competitive.
- The route to market was not the most cost effective, with high freight rates for small volume shipments.
- The lobster handling costs were not competitive, and even though lobster processors were willing to help, the pricing provided to undertake the activity was not comparable to alternative markets. For example, processors would sell large lobsters at cost, while SRL would pay a premium.

It is clear that every level of the supply chain needs to be committed to achieving success, in order for such a project to become successful. Commitment usually is driven by profit and the difficulty in any start-up phase with low volumes is that profits initially are likely to be marginal to chain participants overall business.

Another essential key to development of the market is spending time with the customers to educate and develop relationships. These tasks were underestimated and, upon reflection, this should have received greater emphasis in the planning stage.

Competition also emerged from a number of angles during the project. SRL observed an increase in the number of USA operators carrying/importing ASR in the USA following commencement of the research and development activities. In some cases, significantly lower prices were offered in the USA marketplace, as a result of lower beach prices being paid to fishers by Australian processors. For example, in February 2010, the lowest beach for 2kg+ lobsters was \$17 AUD per kg, compared to \$30 AUD per kg beach price paid by SRL Marketing Pty Ltd to fishers.

During the project, ASR catches significantly declined with 30 percent less product than the previous year, and the price of the ASR in the traditional market escalated, with average beach price exceeding \$65 per kilogram. At one point, a \$107 per kilogram beach price was achieved in Robe, South Australia.

In the USA Maine lobster fishery, the exact opposite was occurring. The East Coast Maine, the largest lobster fishery in the world with 40,000 tonne catch per annum, lobster price levels dropped to \$2 - \$3 USD per lb. (\$6 - \$9 per AUD per kg), some \$55 per kilogram less than the average ASR beach price.

Even with the price of the American lobster at these levels, the demand was still low as American lobster is considered a luxury food item and restaurants were avoiding using luxury items on their menus due to global financial conditions (see section 4.10 below).

Finally, the level of downgrades required a solution in terms of value-adding to increase the financial recovery from a downgraded lobster. The nature of value-added products has promise in the USA, as the supply chain in the USA has experience in handling packaged fresh/frozen products.

4.4 Branding, Education Materials and Capacity

Branding and product education material (product user manual) to support niche market development is essential and critical to success in the USA market. When developing a niche seafood market in the USA the correct tools are required, these include:

- A brand provides the product with a name.
- Brand definition - What is the brand meaning and differentiation from other products? What are its story, uniqueness, size, origin, X-factor and reasons why the product's quality is above the rest? Is it sustainability, packaging, and what messages are portrayed and presented about the product (e.g. Australian origin)?
- Product information – Information about size grades, product forms, packaging, pricing, sustainability, origin, harvest techniques, food safety and timing and availability are important, This includes notifying that the product arrives in the USA on Monday or Tuesday.
- Product utilization and handling instructions – yields, storage techniques and temperatures, shelf life, recipes and cooking options/instructions
- Website – provides the market with confidence that the product is legitimate
- Testimonials from others to support the product, not simply SRL as a self promoter
- Materials that can be provided to the market – specification sheets, brochures, DVDs, stickers, hats, shirts, handling/ utilization manuals and so on
- Resources that can train the market in the above information, and resources to transfer product knowledge to a new, uneducated market of chefs and food industry personnel.

SRL did not have all these tools when it commenced in 2007, but over the life of the project the tools were developed. The requirements were more sophisticated/involved than anticipated, especially in an ever-changing market. In SRL's experience, these tools are essential to develop the USA market and these 'assets' developed in the project are being used by SRL Marketing Pty Ltd.

4.5 Value Adding

SRL made an initial decision to develop value added products in the USA, in an effort to build revenue in the USA. In hindsight, the concept of processing in the USA was flawed due the high transport costs (air freighting lobsters at \$8 per kilogram, and once lobsters arrived, there was an unrecoverable 20 percent water loss after processing). High processing costs and a lack of processing expertise resulted in a reduction of product quality.

It was evident, based on the high processing cost and the absence of relevant quality controls that any processing of raw ASR product should occur in Australia or a location where the processing costs and waste were minimized. Consolidation on freight to the USA was also seen as important to reduce freight rates and the price to the consumers.

The outcomes from the valued-added program were significant and the items were researched, developed and trialled in the USA market. The feedback regarding quality was in line with the premium image ASR was building in the USA market. However, economics of processing in the USA was not viable with a high price point due to a high beach price, high processing costs, excessive weight loss and freight rates. Accordingly, this research supported the recommendation to process in Australia.

With products being produced in Australia, different value-added items, produced from a single lobster, can be placed in a range of global markets.

4.6 “Basket of Seafood” Approach

In SRL’s experience, the adoption of the ‘basket of seafood’ improved SRL’s chance of success in building a sustainable commercial platform in the USA. The success of development tasks were made easier when more than one seafood item was on offer to the customer. This is consistent with the ‘general distributor’ model within the market.

A multiple product offering has the following benefits:

- A key barrier to building a market is price and anything that increases the product cost against the competitor’s products is a disadvantage. When developing a market, in the start-up phase, when shipments consist of small volumes, the result is high

freight costs. Given the time lag to build volume on a single product like ASR, the price is increased and results in a disadvantage from the starting point. For example, a 100kg shipment freight rate is \$8 per kg versus a 1000kg shipment freight rate of \$3 per kg versus a 10,000kg shipment freight rate of \$0.75 per kg).

- Hence freight rate economies of scale can be achieved with a 'basket of seafood' in a shorter timeframe, as greater volumes can be shipped to achieve competitive freight rates. Based on experience the difference between an AV freight rate and the loose rate of a shipment at less than 100kg, is equivalent to the commercial margin.
- Almost every customer asks what other products can be supplied. A 'basket of seafood' provides development resources (people) more opportunity to create relationships within the market, because the chances of supplying are increased with more items. For example, oysters are sold to a customer, and then additional products can easily be supplied. The 'basket of seafood' allows sharing of resource, distribution and promotional costs and in SRL's experience the approach increased SRL's chance of success in building a sustainable platform in the USA.
- The USA market is accustomed to single suppliers providing multiple items - current distributors carry many items, providing a 'one stop shop'. The goal of a USA distributor is to capture the chef's whole seafood order, as it is easier to expand current business versus building new business.

Under the Fisher-Direct platform, when supplying directly to the restaurant market, the third point above is valid. If the strategy is to supply importers/distributors, this would not be the case. When using a distributor, there has to be enough margin in the supply chain for the distributor to make money, at normally 20 to 25 percent, otherwise the distributor is better off selling an alternative product at a higher margin and volume.

4.7 Funding

SRL's experience has demonstrated that market development is expensive and has many hidden costs and investment needs to be made for the long term to enable the required relationships to develop. This was acknowledged by the SRL Board prior to commencement of its market research and development activities.

The investment and timeframe, especially under the ever-changing circumstances, were totally underestimated prior to entry into the USA market and many companies marketing other products e.g. meat and wine, have spent a 'lifetime' offering the best supply, service and quality. Also, these companies have been re-investing back into their customers and promoting themselves to build awareness.

The USA market cannot be developed without providing samples; funding resources to meet and educate the market; providing materials and meeting expenses such as travel, phone, insurances and trade show expenses. All of these activities are expensive and when operating within the high-end of the market, it is important to reflect and 'act' like the high-end of the market.

Brand promotion is vital, and some mechanism/budget is required to provide funds for promoting and advertising, as the market is being developed. This does not need to be excessive, but a budget needs to provide extra support to build the brand and awareness within the market. SRL did have funds for communication and education but did not have funds for a planned marketing campaign as part of the project in the USA.

The original funding model which enabled in-market R&D to be conducted in-conjunction with trade facilitation through the Fisher-Direct model, delivered operational efficiencies and R&D closely aligned to commercial activity.

4.8 Structure

The role of SRL was not well understood by people who were not part of the program, and this created work and time explaining the model. SRL operated a pilot Fisher-Direct model to facilitate trade of live ASR between 2007 and 2009. SRL's focus was developing the USA market and facilitating trade. The intended focus during the project was not about establishing a new company and making profit for SRL. All margins from the Fisher-Direct activity were returned to the fishers who were the legal owners of the lobster through the chain.

Three years after the trade of the first lobster was facilitated in the USA market, SRL Marketing Pty Ltd, a commercial trading entity, was established in 2009 and now undertakes all commercial operations. This is a completely different model to that recommended by ABL in 2004.

The ABL recommended model is fisher ownership from 'pot to plate' with service providers engaged through the chain. Funding the market development of their product was the basis on which fishers committed funding above the 0.25% of the GVP FRDC levy from the ASR fishers.

The project supported market development alongside the Fisher-Direct program. The Fisher-Direct model worked, but was dismantled for a conventional business model given the short-term commercial targets set for the project.

4.9 Managing Risks

Managing risk is essential for success in any business. Two initially unmanaged key risks emerged from the project: namely, the exchange rate and the mortalities or second grade product.

SRL's key learning regarding the exchange rate was to include a strategy upfront to either lock in the exchange rate or pass fluctuations back to the fisher. Either way, the costs need to be borne by the fishers. During the project, SRL, through good luck rather

than good strategy, managed to meet fisher price expectations against widely variable exchange rates. Further work is required in this area.

With regard to mortalities, it was found that not having a strategy to market second grade product was a major problem and diminished returns to the fishers participating.

The reason for having a second grade market, or a strategy to achieve equivalent return to live product from downgrades is to keep the fishers' support by providing a comparable beach price for downgrades. For example, through the project, SRL developed the capacity to extract green, or uncooked, meat from the head, legs and knuckles, and within the Australian market this product was sold at price point to recover the \$70 to \$100/kg which was absorbed as a loss in the USA. This is something that was not considered prior to the commencement of the project, and SRL initially did not have a strategy to deal with second grade or downgraded product.

Having a strategy to deal with second grade lobster was found to be essential to maximise returns and was one of the catalysts for developing value-added products.

SRL implemented a number of risk management strategies and dealt with major challenges throughout the project including:

- transit insurance
- credit insurance
- downgrade allowance which was underestimated, as described above
- creation of value-added products
- exchange rate to allow for some upward movement of the exchange rate, hedging and passing onto the fishers
- changing service providers.

4.10 Global Financial Conditions

At the same time as SRL placed more resources in the USA to develop the market, the Global Financial Crisis (GFC) unfolded, triggering a liquidity shortfall in the US banking system.

The financial crisis resulted in reduced strength of the Australian dollar, which meant the \$1AUD = \$0.65 USD, falling from \$1AUD = \$0.95 USD. This 30 percent decrease happened in approximately a two-month period. Given the historical movement in the exchange rate, the SRL Marketing Pty Ltd took a currency hedge at \$1AUD = \$0.82 USD. This was implemented to provide price certainty to fishers.

The stimulus of the low exchange rate was overshadowed by the GFC and US SPFD/Steakhouse sector went into a downturn and was not choosing to place luxury items on their menus. A downward demand trend emerged for luxury goods in the US Food Service sector and the restaurants were choosing to purchase lower value protein items.

As a result, high-end restaurants were featuring tilapia and catfish on their menus, which are amongst the lowest priced fish protein available, allowing restaurants to reduce plate prices whilst maintaining profits.

The GFC led to a 40 to 50 percent downturn in business in the US Food Service Sector, and another trend commenced where consumers were choosing to cook at home. This did spark an increase in business in the retail sector, but the sector was looking at providing customers with value for money and not choosing to carry luxury items that were slow to sell.

5. Benefits and Adoption

5.1 Short Term

The short-term, tangible benefits arising during the life of the project were as follows:

- When large (2kg+) ASR were traded in the USA, prices achieved by fishers who supplied the program were at least equal to and up to \$7.5/kg above the beach price at the time.
- Supply was diverted from traditional markets and, in a limited supply situation, this will have had some unmeasurable positive impact on price.
- Creation of an alternative supply chain, incorporating fisher ownership from 'pot to plate' which was operated on a fee-for-service basis, delivered commercial revenue to service providers.
- With the advent of a 'basket of seafood' approach, and the establishment of SRL Marketing Pty Ltd, suppliers provided a range of products at commercial rates to the program, It can only be assumed that these products were purchased at prices that were profitable for their businesses.
- A suite of value-added products has been developed ready for commercial production, a significant benefit is the utilisation of low-value, large lobsters which have been an ongoing issue for the industry.
- A database of actual and potential customers and a suite communication tools have been created. These were applied in the market development program in support of both the 'Fisher-Direct' program and SRL Marketing Pty Ltd.

The volume of product traded through the Fisher-Direct platform, and subsequently SRL Marketing Pty Ltd, was relatively small and the overall positive impact on industry revenue is likely to have been minor.

In terms of adoption:

- Seventy-two Clean Green certified fishers across Victoria, South Australian and Tasmania adopted the Fisher-Direct program and forward contracted ASR. This was about 15 percent of Clean Green participants and 10 percent of all licence holders.
- Thirteen Australian ASR processors adopted the program, and this included most of the major Australian processors.

- One Australian and two USA food manufacturers produced value-added ASR products for SRL.
- Seventeen seafood suppliers have dealt with SRL Marketing Pty.
- Two USA based importer/seafood distributors adopted the Fisher-Direct model and have also dealt with SRL Marketing Pty Ltd.
- One hundred and ninety two customers purchased products.
- One commercial Australian owned seafood import/export business is operating in the USA and Australia and is generating profits.

5.2 Medium Term

A significant outcome of the project was the development of a successful private-sector company SRL Marketing Pty Ltd that is continuing to develop the USA (and Australian) market for ASR to the benefit of the entire industry.

5.3 Long Term

The longer term benefits, for 5 years and beyond, are less quantifiable and include the capacity acquired to implement global market development skills, experience and knowledge; R&D; business frameworks; relationships; and education and training (see Section 7 below). In the future these benefits may be applied to:

- the diversification of chain structures to position ASR on the basis of quality, standards, service and brand recognition
- the facilitation of market development activities dealing with all elements of the logistics, administration and finance involved in a 'Fisher-Direct' model
- the operation of supply chain participants on a fee-for-service basis
- the development of markets supplying a 'basket of seafood'
- market efficiency programs (see Section 6.3 below)
- the ongoing commercial operation of SRL Marketing Pty Ltd.

The likely adoption of these outcomes from the project in the long term are difficult to predict and will be a function of the following:

- the ongoing commercial success of SRL Marketing Pty Ltd
- the future market development strategies adopted by the industry.

6. Further Development

The project has not overcome the inherent risk of the traditional ASR commodity selling structure with many competing exporters selling to limited export markets, namely China, Hong Kong and Taiwan. The large, low-value ASR also remains a problem albeit at a higher overall price, and the current traditional chain does not involve a brand, standards, traceability and information flows between catchers and consumers.

The next steps or direction for market development are subject to considerable debate within the industry, and a review was commissioned by SRL and the CRC in 2010 to provide direction to SRL's market development program.

6.1 Project 2010/716: Consultation with Southern Rocklobster Industry in Australia on Market Development Opportunities, July 2010

The objectives of the review of the market development program, conducted by John Allen, were:

1. to identify market development opportunities which are pre-competitive; able to be exploited by any businesses in the SRL industry; and benefit all SRL members and these may involve market testing, market studies, product development, and so on
2. to identify and resolve factors that will encourage individual businesses to participate in market development projects
3. to identify opportunities for SRL members to use the education and training funds in the CRC, and in addition to SRL funds, to assist in implementing any market development opportunities.

The John Allen report summarised interviews with members of the ASR industry and confirmed:

- Fishermen remain concerned about the industry's dependency on China and this is consistent with SRL's view and is why SRL pursued the development of alternative markets, using the undervalued part of the catch (2kg+ lobsters).
- The current processors did not seem to care as much as the fishermen regarding the dependency on China and this is consistent with SRL's views and is why SRL has taken the lead with market development (see Appendix 4).

The report recommendations are listed below (see Appendix 4):

- SRL needs to become more proactive in promoting the *Clean Green* initiative within the lobster fleet. This will require the appointment of at least one individual who is completely focussed on the *Clean Green* Program.
- Traceability should be introduced after SRL has achieved acceptance of the current *Clean Green* program. To begin traceability program, without a solid *Clean Green* base, may well add to the confusion and perception that the *Clean Green* program is too complicated. Traceability will be essential in most sophisticated markets in the future.
- Cease all activity in the USA and clarify who owns the intellectual property, what is the intellectual property, and is the intellectual property of value?
- Create a market development plan to sell Southern Rock Lobster in Vietnam. This was suggested by a couple of processors interviewed. Vietnam is a market in closer proximity to Australia with all the benefits of easier service and was suggested as an alternative to the USA that is seen as a very difficult market to conquer. Vietnam has a growing economy and a large number of wealthy individuals and Vietnamese cuisine is based largely on seafood. The alignment of SRL with a key exporter in Australia would allow the exporter to do all commercial activity, while SRL would bring key partners in the Vietnam supply chain into contact with that exporter. A study of the Vietnam market would be required and a detailed plan would need to be developed but, if successful, this model could be used in other countries or regions.

Information from participants provided in the John Allen (see Appendix 4) report include the following:

- “I believe that all stakeholders agree that SRL should be seeking alternative markets as the reliance on China has significant risk. However, it is also believed by exporters that the price in China is as high as we will get anywhere in the world.”
- “Be clear on why we are seeking new markets, is it purely to spread risk or is it to sell the large white lobster of over 2kgs? Is it to gain a higher price/kg or is it a *Fisher-Direct* strategy?”
- “My recommendation is totally against the *Fisher-Direct* strategy; it is my opinion that the industry needs the processor/exporter and needs to form more of a partner

relationship with the key players. SRL should focus on say, six key processor/exporters and work closely with them to grow the market for Southern Rock Lobster.”

- “Create a market development plan to sell Southern Rock Lobster in Vietnam.” (Suggested by a couple of processors interviewed)
- “Insist that all directors of Southern Rock Lobster Limited attend and gain accreditation in the ‘Company Director Course’ of the Australian Institute of Company Directors so that they all fully understand their fiduciary duties and legal liabilities.”
- “Appoint at least one full time executive officer to report regularly to the Board of Directors of SRL, and who would be incentivised by the achievements set and agreed KPI’s.”
- “Increase all communication with all stakeholders. The SRL Executive Officer should attend all zone lobster meetings and written communication should be more factual than promotional.”

The Allen Report re-confirmed the need for market development within the ASR industry (see Appendix 4, Recommendations 3 & 4), but the report offers little in terms of the structural and market issues discussed above (see Section 4). Further, it suggests a plan to sell lobster in Vietnam based on a market study and plan.

6.2 SRL Position

The continuation of the market development, focusing on value-added products, using undervalued ASR, produced in Australia for other markets (e.g. USA, Australia, Japan, Singapore and Europe) has been supported by the SRL Board, South East Professional Fisherman Association (SEPFA), South Australian Rocklobster Advisory Council (SARLAC) and Tasmanian Rock Lobster Fishermen’s Association (TRLFA).

SRL, through its Strategic Plan, has endorsed a strategy that involves the following:

- examining market diversification for Southern Rocklobster, including development of an appropriate range of products (including value-added products) to service those markets
- industry funded capacity to undertake continued market development and promotion activities for ASR post-research and development activities.

6.3 Suggested Next Steps

The following is based on an assumption that the ASR industry supports market diversification, because of the risk associated with the traditional market.

6.3.1 The 'Great Divide'

A first step should include dealing with the apparent 'great divide' in approach to market development namely:

- the ABL recommended Fisher-Direct model
- a processor led model.

Until the strategic/structural approach is resolved, forming a cohesive approach to market development will be difficult with fishers and processors remaining disconnected in any implementation phase.

SRL, having worked closely with a group of processors/exporters in an attempt to build the USA market, does not see evidence of the processing sector collectively driving major investment in brand building, standards, market diversification and/or supply chain restructuring.

The reality is no individual processor is likely to take the risk and/or incur the costs that will be involved, as they are unlikely to capture the long-term benefits. Hence SRL must play a lead role in establishing the approach, and then applying the substantial resources they have acquired over the past 10 years to future programs.

6.3.2 Success factors

There appears to be agreement that success will involve some or all of the following:

- development of premium value-added products suited to the marketplace(s)
- development of alternative markets at a price point that returns fishers the same or near the Chinese live market
- economical logistics and this may require consolidation with other Australian products

- commitment of resources to manage research and development and link directly with commercial trade
- adequate and secure funding for R&D and promotion and
- secure supply.

Establishing a commitment to deal with these challenges, under either of the approaches referred to in 6.3.1 will be important in planning future programs. This will require commitment of supply by fishers, cooperation between Australian processors, supply chain standards and structures and well funded in-market programs. The following feedback from in-market investigations in China reinforces this:

“What do we expect for Southern Rocklobster in China - when there is no investment in:

- *differentiation (branding) in the market,*
- *promotion,*
- *quality control,*
- *support information and training for the chain participants,*
- *relationships and*
- *no information flow in Chinese between the industry and the market?!”⁸*

With regard to China, an investigation of export efficiency powers was recommended with the view of establishing an ‘import desk’ in line with the Citrus industry model (see Appendix 25). The SRL experience in the USA indicates an ‘import desk’ model should also be investigated as a third option as a market development strategy for all markets.

The Australian citrus industry has operated under export efficiency legislation for many years, operating ‘import desks’ in a range of export markets (see Appendix 26).

6.3.3: Resources

This project has delivered a suite of intellectual property, value-added products, branding, alternative supply chain systems, resources, structures, relationships, communication tools and a commercial entity to support further market development, be that with live or value-added products.

⁸ Australia China Agricultural Cooperation Agreement Project Report “*Strategies for export of Australian Southern Rocklobster directly into China using a coordinated “import platform”*”, 2005, p3.

These resources are available for use in either approach (see section 6.3.1) and can be incorporated in future programs.

6.3.4: Funding

Perhaps the single largest challenge is that of establishing long term substantial funding for market research and development, including promotion programs. The following examples provide insight to the level and duration of commitment required for successful market development:

Case Study 1: Coopers, a South Australian brewer, has been developing a market in the USA for six years now, with significant investment in development resources and promotion. It is estimated that it will take another four years until Coopers start to benefit from the USA market (Pers. Comms⁹).

Case Study 2: Broadleaf, a USA Meat Company, focusing on Australian Waygu, has been in the US market since 1988 and it took this company 10 years to achieve a satisfactory return on investment in this market, with significant losses in the first six years of business (pers. comms¹⁰). Broadleaf is the importer of meat from the Australia Agriculture Company and Darling Downs Waygu. The size of the business and the level of investment in the USA is unknown, but based on similar size operations, it is estimated that Broadleaf would have annual sales of approximately \$200 million per annum.

Case Study 3: Meat and Livestock Australia (MLA) in 2009/10 had an annual budget of \$117 million, of which approximately \$5 million was spent growing demand for Australian meat in the USA. Historically, a high level of consumer confidence in product performance has proven necessary for food industry category success¹¹. It has taken considerable investment, similar to the amounts above, to build the USA market for Australian meat (Pers. Comms¹²).

⁹ The USA director of operations based in San Diego

¹⁰ Mark Mitchell – President of Broadleaf

¹¹ MLA Annual Operating Plan 2009-2010

¹² Chairman of MLA, 2009

The experience gained through this project, and the information gleaned in the above case studies, highlight the futility of market development projects that are based on relatively small and uncertain budgets with restrictions on expenditure type and that are very short term.

Future programs should be long term (10 years plus), have adequate budgets for R&D and associated promotion and should not be subject to the annual changes.

7. Project Outcomes

7.1 Public Benefit

The planned outcomes for the project included gathering key data to contribute to understanding and quantifying the chain and market opportunities and requirements. This occurred to a point where ASR was traded in the USA at premiums above the domestic market.

In addition SRL has gathered substantial experience about the market development process (see Section 4 above).

Overall, in terms of economics, the volume of product traded through the platform did not have a significant impact on supply to traditional markets and hence overall industry value target set for 5 years. Funding support for the ongoing development required was withdrawn after 3 years.

The project did, however, prove that such an approach is an option for fishers to use in the future.

7.2 Private Benefit

The project involved assessment of previous work to guide adjustments in strategies, building more efficient and profitable supply chains. The R&D contributed to re-engineering new supply chain opportunities to capture premiums based on product quality and integrity in the USA.

The project was also designed to provide communication of this information to stakeholders and contribute to building capacity, thereby contributing to moving fishers from weak sellers and price takers to niche marketers and price makers.

The project delivered in these areas through the creation and operation of a supply chain with complete fisher ownership. Premiums, above the traditional market, were achieved by individual fishers participating in the program.

SRL Marketing Pty Ltd was established and while the performance of the company is commercially confidential, it can be reported that trade turnover has continued to increase annually by around 100% of the 2009-10 turnover.

7.3 Linkages with CRC Milestone Outcomes

The project had a major focus in the area of market development and supply chain management. The project contributed to CRC Program 4, Outcome 2, *Increased access to premium markets through fulfilment of consumer demands for safe, high- quality, nutritious Australian seafood*, in relation to themes of supply chain management technologies and technical market access.

There were outcomes in relation to Output 4.7, *Knowledge from Research Program 2 converted into educational and training tools*. The project involved education, training and extension at 4 levels namely:

- Industry: information updates about project progress and in-market training
- SRL: in-market training and input via the University of South Australia
- In-market research program with undergraduate students from the University of South Australia.
- Market – in market communication and education of chefs, restaurant staff and distributors about ASR.

As part of achieving Objective 4, existing education and training tools and approaches were evaluated and upgraded. This included written materials; web based materials; the traceability system; and multi media. Evaluation of the platform performance led to adjustments in market penetration strategies and the development of more efficient tools.

The project linked to FRDC 2006/215 which included a dedicated stakeholder extension program across all SRL programs. The extension program involved the following activities:

- production of extension materials including industry newsletters, fact sheets, fliers, collation of industry data, banners, photo library and a website to incorporate key messages
- direct communication with chain stakeholders with a licence holder supply chain, service provider, and wider industry and Government communication via letters, email circulars and facsimile
- participation and presentations at key industry functions/seminars including a national congress, launches and participation at local industry network activities including port meetings and annual general meetings
- media interaction via media releases and interviews.

In addition, an annual training program for industry was implemented involving a market visit, attendance at relevant in-market venues/events, data gathering, observations and analysis.

The project also had direct linkages to Output 4.9, *Successful incorporation of external expertise into Research program 2 activities*.

The project was a partnership between SRL and the Ehrenberg-Bass Institute for Marketing Science and involved high-level guidance by the University team members. This also served to upgrade the SRL project team skills.

In addition an undergraduate research program involving students linking into the project was incorporated into the project. The students undertook both desktop and in-market activities.

8. Conclusion

Attempting to build a commercial business in the USA market, with highly priced new products, in a limited time frame, and with no promotion budget was unrealistic. This however does not detract from the contribution the project has made to change the culture of SRL members in terms of market development.

A significant outcome of the project was the development of a successful private-sector company that is continuing to develop the USA (and Australian) market for ASR. Project CRC 2007/704 has provided SRL through its ownership option over SRL Marketing Pty Ltd, access to capacity, skills, resources, knowledge and intellectual property to continue to undertake market development and commercial trade.

The project has proven that markets can be diversified and chain structures changed to position ASR on the basis of quality, standards, service and brand recognition as opposed to price alone.

In addition, the project has proven that fishers can and are prepared to maintain ownership through the chain to create opportunities to capture a greater share of the current margins on offer.

The project has shown that SRL can facilitate these activities dealing with all elements of the logistics, administration and finance involved in a Fisher-Direct model.

The events beyond the control of SRL that unfolded during the conduct of the project prompted SRL to make the following changes during the project:

- adoption of the 'basket of seafood' approach to increase returns from the USA platform by increasing the total trade volume
- creation of commercial trading entity (SRL Marketing Pty Ltd) to operate and capture commercial benefits derived from application of the research and development conducted through the project
- shift the focus to new USA market sectors, as a result of a downturn in the Western Food Service Sector, to new sectors including Chinese and Japanese food service and retail, and Western Retail sectors

- develop value-added products, to adapt to supply opportunities and deal with quality issues.

SRL is better placed to continue with market development programs and remains committed through its Strategic Plan, to developing alternative markets. SRL has created the platform to continue to build global markets for the ASR to spread industry risk, and volumes traded will increase when new markets are developed. This is in line with the SRL's International Market Development Program, Version 8 (for example, to diversify markets).

SRL has the capacity to develop and produce value-added products that can be produced in volume and held in freezer storage in Australia. The opportunity exists for SRL to use the Fisher-Direct model and/or the resources in SRL Marketing Pty Ltd, to expand its market development program both in the Australian and other international markets, with these products.

Success in the USA has been limited with rewards likely to return to the industry in the longer term as SRL Marketing Pty Ltd continues to grow.

While prices remain at current levels (that is, at approximately \$60/kg at the beach), it is unlikely the catching or processing sectors will take much interest in a global strategy to protect and/or build the value of the industry. It's too comfortable and in no individual fisher or processors' interest to divert supply away from the current high priced market to potentially shorter-term, lower-priced markets.

Taking the best price on the day continues to dominate fisher thinking and the development of alternative markets will be difficult in the absence of a mechanism to guarantee long-term supply.

Large lobsters (2kg+) remain a problem for the industry and will continue to be so unless continued investment is made by the ASR industry to develop market solutions.

Commitment to the strategy, adequate and certain long term funding for R&D, promotion funding and guaranteed supply are seen as critical building blocks for future success.

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Appendices

APPENDIX 1: INTELLECTUAL PROPERTY

Intellectual property generated includes:

- the customer data base
- chain costs
- recipes

APPENDIX 2: STAFF

- Roger Edwards – Project Manager
- Matthew Muggleton – Principal Investigator
- Lucy Hinge – Project Officer
- Hamish Parsons – Project Officer
- William Wall – Project Officer
- Ryan Martin – Project Officer
- Justin Phillips – Supply Chain Manager
- Susan Wynbergen – Accounts and Administration
- Kate Dermody – Office Manager

APPENDIX 3: ORIGINAL SRL STRATEGIC PLAN & STRATEGIC PLAN SUMMARY

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STRATEGY 2020



AUSTRALIAN SOUTHERN LOBSTER INDUSTRY STRATEGIC PLAN

Prepared by:



May, 2003

FORWARD

The Fisheries Research and Development Corporation congratulates the Australian Southern Lobster Industry on taking this significant initiative to develop a Strategic Plan through to the year 2020.

We will be pleased to work with the industry to establish a solid and predictable funding base from which we will be able to collaboratively invest in innovative R&D into the next decade.

Peter Dundas-Smith

Executive Director, FRDC

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THE FISHERY

Australian fishers share one core belief – their industry has enormous potential to contribute to the economic and nutritional wellbeing of all Australians.

The means to fulfil this promise present real challenges. The Australian Southern Lobster fishery, a large and viable contributor to the seafood industry, is determined to lead by example.

This document presents this sectors plan to go forward over the next 20 years.

1.1 Industry Scope

The *Australian Southern Lobster* (ASL) industry comprises Australian wild catch fishers, processors and marketers of the spiny rock lobster (*Jasus edwardsii*). The fishery comprises 733 licensed fishers operating in 5 Australian States. The species is also fished throughout New Zealand and the coastal waters of the nearby Chatham Island’s.

Using industry multipliers the ASL industry makes an estimated \$600 million contribution to regional coastal economies in Australia.

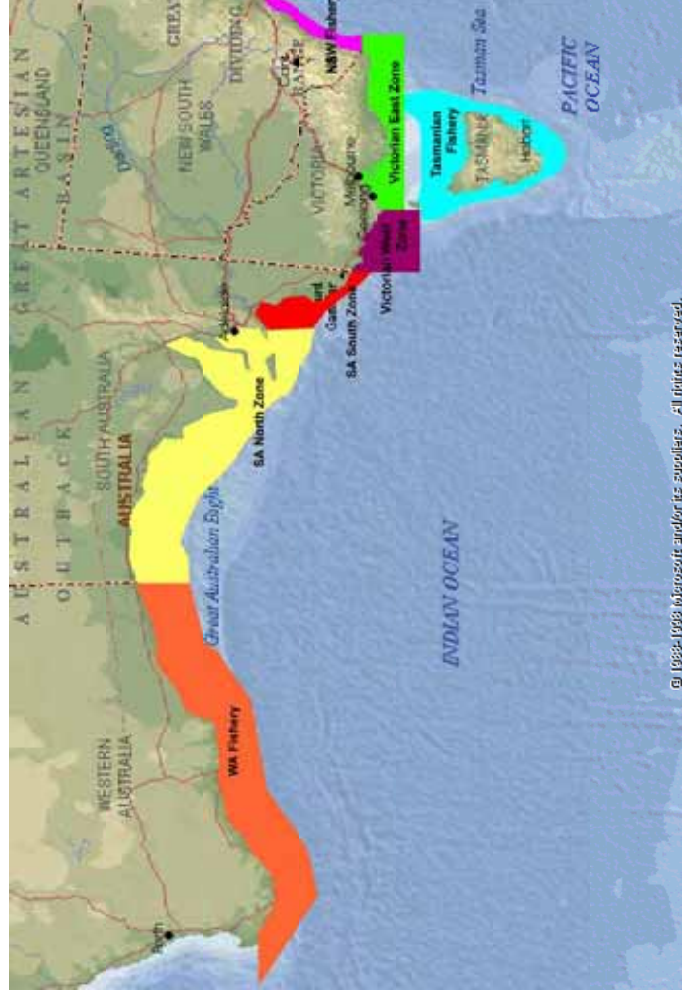


FIGURE 1. LICENSES, TAC AND RECREATIONAL CATCH

2001-02	Active Fishing Licenses	TACC / Quota Units (tonnes)	Recreational Catch (tonnes)
WA Fishery	14	81	10
SA North Zone	69	1,004	30
SA South Zone	180	1,720	70
Victoria West Zone	85	450	10
Victoria East Zone	54	60	7
Tasmanian Fishery	315	1,523	114
NSW Fishery	16	0.581	5 (est.)
Total Australia	733	4,839	246

Source: State Fishery Managers & Macarthur Agribusiness Estimates

The ASL national catch (excluding recreational) valued at around \$150 million at export prices, comprises 31% of the \$480 million national lobster catch.

FIGURE 2. JASUS EDWARDSII LOBSTER INDUSTRY

	Australian Southern Lobster Fishery						New Zealand
	SA	Tas	Vic	WA	NSW	Total	
98/99	2,729	1,476	573	100	0.2	4,878	2,726
99/00	2,718	1,480	574	100	0.4	4,872	2,749
00/01	2,562	1,489	584	100	0.1	4,735	2,785
Avg Tonne	2,670	1,482	577	100	0.2	4,828	2,753
98/99	73.9	45.3	16.7	4.0	0.004	139.9	78
99/00	81.0	46.3	18.3	4.0	0.014	149.6	84
00/01	82.7	51.2	21.3	4.0	0.003	159.2	93
Avg GVP A\$ million.	79.2	47.6	18.8	4.0	0.007	149.6	85

Source: State Fisheries Managers & Macarthur Agribusiness Estimates

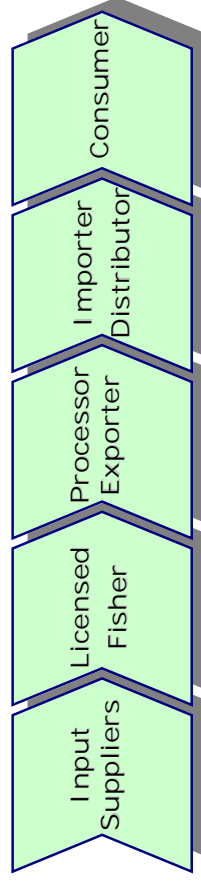
Rock lobster are caught commercially using baited pots placed on the seafloor around reefs in depths ranging from 5 - 275 metres. On return to shore live, over 90% of lobsters are held in temperature controlled aquaria before being shipped to domestic customers, or airfreighted live to export markets.

A small proportion of the catch is killed and sold in other forms (e.g. tails), either chilled or frozen.

1.2 Industry Supply Chain

The industry is currently comprised of 5 core stakeholder activities:

FIGURE 3. AUSTRALIAN SOUTHERN LOBSTER VALUE CHAIN



1. Fishery Managers, undertake tasks including licensing, regulation and compliance, fishery health and population monitoring,
2. Licensed fishers, who operate commercial vessels within defined fishery zones and seasons to harvest up to a wild catch quota,
3. Lobster / seafood processors and exporters, who typically purchase the catch from fishers prepare or minimally value add the product, and then export to designated customers and importers. A small portion of the catch is distributed to the domestic market.
4. Lobster / seafood importers and distributors, who receive live, chilled or frozen product from processors

5. Consumers of premium quality live or processed seafood, who typically reside in north Asia, and lobster at restaurants and other premium food service outlets.

1.3 Planning Context

The Australian Southern Lobster industry has traditionally operated as 5 independent state-based fisheries. A number of state industries have very fragmented ASL fisher organisations. While intrastate and interstate communications are increasing in the industry, whole-of-industry planning has not been undertaken. This plan breaks new ground and charts a course for the next 20 years.

The recent joint actions by the wider lobster industry and FRDC to establish two joint lobster research initiatives have opened the way for further joint activity:

- The *Rock Lobster Enhancement and Aquaculture Subprogram* was initiated in 1999, and is managed by Dr Rob van Barneveld. The subprogram aims to provide technology for use in Australian rock lobster enhancement and aquaculture so they can be internationally competitive and operate in harmony with wild fisheries.
- The *Rock Lobster Post-Harvest Subprogram*, initiated in 1996 is managed by Dr Bruce Phillips. The subprogram's mission is to

conduct research to increase the value of the rock lobster catch for Australia through improvements in post-harvest practices, including appendage loss, international transport, long-term holding information, processing practices, Codes of Practice, condition indexes, condition enhancement, and information transfer.

These two initiatives will refocus the industry and its related R&D investment away from biology alone and “R” in general, toward a balance between “R” and “D”. This plan intends to reinforce this move.

Beneficiaries and stakeholders along the whole supply chain will have a greater stake in setting priorities and motivation to contribute to research effort and funding. Value adding the catch to suit consumer needs should therefore be given higher priority in the project mix in the years going forward.

The subprograms target the three major lobster species fished in Australia; *Jasus edwardsii* (southern), *Panulirus ornatus* (tropical), and *Panulirus cygnus* (western).

CURRENT INDUSTRY POSITION

2.1 SWOT

FIGURE 4. SWOT ANALYSIS

STRENGTHS

1. Guaranteed supply – fishery management
2. Superior quality – consumer attributes
3. Live product offer
4. Willingness toward practical problem solving
5. Positive government relations
6. Positive returns available for reinvestment
7. Clean green Australian environment
8. Fishers are passionate about job
9. Stable economic and political environment

WEAKNESSES

1. Small home market
2. No brands / strategies
3. No industry succession plan
4. Lack of vertical integration by fishers
5. Entrenched scientific management / spend paradigm
6. High exploitation rates of fisheries
7. Complex lifecycle impedes aquaculture development
8. Lack of industry structure
9. Hunter gatherer culture drives equity accumulation, not supply chain margins and profitability
10. Large numbers of small operators (640)
11. Seasonality and lack of control over distribution and timing
12. Lack of market intelligence – e.g. re China
13. Over-reliance on single market
14. Poor R&D outputs flow to industry
15. No single voice to represent industry
16. Reliance by fishers on processors for working capital
17. No expressed industry vision – lack of industry coordination
18. Reliance on single product in single live market (Asia)

OPPORTUNITIES

1. Strategic alliance on own terms with western rock lobster industry re R&D and marketing
2. Look to source additional R&D funding from sources other than FRDC.
3. Rock Lobster life cycle complexity favors advanced nations (e.g. Australia) able to manage and commercially develop
4. Hold live fish to match market demand - seasonality
5. Implement a Market Development Program
6. Branding and promotion, etc
7. Form Demand Chain alliances with value adders and marketers to create value and increase margins
8. Commitment to single organisational structure and voice
9. Formation of the Australian Lobster Industry Council
10. Trade liberalization
11. Skill enhancement
12. Rationalisation and consolidation of processor enterprises

THREATS

1. Lack of fresh investment capital in industry to enable growth
2. Community action close fisheries – Environment Australia and others
3. Competition from overseas lobsters (*Jasus edwardsii*) - NZ & South Africa
4. Small domestic market
5. Urban encroachment and its adverse impact on marine environment and fishers rights
6. Many fishers see aquaculture as a threat – industry needs to face this issue and look for win-win outcomes
7. Establishment of Marine Parks
8. Trade barriers imposed by overseas markets
9. National Competition Policy resulting in adverse impacts on fisher enterprises
10. Duplication of R&D effort across states – waste of scarce resources

2.2 Markets

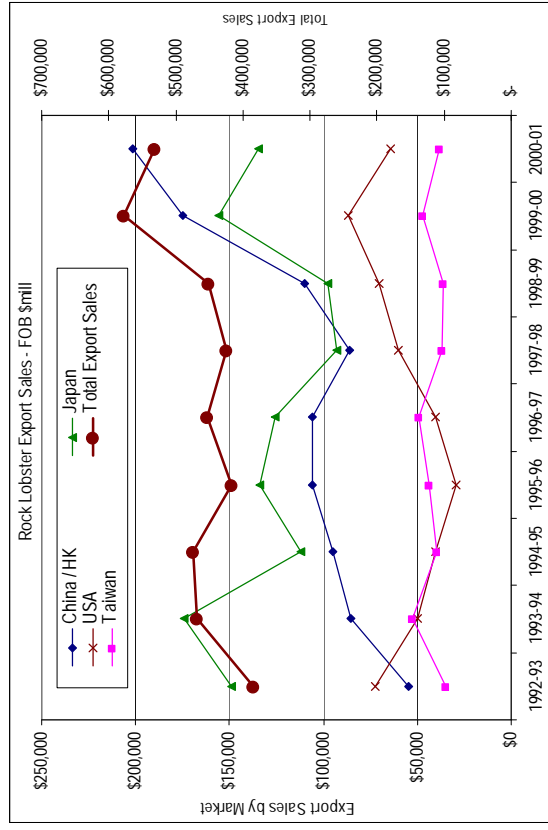
Australian Lobster Industry

Australia exports more than 80 % of its total lobster catch, based on the three main species noted in section 1.3. Tonnage exported (Fig 5) and prices received by Australian exporters have trended upwards in recent years after 5 years of minimal change.

potential growth. Other key markets are Japan (25%), Taiwan (20%), and the United States of America (12%). Together these key markets take 94% of Australian lobster exports.

Over 95 % of lobster product value exported from Australia to China is in whole form, either live or chilled. Japan and Taiwan import both chilled and cooked products, and the USA takes almost 90% of its imports from Australia as tails.

FIGURE 5. EXPORT MARKETS AND TRENDS



Greater China (including Hong Kong) is the dominant market, taking 37% by value of all exported product in the last 3 years. This market, supplied mostly through Hong Kong, offers considerable long term

FIGURE 6. LOBSTER EXPORT PRODUCTS BY DOMINANT MARKETS

1998/99 to 2000/01	China	Japan	Taiwan	USA
Whole -live fresh or chilled	96%	48%	43%	3%
Whole -frozen	0%	14%	6%	7%
Whole -cooked	2%	30%	49%	0%
Tails -fresh chilled or frozen	1%	5%	1%	89%
Other products	1%	3%	1%	1%

Figure 7 presents actual catch volume and value, and beach price data for the SA Northern Zone over the last decade.

While nominal cash in hand beach prices have doubled from \$16.49 to \$33.10 over the decade, real beach prices received by fishers have only increased around 60% in real terms over the period. Real beach prices for June 2001 are calculated from the actual price received on the day, adjusted for inflation.

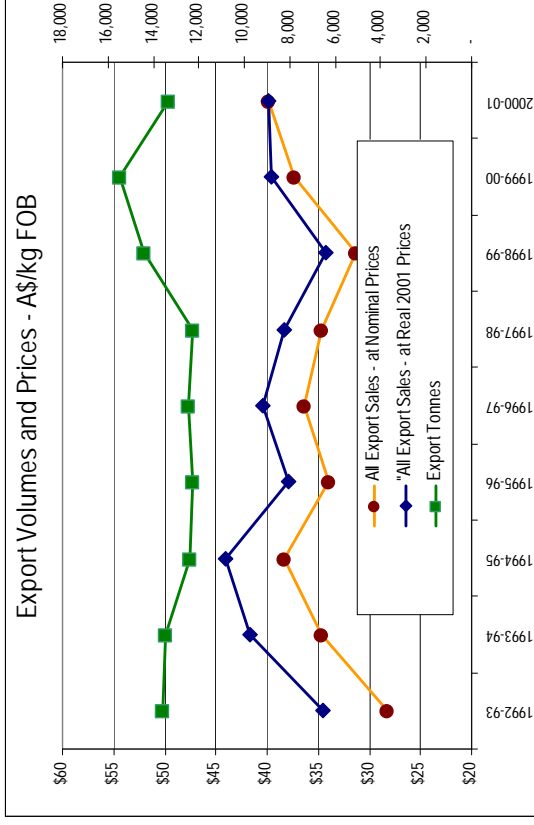
FIGURE 7. BEACH PRICES

Year	Catch (tonnes)	Beach Value (\$m)	Nominal Beach Price \$ / kg	Real Beach Price @ June 2001 \$/kg
1990/91	1,104	18.2	\$16.49	\$20.81
1991/92	1,222	21.4	\$17.51	\$21.84
1992/93	1,064	20.5	\$19.27	\$23.59
1993/94	930	23.4	\$25.16	\$30.28
1994/95	891	25.5	\$28.62	\$32.95
1995/96	903	23.8	\$26.36	\$29.44
1996/97	893	24.4	\$27.32	\$30.42
1997/98	942	27.7	\$29.41	\$32.52
1998/99	1,016	26.7	\$26.28	\$28.75
1999/00	1,001	29.9	\$29.87	\$31.67
2000/01	846	28	\$33.10	\$33.10

It is clear from Figure 8 that real export prices (after adjustment for Australian inflation) have risen in the last two years. But the real price trend has been moderately down since the 1994-95 catch. The net effect is that the exporters have been suffering real price declines over this period.

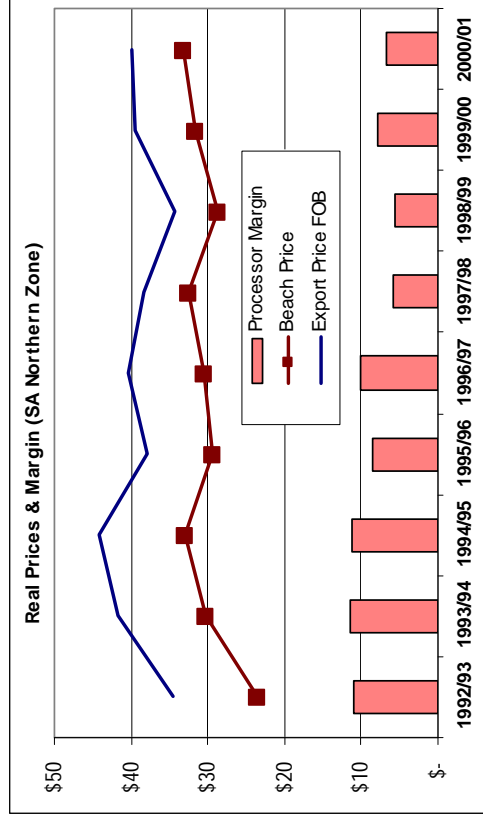
It is difficult to determine the true impact on exporter / processor costs and margins given the lack of industry wide data, and factors such as shifts in the product mix, freight cost movements, etc .

FIGURE 8. EXPORT PRICES



But indicative analysis suggests that the share of the business (costs + margins) captured by processor / exporters has fallen in real terms from an average around \$11 per kilo in the early 1990's to around \$7/kg at June 2001. If processors have not been able to achieve productivity gains their returns on capital would have been reduced significantly.

FIGURE 9. ESTIMATED REAL PRICES (SA NORTHERN ZONE)



A strategic plan for the ASL industry must be based on a thorough understanding of the dynamics of Asian retailing and food cultures, and the dominant Chinese market.

China Snapshot¹

The greater China food market (PRC, Hong Kong) is undergoing massive change. Rising Chinese incomes have fueled a revolution in eating patterns, especially among the 600 million urban population.

China's food retail sector has undergone a profound transformation over the past 4 or 5 years. Most wet markets and non-staple food stores of the early 1990's have been replaced by supermarket and convenience store chains. This change is particularly evident in larger Chinese cities (Beijing, Shanghai and Guangzhou). Foreign-invested hypermarkets and discount stores (eg. Carrefour, Wal-Mart, RT-Mart and Metro) have driven the transformation, forcing traditional supermarket chains to restructure and consolidate in order to stay competitive. As supply / cool chain management becomes more sophisticated frozen and chilled product sections are rapidly developing as a basic component of most supermarkets in China.

Chinese consumers, exposed to higher quality overseas offerings, have become increasingly quality-conscious. Consumers exhibit a growing preference for improved shopping environments, and a willingness to pay a premium for high-quality, organic, nutritious and healthy food products.

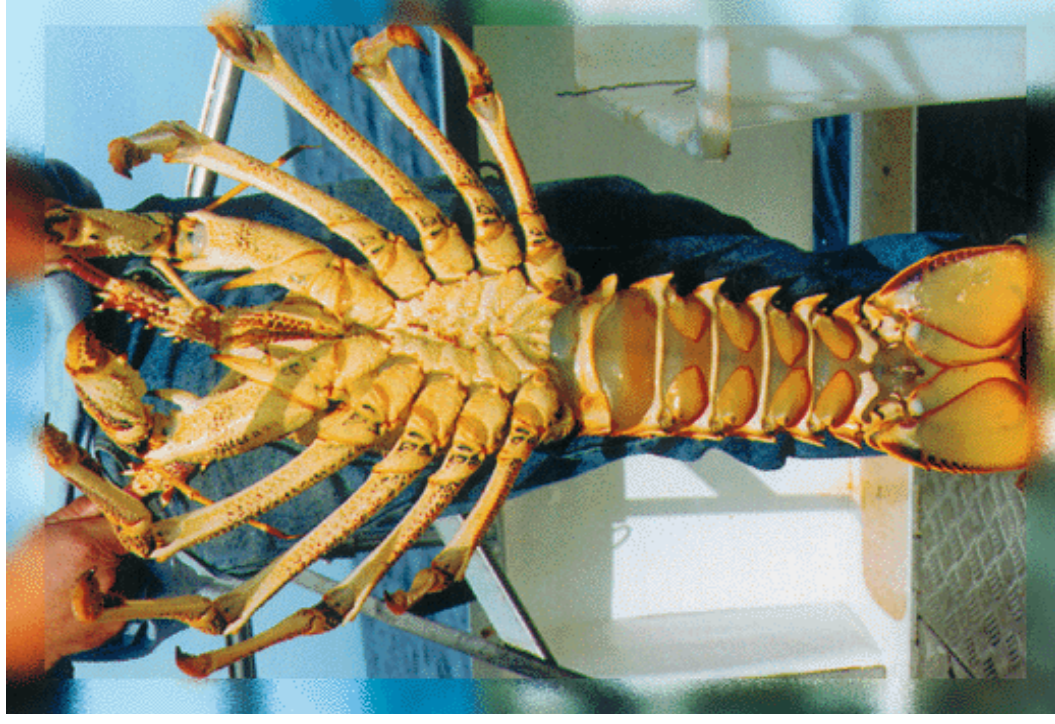
At the pinnacle of Chinese consumer food preferences are high quality seafood, and rare and wild animals. In the largest city Shanghai, elaborate dinners often feature fresh and/or imported seafood with nearly every course. As long as incomes continue to grow and China's political/social situation remains stable, such eating and entertainment patterns will no doubt expand to an ever increasing

¹ Sourced from USDA Foreign Agricultural Service,

number of Chinese consumers in other parts of the country. While China's inland aquaculture industry is the world's largest, coastal water pollution and over fishing have taken their toll on local supply. Indeed, outstanding opportunities for Australian seafood exporters to supply both low-cost, frozen seafood for daily household consumption as well as higher-value, live seafood for Food Service (Hotel and Restaurant) use currently exist in this market.

Per capita consumption of all fishery products in urban areas increased from 10.3 kilograms in 1999 to 11.7 kilograms in 2000. (Rural consumption up from 3.82 kg to 3.92 kg). The USDA estimates a similar increase in per capita consumption to 7.8 kilograms in 2001. Imports increased from 625,922 metric tons in 1999 to 1,251,017 metric tons in 2000. The biggest changes were in frozen fish and molluscs. Most of this is processed and re-exported.

The Ministry of Agriculture Fishery Bureau has set a target ratio of aquaculture products to naturally caught products of 60% aquaculture: 40% wild catch. Total production in 2000 was near the desired ratio. Expectations for 2002 and beyond are that aquaculture production will increase to meet growing domestic demand while catch levels will remain constant.



Individual buyers and those from the Hotel and Restaurant / Food Service sector visit wholesale markets and wet markets to purchase fresh caught and/or live cultured products. In larger cities, individual customers go to the wet market or supermarkets for their products. Chinese style restaurants keep products alive in tanks or live-wells for customers to look at and choose from. Western style restaurants, usually, purchase their products from processing companies. Lobsters are typically retailed live in this way.

As Chinese concerns for quality of life issues increase, the corresponding growth in ready-to-eat products, small packaged products, and half-processed products that save preparation and cooking time will increase. As the number of supermarkets grow in China, shoppers have access to a greater variety of products. Buyers may choose from cuts of fish along with frozen and chilled fish and aquatic products, as well as heavily processed products like fish balls, fish sticks, and crab sticks. In large cities, hypermarkets that offer Japanese style sushi and sashimi are very popular. Consumers are also paying more attention to product quality as determined by look, taste, health, and packaging.

There are no broad substitution trends towards fishery products and away from other protein sources despite recent news about BSE and

foot and mouth disease. The differences in consumption between aquaculture products and pork, beef, or mutton products is growing smaller. This is most likely because of changes in diet due to improved living standards.

Most domestic consumers of fishery products believe that wild caught products are better tasting and more nutritious. Due to regional preferences, seawater products are consumed more than freshwater products. However, domestic consumers are consuming a higher level of aquaculture products.



because much of the product is shipped live by air freight to Hong Kong and then sent to wholesalers inside China.

Some southern Chinese wholesalers import American lobster through Hong Kong. This is expensive and done in limited volume. These U.S. products compete with Australian lobster. USDA research indicates that traders consider U.S. product quality is deteriorating. They feel American lobster is inferior to Australian lobster.

A Chinese saying reflects their food culture - "No banquets without fish." Chinese culture also believes that female aquatic products are more nutritious and do more to promote a consumer's health. Chinese companies have done very little domestic market promotion. Existing promotions consist of advertising flyers at wet markets and supermarkets or other points of sale.

Imports that are destined for Chinese domestic consumption are assessed for tariffs. In 2000, China reduced almost all fishery and seafood products tariff by 2 to 3 percent. Processors in aquatic trade expect China will continue lowering tariffs due to its recent WTO accession. Currently, the combination of tariffs, shipping costs, and product costs continues restricting most Chinese from consuming foreign fish and seafood.

In Southern China, shipping cost differences for receiving products from the U.S. and Australia through Hong Kong affect trade. This is

2.3 Research & Development

Fishers contribute funds under local state arrangements to fund R&D project expenditures. State agencies remit these funds on to FRDC for matching under PIERD Act powers.

The estimated current annual R&D contributions by Australian southern lobster fishers are as follows:

FIGURE 10. INDUSTRY R&D CONTRIBUTIONS

State	R&D Contribution to FRDC	Active Licenses	Est. R&D Contribution per TAC kg	Est. R&D Contribution per License
SA	\$194,523	249	\$0.071	\$888
Tasmania	unspecified	315	unspecified	unspecified
Victoria	\$29,885	139	\$0.059	\$215
WA	\$1,500	14	\$0.019	\$107
NSW*	\$1,840	16	N/A	\$115

Source: Macarthur Agribusiness analysis and estimates

*Note: R&D funds are collected for all NSW Fishers, but only limited amounts are sent to FRDC for matching. NSW Fisheries estimate that few lobster fishers (possibly up to 16 of the total 169 lobster fishers) in 2002 targeted *J. Edwardsii*. Most of this species appears to be caught as bycatch.

DRIVERS FOR CHANGE

Industry change occurs as a result of global and local forces and momentum, often beyond the control of fishers. Drivers can be economic, environmental or community based. Some drivers may also act as a brake on the rate of positive change in industry.

The rock lobster industry is part of the food industry. To manage profitability going forward, industry must consider the big picture forces shaping global food markets.

3.1 Globalisation of Food and Beverage Retailing

Several key factors have set in train the beginning of a pattern of globalisation in food and beverage retailing since the 1970s. But the principal element has been increasing consolidation of food retailing in Western Europe and the USA, (and now Asia) leading to the emergence of a number of major players with global ambitions. These retailers include Walmart, Tesco, Royal Ahold, and Carrefour.

The globalisation of food & beverage retailing is bringing about historic change in the agrifood supply chain. Among the most significant effects are:

- massive increase in purchasing power of the global retailers;

- marked reduction in the number of suppliers used by fewer, larger global chains;
- movement by retailers from less local sourcing towards more regional and global sourcing;
- increasing utilisation of house brands/ private labels by the retailers;
- a significant shift in the weight of agrifood industry power away from the agrifood processors towards the food & beverage retailers.

New global definitions of food are emerging, such as GM foods, organic and functional foods, and consumer attitudes towards these new concepts of food, are of fundamental importance for the future of the agrifood sector.

3.2 Change in Agrifood Distribution in Asia

Asia is the key market for Australian southern lobster from Australian. Key markets in this region will remain our volume markets for the foreseeable future.

As suggested in the China Snapshot above, the broader Asian agrifood supply chain and marketplace is undergoing a transformation. New networks of modern food retail and foodservice

outlets and giant shopping malls are creating their own supply chains and distribution systems.

Among the key drivers of change in Asia's agrifood distribution systems are:

- Economic growth and per capita income growth
- Urbanisation
- Western cultural and commercial influences
- Asian economic crisis
- Western Foreign Direct Investment in Asian distribution systems
- Continued growth in intra-Asian trade and Asia's trade with the world
- Globalisation of logistics and distribution services
- Asian agrifood distribution companies aiming to lift competitiveness

3.3 Australian Seafood Industry Momentum

The seafood industry has a landed beach product value of \$2.48 billion (ABARE March 2002) and comprises over 600 species drawn from wild caught marine and fresh waters, as well as farmed

aquaculture (marine and terrestrial). Industry products include both edible and inedible (e.g. pearls) species.

The seafood industry is comprised of thousands of enterprises directly employing 19,000 people (ABARE) with a further 80,000 people employed in indirect businesses (e.g. commercial boat manufacture). General estimates put the gross value of the industry at retail to be in the order of \$8 Billion, making it one of the top 4 agrifood industries in Australia.

But for all its economic promise the industry faces some challenges that constrain growth and profitability:

- Lack of appropriate peak body structure and supply chain fragmentation
- Limited enterprise commitment to joint industry development
- Complacency in dealing with market issues – predominant wild caught focus
- Limited sectoral or peak body strategic planning and agripolitical influence
- Policy dominated by resource managers and technologists rather than those with commercial and market experience.

3.4 Australian Southern Lobster Industry Drivers

The Australian Southern Lobster Industry has identified four key drivers:

Exchange Rates.

Around 90% of Australian seafood production is exported. An estimated 80% (by value) of Australian southern lobster production is exported, to four key markets – greater China, Japan, Taiwan and the USA. The relatively high export intensity of this industry exposes them to currency fluctuations.

The depreciation of the A\$ over the last decade has resulted in significant trading advantage for exporters.

FIGURE 11. A\$ CURRENCY DEPRECIATION 1995 - 2001

Market	% Depreciat'n of A\$	SEAFOOD % Change in Value of Exports	LOBSTER % Change in Value of Exports	LOBSTER % Change in Volume of Exports
Greater China	-30%	+50%	+274%	+155%
Japan	-30%	+29%	-9%	-32%
Taiwan	-13.7%	-4%	+11%	-25%
USA	-31%	+70%	-11%	-37%

Source: AFFA Working Paper 2001, *Focussing on Fisheries Trade*, by Jim Fitzgerald; and Macarthur Agribusiness 2002

From the data, it is clear that seafood exports correlate strongly with currency fluctuations. Devaluation of the A\$ would benefit lobster exports in a similar way in these key markets. However for the lobster industry, the data suggest the strong growth in the China market and other competitor / trading factors have masked the currency devaluation benefits.

Culture of the Australian Southern Lobster Industry

Industry or business culture is often described as “the way things are done around here”. The current culture of the Australian Southern Lobster Industry has evolved from two key sources:

➤ Firstly, the business of the fishers and processors has been traditionally based on the exploitation of a wild seafood resource accessed on a seasonal basis by accredited / licensed operators. Rock lobster is not unique; this paradigm persists today for many other marine fisheries. The *hunter gatherer* approach that has evolved places highest priority and financial investment in countering the investment risks associated with fish supply – i.e. fishery access via a licence, and the relative productivity of the harvest operation. Price received at the beach is not controllable. This has fostered a commodity culture that is technology and catch productivity driven.

➤ Predominant investment in technological competitive advantage has been profitable for most Australian lobster enterprises for decades. As catch increases to fishery limits, and rising consumer demand makes cultured technologies attractive, the natural comparative advantages of the wild fishery will be diminished by competitors.

➤ The culture of the processor / exporters is more food industry driven by necessity, but still reflects the wild industry origins. Many have limited integration to the supply base, and excess processing capacity constrains returns in some regions. The culture of many is driven by commodity opportunism in an environment where currency risk is high, supply/processing contracts don't exist, beach trading rules encourage short term planning, stock holding and value adding opportunities are said to be limited, volume growth is not possible, product lines are thin, and their customers are the price makers . Why would any enterprise risk new capital investment in this context? Some processors that have dedicated (formal and informal) linkages to fishers and markets appear to be more confident of the returns available from new capital investment.

➤ Secondly, fishers' predominant focus on harvesting has traditionally meant that many trade control (and margin

potential) away to third parties at the beach or door of the processing enterprise. As a result fishers (and some processors) tend to have a very limited awareness of market requirements. They are locked into a supply approach which makes them relatively weak sellers into commodity markets. Their motivation to clearly understand consumer preferences and then enhance sales margins through joint value adding or promotion along the whole supply chain is minimized. This then precludes fishers from accessing value adding opportunities and better returns.

Consumer Market Behaviour and Consumer Preferences

It is clear that the productivity improvements available from harvest technologies alone will not capture all of the margin gains available along the “rock lobster food” demand chain. It is also probable (as seen in other wild industries now being cultured – e.g. SBT, prawns, abalone) that ongoing investment in wild harvest technologies alone will lead to diminishing marginal commercial gains to fishers. Fishers need to change to a new commercial paradigm to maximize their returns on funds invested. There are two investment options.

- invest in new production technologies (e.g. enhancement and aquaculture) that open new horizons to drive productivity, and/or
- invest further down the chain toward the customer to capture a greater overall share of the margins available.

Either is possible but investment in both will enable synergies. This new paradigm must incorporate strategies targeting the most significant variable impacting on aggregate margins – the human consumer. The behaviour of consumers as reflected in their buying and consumption preferences is the major driver that will challenge the existing industry culture. It will transform industry from a supply and technology driven commodity trader to a market driven, value adding, demand chain, margin manager.

The Rise of Aquaculture

The rise in aquaculture is the logical, unstoppable, commercial response to:

- increasing market demand (e.g. increasing affluence in Asian markets) for premium fresh seafoods
- increasing demand from consumers for foods that are value added and available at the right time, in the right format (e.g.

- food service, home replacement, etc), and at the right price point
- investors shifting and reallocating capital in order to maximise returns from investment in the seafood industry, and
- innovations in seafood technologies and their availability at lower prices (e.g. closing the life cycle, marine cage fattening of tuna)

Existing rock lobster fishers currently have a favoured proprietary position to consider investing in the aquaculture sector, before new capital from external investors is attracted to the investment.

Capacity to invest in better capital management strategies

The bulk of industry value is held in long term assets; typically licenses and equipment. Neither asset could be described as liquid. Fishers typically treat their licenses as a store of value for retirement, and are therefore loath to place this value at risk.

Fisher plant and equipment is typically dedicated to rock lobster harvest use. The harvest season typically lasts 90-100 days with the balance of the year experiencing very low plant utilisation.

But there may be opportunity for vessels and some harvest equipment to be used in other sectors of the fishing industry, thereby generating off season returns on under utilised assets.

Return on investment analyses from the South Australian ASL industry are presented as indicative of the whole ASL industry. But the figures mask a wide variation in returns achieved by individual fishers.

FIGURE 12. INDICATIVE RETURN ON INVESTMENT

SA Northern Zone	1997/98	1998/99	1999/00	2000/01
Tonnage	942	1016	1001	846
Earnings BIT*	\$85,169	\$87,450	\$85,454	\$49,156
Plant & Equipment	\$398,105	\$424,093	\$435,711	\$545,164
Licence Value	\$1,494,667	\$1,534,684	\$1,499,672	\$2,160,000
Total Capital	\$1,892,772	\$1,958,777	\$1,935,383	\$2,705,164
Return on Plant & Equip.	21.4%	20.6%	19.6%	9%
Return on Total Capital	4.5%	4.5%	4.4%	1.8%
SA Southern Zone				
Tonnage	1680	1713	1717	1716
Earnings BIT*	\$70,130	\$69,359	\$89,264	\$81,032
Plant & Equipment	\$237,777	\$225,373	\$225,889	\$283,491
Licence Value	\$1,342,357	\$1,327,608	\$1,708,616	\$2,378,667
Total Capital	\$1,580,134	\$1,552,981	\$1,934,505	\$2,662,157
Return on Plant & Equip.	29.5%	30.8%	39.5%	28.6%
RATE OF RETURN	4.4%	4.5%	4.6%	3.0%

*Earnings BIT = Earnings before Interest and Tax; Source: EconSearch Pty Ltd

In 2000-01 returns to fishers in the Southern Zone range from +0.5% for the bottom quartile, to +5.5% for the top quartile. In the Northern Zone the bottom quartile averaged -1.1%, and the top quartile +4.6%

3.5 Strategic Competitive Advantages

The industry supplies high value live seafood to the domestic and export markets. The ASL industry undertakes this activity in a highly competitive world lobster market.

Lobster is at its best as a live offer to end customers. They can be air freighted with minimal (<2%) mortality. In Japanese and Chinese food culture lobster, in particular, is sought after as a celebration lifestyle food.

Of all the meat proteins, seafoods are attractive to increasingly health conscious consumers for their high omega 3 levels.

Overseas consumers attribute a clean, safe, disease free image to the Australian lobster due to strict environmental management and fishery management practices.

Australian lobsters are well regarded overseas, particularly during peak demand in the northern hemisphere summer. But these price

driven competitive commodity markets typically do not translate this to a sustainable market premium.

The ASL industry shares these commodity advantages with other Australian and New Zealand lobsters. But industry is yet to capture and build these capabilities and technologies into a sustainable competitive market position. Greater supply chain cohesion and commitment to value adding are prerequisites to enhancing the industry's value proposition to consumers.

3.6 Strategic Issues

Organisation and Management

- Lack of a single National Australian Southern Lobster Industry Organisation impedes industry communication, representation and development.
- Commodity driven fisher culture of industry is a major constraint to adoption of value adding along the supply chain and investing as food industry partners.
- Lack of funds for strategic projects and development activities.
- Weak structural linkages from industry participants to regional associations, Australian Lobster Industry Council, and the Australian Seafood Industry Council, results in real constraints to

beneficial learning, knowledge transfer and beneficial e-commerce activities.

Market Planning & Development

- Current industry arrangement is based on commodity selling, not product marketing
- Fishers have limited awareness of the other stakeholders in the supply chain who service their consumers.
- Fishers have limited understanding of market needs and consumer preferences in selected markets and therefore are weak sellers and price takers.
- Industry competes totally on price.
- There are limited price signals to fishers regarding catch quality
- The industry does not differentiate its offer to buyers or consumers through branding or promotion.
- Fish grading can increase overall sales and returns - smaller fish for Taiwan and Japan; larger fish for Hong Kong / China
- Western and southern lobster are not direct competitors in export markets

- The predominance of export markets over domestic markets results in increased risk if currency strengthens. There is no comprehensive value added product line to buffer this impact.

- Australian southern lobster is the “gucci” of the world market – but is now trading as a commodity with no price premium
- Occasionally there is a lack of airfreight space
- Limited integration of fishers and processor / exporters means there is fragmentation in the supply chain
- Strong competition from Mexico and other seasonal producers
- Some niche export markets are available but for relatively small volumes – France, Singapore, Italy, Malaysia, Korea, UAE, Canada, UK
- Excessive competition between processors results in unsustainable processor margins and beach price volatility
- The industry holds limited price and value benchmarking data
- Limited joint fisher – processor – exporter collective market research and analyses available.

E-commerce and Communication

- Fisher efficiency and returns are constrained by poor communications and availability of key knowledge about:

- markets and consumer needs
- products and value adding
- operations, practices and skills
- technologies and innovations
- investment returns and viability
- regulations and safety.

Lobster Culture & Growout

- Potential to enhance catch, product quality and availability, and industry viability through investment in enhancement technologies.

Training

- Current seafood and lobster training resources and programs (fishers and processors) available from TAFE's and other private providers need to be tailored to meet regional ASL needs.

Sustainability & Environment

- Need for a national ASL ESD program and endorsement by, for example, the Marine Stewardship Council.

New Zealand Industry

- Increasing mutual benefits available from R&D collaboration
- Market alliance by commercial operators may enhance margins also.

FUTURE INDUSTRY

The Australian Southern Lobster Industry will change significantly over the next 20 years. Most change will result from well planned technical and commercial strategies developed by cohesive industry management, in response to global and regional market opportunities.

4.1 Vision 2020

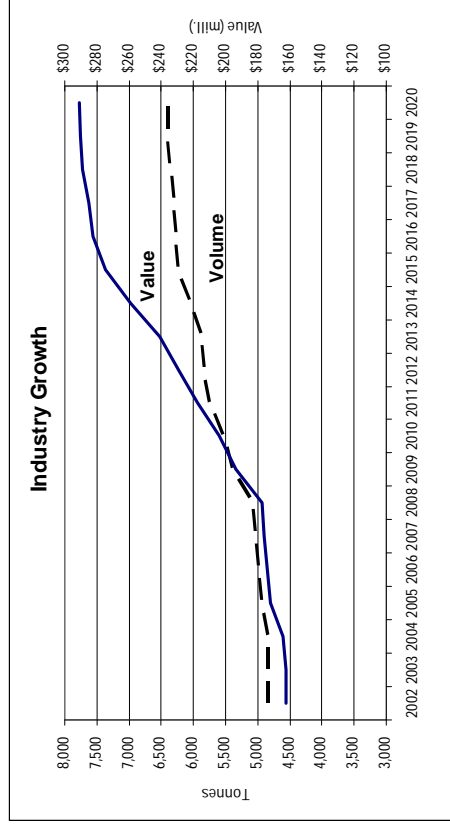
This Vision describes what the industry believes is desirable and achievable:

- 15% compound growth in average licence value through to 2012. The average SA Southern Zone licence valued today at \$304,000 per tonne of catch will be valued at \$1,300,000 in 2012. Average licence values in both SA fisheries have increased at a compound growth rate of 18% over the last decade.

- Industry embraces aquaculture so that wild catch and aquaculture present complementary offerings to an enhanced rock lobster product line. Catching of juveniles for feeding and fattening is part of this vision, as is propagation in the longer term (>10 years). Wild fishers will be substantial investors in aquaculture enterprises in southern rock lobster.

- Growth in industry value will surpass volume as value adding strategies mature. Refer to the detailed Growth Assumptions at the end of this document.

FIGURE 13. INDUSTRY VOLUME AND VALUE GROWTH



- Lobster products will be securely positioned in niche markets, predominantly in Asia, Europe and the USA. Margins generated along the demand chain will have increased 200-300% per fish as a result of value adding based on consumer preferences and an industry driven consumer promotion program.
- The culture of the Australian based fishers and processors will have become more integrated through chain alliances and investments, and adoption of E-commerce practices and tools.

Fishers will have moved away from a predominant wild catch technology focus to be more food industry culture based on much greater awareness of the markets and consumers they service. Fishers will benchmark and run their businesses according to a market driven approach to fishing and value adding.

- Industry will have well established technologies and procedures for reseeded and enhancement of wild rock lobster stocks.
- The industry will invest in and be supported by specialist R&D centres located across participating states.
- Industry R&D and generic market development programs are fully funded by industry.

- So that industry’s investment is optimised there will be minimal duplication of “Research” resources or projects across these centres. Core assessments will be done locally. Industry will invest its own funds in R&D activities, and secure matching funds where commercially attractive.

- Industry will be committed to a shared responsibility for “Development” planning. This commitment will be managed through the Board of the peak organisation.
- Fishers and their businesses will play a more active economic role in the economic wellbeing of their respective regional communities across coastal southern Australia. This increased linkage to community will be achieved through local supply and input contracts to service industry harvesting, feeding and fattening, and value adding activities.

- Fishers will have found new ways to increase the utilisation of their capital equipment beyond the current 90-100 day operational window. Combining their unique skills in wild catch and fishery operations with unused equipment capacity will generate additional income streams for license holders.

FIGURE 14. FUNDING R&D, INCLUDING MARKET DEVELOPMENT

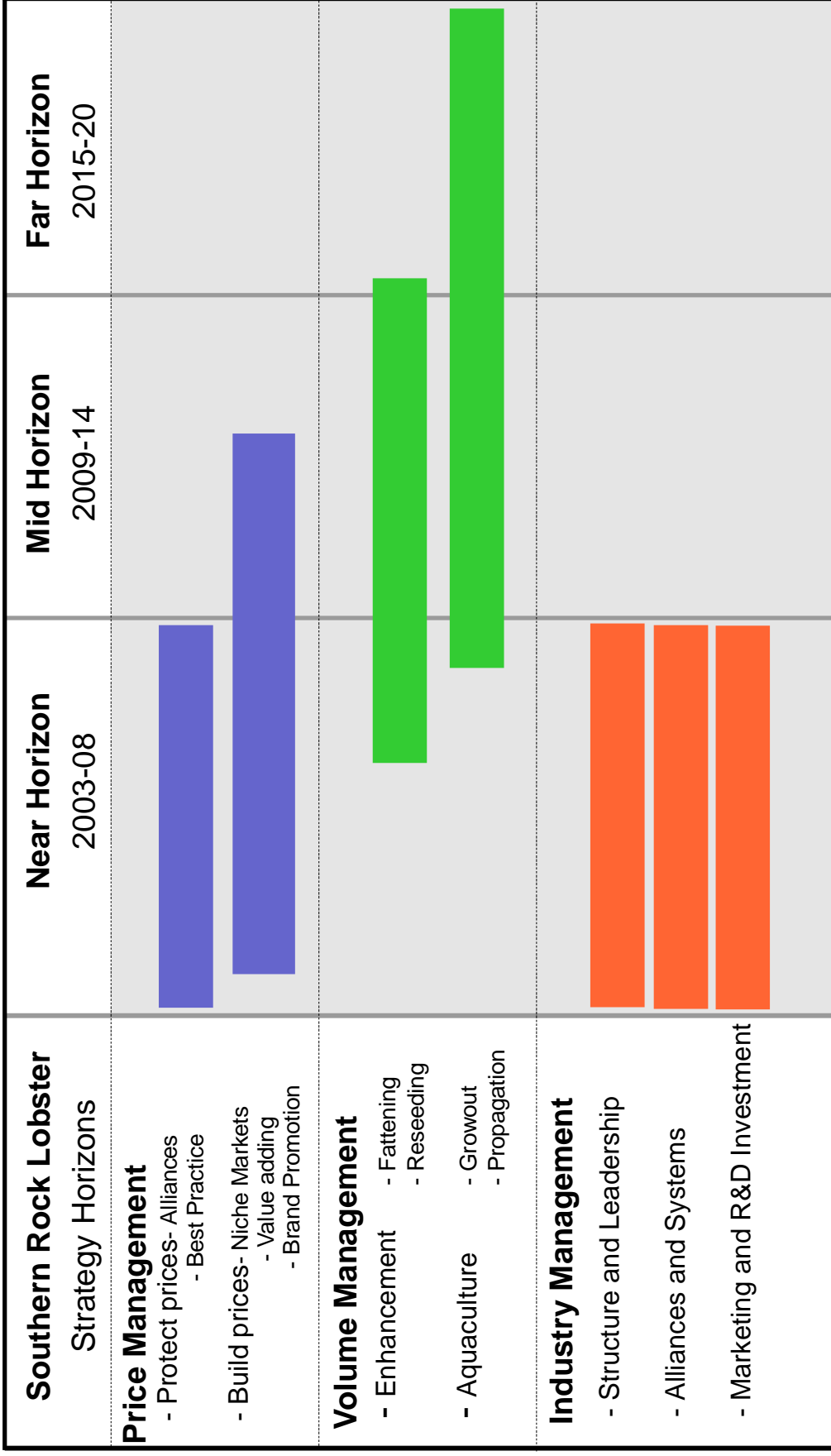
Levy Options	Current Avg. Gross Value of Prod'n = \$151mill. 0.25% of GVP = \$379,000			
	Option 1.	Option 2.	Option 3.	Option 4.
Levy paid per kg	\$0.100	\$0.120	\$0.140	\$0.160
% of beach price	0.32%	0.39%	0.45%	0.51%
Industry contribution	\$488,000	\$585,000	\$683,000	\$781,000
FRDC match funds	\$379,000	\$379,000	\$379,000	\$379,000
R&D Funds available	\$867,000	\$964,000	\$1,062,000	\$1,160,000

- Over the next 20 years technology and industry innovation will enable the industry to serve markets from three sources. By 2020 the industry will be producing :
 - 45% of marketed fish from wild or enhanced stocks
 - 50% of marketed fish from hold and fatten facilities, and
 - 5% of marketed fish from closed life cycle propagation systems
- Increasing corporate investment will occur in harvest and license equipment as the fishery integrates into the food sector. Many fisher licence holders will have become part owners in integrated catching, fattening, processing and marketing enterprises. Their port and service bases linkages will be concentrated in larger seafood centres where corporate activities are based, and sophisticated on-board fishing technologies can be serviced.

4.2 Strategic Priorities

Figure 15 presents strategic development activities for the industry over three planning horizons.

FIGURE 15. STRATEGIC PRIORITIES 2003 - 2020



STRATEGIC ACTION PLAN

Investment Platforms	Objectives	Actions	Outcomes
<p>Also indicates relative priority for action in next 5 years</p> <p>1. Profitability High Priority</p>	<p>Numbers indicate year in which objective is first implemented over life of Strategic Plan</p> <ul style="list-style-type: none"> ▪ To increase profitability for Australian enterprises 	<p>Actions are numbered as they will typically occur in a chronological order</p> <ol style="list-style-type: none"> 1. Increase sales margin per kg of lobster through market development and supply chain management 2. Reduce supply risk and variability through enhancement, aquaculture and ESD performance 	<ul style="list-style-type: none"> ▪ Higher return on investment for Australian enterprises
<p>2. Organisation and Management High Priority</p>	<ul style="list-style-type: none"> ▪ ❶ To establish a single National ASL Industry Organisation to plan and facilitate profitable industry development. ▪ ❶ To establish a secure funding base for the industry organisation and industry development and R&D programs. ▪ ❶ To provide linkage from industry participants to the newly established Australian Lobster Industry Council, and the Australian Seafood Industry Council. ▪ ❷ To actively pursue cultural change across the ASL participants from being a commodity fishing industry to a high quality fresh and processed food service industry. ▪ ❷ To attract and foster experienced leaders, managers and researchers to the ASL industry 	<ol style="list-style-type: none"> 1. Establish a National ASL Industry Task Force to consider and approve the national strategic plan. 2. Incorporate a new entity (Australian Southern Lobster Pty Ltd) with equal shares held by existing state stakeholders: <ul style="list-style-type: none"> - WA Rock Lobster Council - SA Rock Lobster Advisory Council, Inc. - Seafood Industry Victoria - Tasmanian Rock Lobster Fishermen's Association 3. Task Force to establish the Constitution for the new entity 4. Task Force to manage a process to elect the Board for the new entity 5. Board to ratify and implement Strategic Plan Investment Platforms 6. Board to draft a budget for the new entity based on: <ul style="list-style-type: none"> - FRDC matching of existing industry contributions for extension - a national R&D levy supported by FRDC - equitable contributions from industry to fund industry organisation and agreed developments and initiatives 7. Board to appoint key staff to manage the industry's platforms identified in the Strategic Plan. 	<ul style="list-style-type: none"> ▪ Task Force ratification of Plan ▪ New entity incorporated ▪ Board established ▪ Budget confirmed ▪ Program managers appointed ▪ Secure funding base

<p>3. Market Planning and Development High Priority</p>	<ul style="list-style-type: none"> ▪ ① To make fishers aware of the processing, value adding and marketing components of the supply chain. ▪ ① To provide input to the RL Post Harvest Subprogram ▪ ② To establish a strong understanding of market needs and consumer preferences in selected markets ▪ ② To develop consumer and trade recognition of Australian brands on high quality Australian lobsters. 	<ol style="list-style-type: none"> 1. Establish an ASL market development committee comprised of fishers, processors, exporters and marketers 2. Submit market and product development projects to FRDC for R&D funding support as projects are developed 3. Conduct market research in selected Asian, North American and Europe markets to: <ul style="list-style-type: none"> - Identify viable niche market opportunities - Identify consumer needs and preferences for fresh and value added lobster products - Identify cool chain and quality management requirements - Identify the product and supply capability of competitors - Meet importers, distributors and food service managers to establish rapport, enhance industry awareness, and discuss value adding opportunities - Assess new food service and value adding technologies that may be applied to Jasus edwardsii 4. Establish and accredit preferred food safety and quality management standards for Australian ASL fishers and processors 5. Identify potential brands and packaging that could identify accredited Australian products and add value in specific markets. Develop a Promotion Program to support these brands. 6. Establish syndicated EMDG (Export Market Development Grant) coverage for the ASL industry company and seek partial cost recovery from Austrade annually 	<ul style="list-style-type: none"> ▪ A National ASL Marketing Program encompassing market research and market development ▪ Key market research completed ▪ Export accreditation program agreed by industry and implemented ▪ Levy establishment for generic marketing ▪ Increased market access and returns year to year for ASL investors.
<p>4. Lobster Culture and Growout High Priority</p>	<ul style="list-style-type: none"> • ① To provide input to the RL Enhancement and Aquaculture Subprogram (RLEAS) • ① To increase the supply of ASL's through propagation and aquaculture • ① To value add to wild caught adult lobsters through live holding and feeding in aquaculture systems. 	<ol style="list-style-type: none"> 1. Develop alliances for strategic / R&D planning with FRDC RLEAS 2. Establish and maintain ASL propagation R&D priorities 3. Establish and maintain ASL live holding and growout R&D priorities for juvenile and adult stock 4. Establish and maintain ASL enhancement R&D priorities 5. Promote the potential role of aquaculture in the enhancement of the ASL fisheries, expansion of ASL supply and enhancement of ASL product quality. 6. Facilitate the ASL industry move to specialist R&D centres across relevant state fisheries so that R&D effort and cost benefit to industry are optimized. 	<ul style="list-style-type: none"> ▪ Effective planning and R&D investment in ASL closure, propagation, live holding, growout and enhancement ▪ A world class capability for industry to reseed, hold and fatten ASL stock.

<p>5. E-commerce and Communication High Priority</p>	<ul style="list-style-type: none"> ▪ ❶ To collate relevant profitability and benchmark data for the benefit of industry members. ▪ ❷ To increase supply chain efficiency and returns through increased stakeholder understanding of: <ul style="list-style-type: none"> - Markets and consumer needs - products and value adding - operations, practices and skills - technologies and innovations - investment returns and viability - regulations and safety. ▪ ❸ To increase linkages to industry's regional communities ▪ ❹ To enhance the sense of community across the industry 	<ol style="list-style-type: none"> 1. Expand the Tasmanian Rock Lobster Information Service website across the ASL Industry giving access to all fishers, processors and key stakeholders 2. Develop information and data tools and allocate resources that support industry members to: <ul style="list-style-type: none"> - Undertake benchmarking and best practice projects - Enhance communication and awareness of supply chains - Contribute to industry market development strategies - Streamline current supply chains and transparency of activity - Explore and develop new markets in Europe, US and elsewhere - Enhance existing market relations; - Implement through chain quality management and traceability; - Improved enterprise and industry risk management - Review logistics and transportation of live product; - Understand the impact of China joining the WTO and other global impacts - Understand customer and consumer perceptions of product quality based on region and culture; - Implement and monitor traceability and accreditation - Implement and monitor industry training programs. 	<ul style="list-style-type: none"> ▪ To be completed based on advice from Tristan and industry. ▪ By 2008 web based resources will be the industry's communication and data resources vehicle of choice. ▪ By 2008, 80% of all Australia supply chain participants (fishers, processors, licence holders, etc) will be aware of and regularly using the industry website and its e-commerce resources.
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<p>6. Training Medium Priority</p>	<ul style="list-style-type: none"> ▪ ② To design and establish a national training program for the ASL industry. ▪ ② To establish an Industry-Government Partnership to fund and manage the program ▪ ② Maintain training program alliances with ASIC , NZ industry and other parties where beneficial. 	<ol style="list-style-type: none"> 1. Appoint a group of senior ASL industry members to work as a Task Force with Seafood Training Australia and others to structure a Training Program specifically for ASL 2. Access existing training programs for western RL and other sectors from STA and design a program for personnel from both the fishing and processing sectors 3. Identify a list of preferred training enterprises and accreditors able to service the program on commercial terms 4. Identify a small industry team to manage the Program 5. Establish joint funding arrangements with government based on program performance and outputs 6. Define and implement accreditation and monitoring outcomes for each training course <ul style="list-style-type: none"> ▪ Environmental Management ▪ At-sea safety management ▪ Food safety ▪ Leadership 	<ul style="list-style-type: none"> ▪ ASL Board appointed Task Force by Feb 2003 ▪ Task Force accessing data and design program by April 2003 ▪ Confirm ASL Training Management Committee by May 2003 ▪ Establish funding package by June 2003 ▪ 90% of industry trained for sustainable and environmentally accredited practices, OH & S, food HACCP systems, and marine mammal interface management by 2007. ▪ Community endorsement of ASL management practices and accreditation to internationally recognised standards. ▪ Awareness of the regulations and alignment of work practices across the supply chain
<p>7. Sustainability and Environment Medium Priority</p>	<ul style="list-style-type: none"> ▪ ② To establish and ESD Program ▪ ② To achieve certification of all fisheries by, for example, the Marine Stewardship Council. 	<ol style="list-style-type: none"> 1. Develop relevant indicators of Environmentally Sustainable Development for each ASL fishery 2. Establish performance benchmarks for ASL fishery performance 3. Monitor ESD indicators against benchmarks and implement changes as necessary 	<ul style="list-style-type: none"> ▪ By 2007 all fishers will be meeting Environment Australia assessment guidelines.
<p>8. New Zealand Alliance Low Priority</p>	<ul style="list-style-type: none"> ▪ ① Active positive dialogue with all parts of the NZ industry ▪ ② Creation of R&D and commercial alliances where mutually beneficial opportunities arise. 	<ol style="list-style-type: none"> 1. Establish and maintain industry contact for mutual advantage 2. Establish and maintain R&D linkages regarding enhancement, and aquaculture. 	<ul style="list-style-type: none"> ▪ Industry, FRDC and NIWA contacts established. ▪ Effective collaboration on selected R&D projects.

5.1 Growth Assumptions

The following table presents assumptions for industry development through to 2020.

2002 \$	Price Management			Volume Management							Customer Value Leadership										
	ACTUAL	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	
Production (at beach) tonnes	4,828	4,828	4,828	4,828	4,828	4,828	4,828	4,828	4,800	4,750	4,750	4,700	4,650	4,600	4,550	4,500	4,400	4,350	4,150	4,000	
Base	4,828	4,828	4,828	4,828	4,828	4,828	4,828	4,828	4,800	4,750	4,750	4,700	4,650	4,600	4,550	4,500	4,400	4,350	4,150	4,000	
plus growth from:																					
reseeded wild	0%	0%	0%	0%	0%	0%	0%	0%	1%	2%	3%	3%	3%	3%	4%	4%	4%	4%	5%	5%	
hold& fatten	0%	0%	0%	0%	2%	3%	4%	5%	10%	12%	15%	18%	20%	25%	28%	30%	33%	35%	40%	45%	
juvenile growout	0%	0%	0%	0%	0%	0%	0%	0%	1%	2%	3%	3%	3%	3%	4%	4%	4%	4%	5%	5%	
propagation	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	2%	3%	4%	5%	
Total Production (tonnes)	4,828	4,828	4,828	4,828	4,925	4,973	5,021	5,069	5,376	5,510	5,748	5,828	5,859	6,026	6,234	6,255	6,292	6,351	6,391	6,400	
made up of:																					
wild (incl feseed)	4,828	4,828	4,828	4,828	4,826	4,824	4,820	4,816	4,785	4,739	4,713	4,604	4,511	4,339	4,176	4,066	3,838	3,684	3,259	2,880	
wild feed / hold / grow	-	-	-	-	98	149	201	253	591	771	1,035	1,224	1,348	1,687	1,995	2,127	2,328	2,477	2,876	3,200	
propagate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62	63	126	191	256	320	
tonnes	4,828	4,828	4,828	4,828	4,925	4,973	5,021	5,069	5,376	5,510	5,748	5,828	5,859	6,026	6,234	6,255	6,292	6,351	6,391	6,400	
% of volume																					
wild caught	100%	100%	100%	100%	97%	96%	95%	95%	89%	86%	82%	79%	77%	72%	67%	65%	61%	58%	51%	45%	
feed / hold	0%	0%	0%	0%	3%	4%	5%	5%	11%	14%	18%	21%	23%	28%	32%	34%	37%	39%	45%	50%	
propagate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	1%	2%	3%	4%	5%	
Prices 2002\$ (FOB processor)																					
wild-direct	\$ 33.68	\$ 33.68	\$ 34.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 36.00	\$ 37.00	\$ 38.00	\$ 40.00	\$ 42.00	\$ 45.00	\$ 47.00	\$ 49.00	\$ 50.00	\$ 51.00	\$ 52.50	\$ 54.50	
wild-feed / hold	\$ 33.68	\$ 33.68	\$ 34.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 36.00	\$ 37.00	\$ 37.00	\$ 37.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	
propagate	\$ 33.68	\$ 33.68	\$ 34.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 36.00	\$ 37.00	\$ 37.00	\$ 37.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	\$ 38.00	
Wgt Av	\$ 33.68	\$ 33.68	\$ 34.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 35.00	\$ 36.00	\$ 37.00	\$ 37.82	\$ 39.37	\$ 41.08	\$ 43.04	\$ 44.03	\$ 45.15	\$ 45.32	\$ 45.54	\$ 45.40	\$ 45.43	
GVP \$million																					
(at beach/FOB processor)																					
wild caught	\$ 163	\$ 163	\$ 164	\$ 169	\$ 169	\$ 169	\$ 169	\$ 169	\$ 172	\$ 175	\$ 179	\$ 184	\$ 189	\$ 195	\$ 196	\$ 199	\$ 192	\$ 188	\$ 171	\$ 157	
feed / hold	\$ -	\$ -	\$ -	\$ 3	\$ 5	\$ 7	\$ 9	\$ 9	\$ 21	\$ 29	\$ 38	\$ 45	\$ 51	\$ 64	\$ 76	\$ 81	\$ 88	\$ 94	\$ 109	\$ 122	
propagate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2	\$ 2	\$ 5	\$ 7	\$ 10	\$ 12	
Total	\$ 163	\$ 163	\$ 164	\$ 172	\$ 174	\$ 176	\$ 177	\$ 177	\$ 194	\$ 204	\$ 217	\$ 229	\$ 241	\$ 259	\$ 274	\$ 282	\$ 285	\$ 289	\$ 290	\$ 291	
R&D Match Limit	\$ 407	\$ 407	\$ 410	\$ 431	\$ 435	\$ 439	\$ 444	\$ 444	\$ 484	\$ 510	\$ 543	\$ 574	\$ 602	\$ 648	\$ 686	\$ 706	\$ 713	\$ 723	\$ 725	\$ 727	
\$'000 0.25%																					

5.2 Proforma Budget

The following proforma budget presents the incomes and expenditures for the planned activities to be undertaken by the new Australian Southern Lobster industry national organisation.

FIGURE 16. PROFORMA BUDGET 2002-2008

AUSTRALIAN SOUTHERN LOBSTER Pty Ltd						
2002 Dollars		2003/04	2004/05	2005/06	2006/07	2007/08
	<i>catch tonnes</i>	4,828	4,828	4,925	4,973	5,021
	<i>beach price 2002 dollars</i>	\$ 33.68	\$ 34.00	\$ 35.00	\$ 35.00	\$ 35.00
	<i>GVP\$ mill.</i>	\$ 162.6	\$ 164.2	\$ 172.4	\$ 174.0	\$ 175.7
INCOME						
Current FRDC Levy Funds	<i>cents/kg</i>	\$ 0.017	\$ 0.042	\$ 0.066	\$ 0.066	\$ 0.066
(Max 75%) Proposed Industry FRDC R&D Levy	0.25%	80,000	203,138	323,174	326,343	329,511
FRDC Matching funds	0.25%	80,000	203,138	323,174	326,343	329,511
less levy collection costs		10,000	10,000	10,000	10,000	10,000
Total Funds		\$ 150,000	\$ 396,276	\$ 636,349	\$ 642,685	\$ 649,022
Additional contributions#						
New additional voluntary contribution		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
New market promotion levy		350,000	350,000	350,000	350,000	350,000
	<i>market levy rate cents/kg</i>	\$ 0.072	\$ 0.072	\$ 0.071	\$ 0.070	\$ 0.070
Net Income		\$ 600,000	\$ 846,276	\$ 1,086,349	\$ 1,092,685	\$ 1,099,022
plus						
Interest		500	500	500	500	500
Government support / contributions		2,000	2,000	2,000	2,000	2,000
Other income / publication sales etc		2,000	2,000	2,000	2,000	2,000
Estimated EMDG / Grant Receipts		-	4,500	12,500	17,000	17,000
TOTAL INCOME		\$ 604,500	\$ 855,276	\$ 1,103,349	\$ 1,114,185	\$ 1,120,522
EXPENDITURE						
Market Programs						
Export Research USA		50,000	-	-	-	-
Japan		30,000	-	-	-	-
China		30,000	-	-	-	-
Europe		30,000	-	-	-	-
Export Development USA		-	100,000	150,000	150,000	150,000
Japan		-	50,000	70,000	70,000	70,000
China		-	50,000	50,000	50,000	50,000
Europe		-	50,000	70,000	70,000	70,000
Domestic Market Program		40,000	20,000	20,000	20,000	20,000
Subtotal		180,000	270,000	360,000	360,000	360,000
Technology and Innovation Program						
E-commerce		50,000	50,000	25,000	25,000	25,000
Culture & Growout		-	100,000	200,000	210,000	220,000
Post Harvest		50,000	50,000	120,000	120,000	120,000
Training & Best Practice		25,000	40,000	50,000	50,000	50,000
Environment & Best Practice		25,000	25,000	25,000	25,000	25,000
Subtotal		150,000	265,000	420,000	430,000	440,000
Organisation		70,000	60,000	60,000	60,000	60,000
Program Manager	<i>incl oncosts</i>	101,250	150,000	150,000	150,000	150,000
Extension & Communications		100,000	110,000	110,000	110,000	110,000
TOTAL EXPENDITURE		\$ 601,250	\$ 855,000	\$ 1,100,000	\$ 1,110,000	\$ 1,120,000
SURPLUS / (DEFICIT)		\$ 3,250	\$ 276	\$ 3,349	\$ 4,185	\$ 522
Closing Cash Balance year end		\$ 3,250	\$ 3,526	\$ 6,875	\$ 11,060	\$ 11,582



INTRODUCING THE AUSTRALIAN SOUTHERN ROCKLOBSTER COUNCIL

Australian Southern Rocklobster Council is to be a company limited by guarantee owned by the rocklobster industry in South Australia, Victoria and Tasmania. It will be established specifically to implement the Australian Southern Rocklobster strategic plan. The full detailed strategic plan is available from the Council website.

For more information about the Council or the industry, please contact any of the industry leaders below or visit the website.

www.southernrocklobster.com

CONTACTS

Neil Stump

PO Box 138
ST HELENS TAS 7216
T: 03 6376 1041
E: nestump@postoffice.utas.edu.au

Rodney Treloggen

*Executive Officer
Tasmanian Rock Lobster
Fishermen's Association*
PO Box 195
ST HELENS TAS 7216
T: 03 6376 1796
F: 03 6376 1800
E: rocklobsterexo@bigpond.com.au
Internet: www.tasrocklobster.com.au

David Johnston

PO Box 259
PORT MACDONNELL SA 5291
T: 08 8738 2410
F: 08 8738 2296
E: davemjohnston@hotmail.net.au

David Lucas

80 Mercer Street
QUEENSCLIFF VIC 3225
T: 03 5258 1701
F: 03 5258 3719
E: davidlucas@swift.net.au

Andrew Ferguson

95 Cambridge Terrace
MALVERN SA 5061
T: 08 8357 7555
F: 08 8346 8729
E: andrew@fergusonaustralia.com

Kym Redman

PO Box 69
RENDELSHAM SA 5280
T: 08 8735 4241
F: 08 8735 4228
E: kymred@bigpond.com

Roger Edwards

*Executive Officer
South Australian Rock Lobster
Advisory Council*
Level 1, 16 Unley Road
UNLEY SA 5061
T: 08 8272 7766
F: 08 8272 7767
E: roger.edwards@corvel.com.au
Internet: www.seafoodsa.com

A National Approach to the development of the Australian **Southern Rocklobster** Industry



THE INDUSTRY IN THE FUTURE

The Australian Southern Rocklobster Industry will change significantly over the next 20 years. Most change will result from well planned technical and commercial strategies developed by cohesive industry management, in response to global and regional market opportunities. Our objectives are:

- 15% compound growth in average licence value through to 2012.
- Industry commitment to responsibility for development planning.
- Rocklobster products will be securely positioned in niche markets, predominantly in Asia, Europe and the USA.
- The culture of the Australian based fishers and processors will have become more integrated through chain alliances and investments, and adoption of e-commerce practices and tools.
- Industry R&D and generic market development programs will be fully funded by industry
- Industry embraces aquaculture so that wild catch and aquaculture present complementary offerings to an enhanced rocklobster product line.
- Industry will have well established technologies and procedures for reseedling and enhancement of wild rocklobster stocks.



FORWARD

The Fisheries Research and Development Corporation congratulates the Australian Southern Rocklobster Industry on taking this significant initiative to develop a Strategic Plan through to the 2020.

We will be pleased to work with the industry to establish a solid and predictable funding base from which we will be able to collaboratively invest in innovative Research & Development into the next decade.

Peter Dundas-Smith
Executive Director, FRDC

Southern Rock Lobster

Catch, Exports and Estimated Economic Impact, 2001/02

	SOUTH AUSTRALIA	VICTORIA	TASMANIA	TOTAL
CATCH AND EXPORTS				
Catch^a				
Quantity (t)	2,392	472	1,522	4,386
Value (\$m)	91.9	20.5	64.6	177.0
Exports^b				
Quantity (t)	2,153	425	1,370	3,947
Value (\$m, fob)	102.4	21.1	66.6	190.1
No. of vessels ^c	249	110	230	589
ECONOMIC IMPACT				
Output (\$m)				
Direct (fishing)	91.9	20.5	64.6	177.0
Other sectors ^d	149.6	32.3	119.9	301.8
Total	241.5	52.9	184.5	478.8
Employment (No. of fte jobs)				
Direct (fishing) ^e	789	220	621	1,630
Other sectors	827	196	729	1,751
Total	1,616	416	1,350	3,381

Source: EconSearch analysis.

- a EconSearch (2003a and 2003b) and ABARE (2003).
- b Exports are identified according to source state, not the state in which the rock lobster was caught. Estimates for SA are final estimates and were sourced from the ABS, as reported in EconSearch (2003a and 2003b). Estimates for Victoria and Tasmania are preliminary estimates as reported in (ABARE 2003).
- c SA (EconSearch 2003a and 2003b), Tasmania (Rodney Trelloggin, pers. comm.) and Victoria (Dave Malloy, MAFRI, pers. comm.).
- d 'Other sectors' refers to other industry sectors in state economies, e.g. fish processing and handling, other manufacturing, trade, business and property services, transport and finance. Detailed analysis has been undertaken to estimate the other sector impacts (i.e. the multiplier effects) in South Australia (EconSearch 2003a and 2003b), and these relationships formed the basis of the corresponding estimates for Victoria and Tasmania. As such, they should be regarded as preliminary, 'ball park' estimates.
- e SA (EconSearch 2003a and 2003b). Tasmania, based on 2.7 full-time equivalents (fte) per vessel (Rodney Trelloggin, pers. comm.). Victoria, based on 2.0 fte per vessel (Dave Malloy, MAFRI, pers. comm.).

Output is a measure of the business turnover or gross revenue of an activity. Total output needs to be used with care as it includes elements of double counting.

Employment is a measure of the number of working proprietors, managers, directors and other employees, in terms of the number of full-time equivalent jobs.

ACKNOWLEDGEMENTS

The Australian Southern Rock Lobster Industry wishes to acknowledge and thank the following who contributed to funding, time and resources to the strategic planning process:

FUNDING:

Fisheries Research and Development Corporation

SA Rock Lobster Advisory Council Inc

RESOURCES:

Tasmanian Rock Lobster Fishermen's Association

SA Rock Lobster Advisory Council Inc

Seafood Industry Victoria

Western Rock Lobster Council

TIME:

Rodney Trelloggin

Neil Stump

Andrew Ferguson

Kym Redman

Daryl Spencer

David Lucas

Russel Frost

Dave Johnston

Ross McGowan

Robert Van Barneveld

Dr Bruce Phillips

Dr Patrick Hone

Mr Peter Dundas-Smith

As well numerous industry people contributed at the various planning workshops and meetings, and/or made written and verbal contributions to the plan - the industry thanks you. Finally thank you the Ewan Colquhoun of Macarthur Agribusiness for leading the planning process and producing the final plan.

Roger Edwards

Project Manager

THE FISHERY

Australian fishers share one core belief – their industry has enormous potential to contribute to the economic and nutritional wellbeing of all Australians. The means to fulfil this promise present real challenges. The Australian Southern Rocklobster fishery, a large and viable contributor to the seafood industry, is determined to lead by example. The Australian Southern Rocklobster industry has traditionally operated as 5 independent state-based

fisheries. There are several fragmented SRL fisher organisations in different states. While intrastate and interstate communication is increasing, whole-of-industry planning has not been undertaken. This plan breaks new ground and presents the Australian Southern Rocklobster Industry’s plan to go forward over the next 20 years.

Currently the industry has 5 core stakeholder activities:



FIGURE 1 . AUSTRALIAN SOUTHERN ROCKLOBSTER VALUE CHAIN



DRIVERS FOR CHANGE

Change within the industry is driven by global and/or local forces and momentum, often beyond the control of fishers. Drivers can be economic, environmental or community based. Some drivers may also act as a brake on the rate of positive change in industry.

The Australian Southern Rocklobster industry is part of the food industry. To manage profitability going forward, industry must consider the big picture forces shaping global food markets.

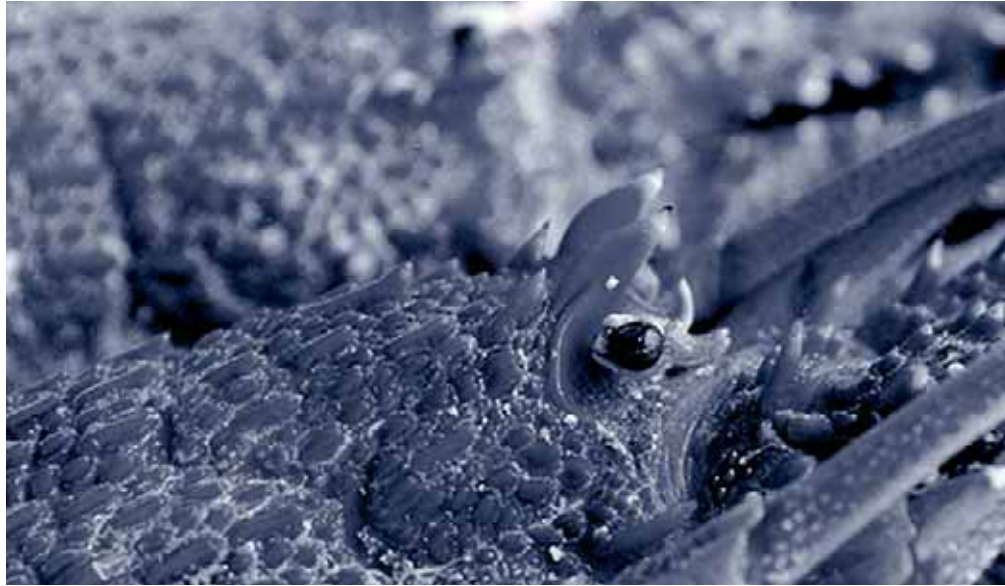
Several key factors have set in train the beginning of a pattern of globalisation in food and beverage retailing since the 1970s. But the principal element has been increasing consolidation of food retailing in Western Europe and the USA (and now Asia) leading to the emergence of a number of major players with global ambitions. These retailers include Walmart, Tesco, Royal Ahold and Carrefour.

CURRENT INDUSTRY POSITION

Asia is the key market for Australian Southern Rocklobster from Australia. Key markets in this region will remain our volume markets for the foreseeable future. The broader Asian agrifood supply chain and marketplace is undergoing a transformation. New networks of modern food retail and food service outlets and giant shopping malls are creating their own supply chains and distribution systems.

For all its economic promise the industry faces some challenges that constrain growth and profitability:

- Lack of appropriate peak body structure and supply chain fragmentation
- Limited enterprise commitment to joint industry development
- Complacency in dealing with market issues – predominant wild caught focus
- Limited sectoral or peak body strategic planning and agripolitical influence
- Policy dominated by resource managers and technologists rather than those with commercial and market experience



CULTURE OF THE AUSTRALIAN SOUTHERN ROCKLOBSTER INDUSTRY

Industry or business culture is often described as "the way things are done around here". The current culture of the Australian Southern Rocklobster Industry has evolved from two key sources:

- Firstly, the business of the fishers and processors has been traditionally based on the exploitation of a wild seafood resource accessed on a seasonal basis by accredited / licensed operators. Rocklobster is not unique. The hunter gatherer approach that has evolved places highest priority and financial investment in countering the investment risks associated with fish supply – i.e. fishery access via a licence and the relative productivity of the harvest operation. Price received at the beach is not controllable. This has fostered a commodity culture that is technology and catch productivity driven.

- Predominant investment in technological competitive advantage has been profitable for most Australian Southern Rocklobster enterprises for decades. As catch increases to fishery limits, and rising consumer demand makes cultured technologies attractive, the natural comparative advantages of the wild fishery will be diminished by competitors.
- The culture of the processor / exporters is more food industry driven by necessity, but still reflects the wild industry origins. Many have limited integration to the supply base and excess processing capacity constrains returns in some regions. The culture of many is driven by commodity opportunism in an environment where currency risk is high, supply/processing contracts don't exist, beach trading rules encourage short term planning, stock holding and value adding opportunities are said to be limited, volume growth is not possible, product lines are thin and their customers are the price makers. Why would any enterprise risk new capital investment in this context? Some processors that have dedicated (formal and informal) linkages to fishers and markets appear to be more confident of the returns available from new capital investment.



- Secondly, fishers' predominant focus on harvesting has traditionally meant that many trade control (and margin potential) away to third parties at the beach or door of the processing enterprise. As a result fishers (and some processors) tend to have a very limited awareness of market requirements. They are locked into a supply approach which makes them relatively weak sellers into commodity markets. Their motivation to clearly understand consumer preferences and then enhance sales margins through joint value adding or promotion along the whole supply chain is minimised. This then precludes fishers from accessing value adding opportunities and better returns.



CONSUMER MARKET BEHAVIOUR AND CONSUMER PREFERENCES

It is clear that the productivity improvements available from harvest technologies alone will not capture all of the margin gains available along the "Rocklobster food" demand chain. It is also probable (as seen in other wild industries now being cultured – e.g. SBFT, prawns, abalone) that ongoing investment in wild harvest technologies alone will lead to diminishing commercial gains to fishers. Fishers need to change to a new commercial paradigm to maximise their returns on funds invested.

There are two investment options:

- invest in new production technologies (e.g. enhancement and aquaculture) that open new horizons to drive productivity, and/or
- invest further down the chain toward the customer to capture a greater overall share of the margins available.

Either is possible but investment in both will create synergies. This new paradigm must incorporate strategies targeting the most significant variable impacting on aggregate margins – the human consumer. The behaviour of consumers as reflected in their buying and consumption preferences is the major driver that will challenge the existing industry culture. It will transform industry from a supply and technology driven commodity trader to a market driven, value adding, demand chain, margin manager.

STRATEGIC ISSUES

ORGANISATION AND MANAGEMENT

- Lack of a single National Australian Southern Rocklobster Industry Organisation impedes industry communication, representation and development.
- Commodity driven fisher culture of industry is a major constraint to adoption of value adding along the supply chain and investing as food industry partners.
- Lack of funds for strategic projects and development activities.
- Weak structural linkages from industry participants to regional associations, Australian Southern Rocklobster Industry Council and the Australian Seafood Industry Council, results in real constraints to beneficial learning, knowledge transfer and e-commerce activities.



MARKET PLANNING AND DEVELOPMENT

- Current industry arrangement is based on commodity selling, not product marketing.
- Fishers have limited awareness of the other stakeholders in the supply chain who service their consumers.
- Fishers have limited understanding of market needs and consumer preferences in selected markets and therefore are weak sellers and price takers.
- Industry competes totally on price.
- There are limited price signals to fishers regarding catch quality.
- The industry does not differentiate its offer to buyers or consumers through branding or promotion.
- Fish grading can increase overall sales and returns - smaller fish for Taiwan and Japan; larger fish for Hong Kong / China.
- Western and southern Rocklobster are not direct competitors in export markets.
- The predominance of export markets over domestic markets results in increased risk if the Australian currency strengthens. There is no comprehensive value added product line to buffer this impact.
- Australian Southern Rocklobster is the "gucci" of the world market – but is now trading as a commodity with no price premium.
- Occasionally there is a lack of airfreight space.
- Limited integration of fishers and processor / exporters means there is fragmentation in the supply chain.
- Strong competition from Mexico and other seasonal producers.
- Some niche export markets are available but for relatively small volumes – France, Singapore, Italy, Malaysia, Korea, UAE, Canada, UK.
- Excessive competition between processors results in unsustainable processor margins and beach price volatility.
- The industry holds limited price and value benchmarking data.
- Limited joint fisher – processor – exporter collective market research and analysis available.

Australian Southern Rocklobster Strategy Horizons	NEAR HORIZON 2003 -08	MID HORIZON 2009 - 14	FAR HORIZON 2015 - 20
Price Management Protect prices - Alliances - Best practice			
Build Prices - Niche markets - Value adding - Brand promotion			
Volume Management Enhancement - Fattening - Reseeding			
Aquaculture - Growout - Propagation			
Industry Management Structure and Leadership			
Alliances and Systems			
Marketing and R&D Investment			



E-COMMERCE AND COMMUNICATION

- Fisher efficiency and returns are constrained by poor communications and availability of key knowledge about:
 - markets and consumer needs
 - products and value adding
 - operations, practices and skills
 - technologies and innovations
 - investment returns and viability
 - regulations and safety.

ROCKLOBSTER CULTURE & GROWOUT

- Potential to enhance catch, product quality and availability, and industry viability through investment in enhancement technologies.

TRAINING

- Current seafood and Rocklobster training resources and programs (fishers and processors) available from TAFE's and other private providers need to be tailored to meet regional SRL needs.

SUSTAINABILITY & ENVIRONMENT

- Need for a national SRL ESD program and endorsement

NEW ZEALAND INDUSTRY

- Increasing mutual benefits available from R&D collaboration
- Market alliance by commercial operators may enhance margins also.

INVESTMENT PLATFORMS

Also indicates relative priority for action in next 5 years

OBJECTIVES

Numbers indicate year in which objective is first implemented over life of Strategic Plan

1

PROFITABILITY

High Priority

- To increase profitability for Australian enterprises

2

ORGANISATION AND MANAGEMENT

High Priority

- To establish a single National SRL Industry Organisation to plan and facilitate profitable industry development.
- To establish a secure funding base for the industry organisation and industry development and R&D programs.
- To provide linkage from industry participants to the newly established Australian Rocklobster Industry Council, and the Australian Seafood Industry Council.
- To actively pursue cultural change across the SRL participants from being a commodity fishing industry to a high quality fresh and processed food service industry.
- To attract and foster experienced leaders, managers and researchers to the SRL industry

3

MARKET PLANNING AND DEVELOPMENT

High Priority

- To make fishers aware of the processing, value adding and marketing components of the supply chain.
- To provide input to the RL Post Harvest Subprogram
- To establish a strong understanding of market needs and consumer preferences in selected markets
- To develop consumer and trade recognition of Australian brands on high quality Australian lobsters.

4

ROCKLOBSTER CULTURE AND GROWOUT

High Priority

- To provide input to the RL Enhancement and Aquaculture Subprogram
- To increase the supply of SRL's through propagation and aquaculture
- To value add to wild caught adult lobsters through live holding and feeding in aquaculture systems.

ACTIONS

Actions are numbered as they will typically occur in a chronological order

OUTCOMES

<ol style="list-style-type: none"> 1. Increase sales margin per kg of lobster through market development and supply chain management 2. Reduce supply risk and variability through enhancement, aquaculture and ESD performance 	<ul style="list-style-type: none"> • Higher return on investment for Australian enterprises
<ol style="list-style-type: none"> 3. Establish a National SRL Industry Task Force to consider and approve the national strategic plan. 4. Incorporate a new entity (Australian SRL Pty Ltd) with equal shares held by existing state stakeholders: <ul style="list-style-type: none"> - WA Rocklobster Council - SA Rocklobster Advisory Council, Inc. - Seafood Industry Victoria - Tasmanian Rocklobster Fishermen's Association 5. Task Force to establish the Constitution for the new entity 6. Task Force to manage a process to elect the Board for the new entity 7. Board to ratify and implement Strategic Plan Investment Platforms 8. Board to draft a budget for the new entity based on: <ul style="list-style-type: none"> - FRDC matching of existing industry contributions for extension - a national R&D levy supported by FRDC - equitable contributions from industry to fund industry organisation and agreed developments and initiatives 9. Board to appoint key staff to manage the industry's platforms identified in the Strategic Plan. 	<ul style="list-style-type: none"> • Task Force ratification of Plan • New entity incorporated • Board established • Budget confirmed • Program managers appointed • Secure funding base
<ol style="list-style-type: none"> 1. Establish an SRL market development committee comprised of fishers, processors, exporters and marketers 2. Submit market and product development projects to FRDC for R&D funding support as projects are developed 3. Conduct market research in selected Asian, North American and Europe markets to: <ul style="list-style-type: none"> - Identify viable niche market opportunities - Identify consumer needs and preferences for fresh and value added lobster products - Identify cool chain and quality management requirements - Identify the product and supply capability of competitors - Meet importers, distributors and food service managers to establish rapport, enhance industry awareness, and discuss value adding opportunities - Assess new food service and value adding technologies that may be applied to <i>Jasus edwardsii</i> 4. Establish and accredit preferred food safety and quality management standards for Australian SRL fishers and processors 5. Identify potential brands and packaging that could identify accredited Australian products and add value in specific markets. Develop a Promotion Program to support these brands. 6. Establish syndicated EMDG (Export Market Development Grant) coverage for the SRL industry company and seek partial cost recovery from Austrade annually 	<ul style="list-style-type: none"> • A National SRL Marketing Program encompassing market research and market development • Key market research completed • Export accreditation program agreed by industry and implemented • Levy establishment for generic marketing • Increased market access and returns year to year for SRL investors.
<ol style="list-style-type: none"> 1. Develop alliances for strategic planning and the conduct of R&D within the existing FRDC Rocklobster Enhancement and Aquaculture Subprogram. 2. Promote the potential role of aquaculture in the enhancement of the SRL fisheries, expansion of SRL supply and enhancement of SRL product quality. 3. Facilitate the SRL industry move to specialist R&D centres across relevant state fisheries so that R&D effort and cost benefit to industry are optimised. 	<ul style="list-style-type: none"> • To be completed based on further discussion with Rob van B. and industry. • Have capability to reseed, hold and fatten, etc.

INVESTMENT PLATFORMS

Also indicates relative priority for action in next 5 years

OBJECTIVES

Numbers indicate year in which objective is first implemented over life of Strategic Plan

5

E-COMMERCE AND COMMUNICATION

High Priority

- To collate relevant profitability and benchmark data for the benefit of industry members.
- To increase supply chain efficiency and returns through increased stakeholder understanding of:
 - Markets and consumer needs
 - products and value adding
 - operations, practices and skills
 - technologies and innovations
 - investment returns and viability
 - regulations and safety.
- To increase linkages to industry's regional communities
- To enhance the sense of community across the industry

6

TRAINING

Medium Priority

- To design and establish a national training program for the SRL industry.
- To establish an Industry–Government Partnership to fund and manage the program
- Maintain training program alliances with ASIC ,NZ industry and other parties where beneficial.

7

SUSTAINABILITY AND ENVIRONMENT

Medium Priority

- To establish and ESD Program
- To achieve certification of all fisheries by, for example, the Marine Stewardship Council.

8

NEW ZEALAND ALLIANCE

Low Priority

- Active positive dialogue with all parts of the NZ industry
- Creation of R&D and commercial alliances where mutually beneficial opportunities arise.

ACTIONS

Actions are numbered as they will typically occur in a chronological order

OUTCOMES

1. Expand the Tasmanian Rocklobster Information Service website across the SRL Industry giving access to all fishers, processors and key stakeholders
2. Develop information and data tools and allocate resources that support industry members to:
 - Undertake benchmarking and best practice projects
 - Enhance communication and awareness of supply chains
 - Contribute to industry market development strategies
 - Streamline current supply chains and transparency of activity
 - Explore and develop new markets in Europe, US and elsewhere
 - Enhance existing market relations;
 - Implement through chain quality management and traceability;
 - Improved enterprise and industry risk management
 - Review logistics and transportation of live product;
 - Understand the impact of China joining the WTO and other global impacts
 - Understand customer and consumer perceptions of product quality based on region and culture;
 - Implement and monitor traceability and accreditation
 - Implement and monitor industry training programs.

- To be completed based on advice from Tristan and industry.
- By 2008 web based resources will be the industry's communication and data resources vehicle of choice.
- 80% of all Australia supply chain participants (fishers, processors, licence holders, etc) will be aware of and regularly using the industry website and its e-commerce resources.

1. Appoint a group of senior SRL industry members to work as a Task Force with Seafood Training Australia and others to structure a Training Program specifically for SRL
2. Access existing training programs for western RL and other sectors from STA and design a program for personnel from both the fishing and processing sectors
3. Identify a list of preferred training enterprises and accreditors able to service the program on commercial terms
4. Identify a small industry team to manage the Program
5. Establish joint funding arrangements with government based on program performance and outputs
6. Define and implement accreditation and monitoring outcomes for each training course

- Environmental Management
- At-sea safety management
- Food safety
- Leadership
- SRL Board appointed Task Force by Feb 2003
- Task Force accessing data and design program by April 2003
- Confirm SRL Training Management Committee by May 2003
- Establish funding package by June 2003
- 90% of industry trained for sustainable and environmentally accredited practices, OH & S, food HACCP systems, and marine mammal interface management by 2007.
- Community endorsement of SRL management practices and accreditation to internationally recognised standards.
- Awareness of the regulations and alignment of work practices across the supply chain.

1. Develop relevant indicators of Environmentally Sustainable Development for each SRL fishery
2. Establish performance benchmarks for SRL fishery performance
3. Monitor ESD indicators against benchmarks and implement changes as necessary

- By 2007 all fishers will be meeting Environment Australia assessment guidelines.

1. Establish and maintain R&D linkages regarding enhancement, and aquaculture.

- Industry, FRDC and NIWA contacts established. In 2000
- To be completed based on further advice from industry
- By 2006 Australian and NZ industries will meet at least annually to identify and progress joint commercial projects.

APPENDIX 4: PROJECT 2007/704 REVIEWS

Michael Lane - Southern Rocklobster Limited - Preliminary Report on Business Model, Pitcher Partners, April 2008.

Paul Robinson- Market Opportunities and Development Project review, Capital Strategies Pty Ltd, September 2008.

John Allen, Project Number 2010/716 Consultation with Southern Rock lobster industry in Australia on Market Development Opportunities, July 2010.

Southern Rocklobster Ltd (SRL)

Preliminary Report on Business Model

Commercial and in Confidence for the Board of
Southern Rocklobster Ltd and Australian
Seafood Cooperative Research Centre

Prepared by Michael Lane
Pitcher Partners
April 2008
160 Greenhill Road
Parkside SA 5063

- 1.0 Executive Summary**
- 2.0 Review of Financial Model**
- 3.0 Management Structure**
- 4.0 Breakeven Analysis**
- 5.0 Sensitivities**
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1.0 Executive Summary

1.1 We have been requested to provide comment on the following:-

- The financial integrity of the model Profit & Loss Statement for the years ended 30 June 2007 – 2012. Refer Annexure 1.
- The risks that may adversely impact on achieving the objective of increasing the beach price of Southern Rocklobster to fishers who participate in the SRL program.
- Sensitivity analysis of the commercial risks identified for the business model.
- Breakeven volume analysis particularly relating to international sales volume forecasts.

1.2 We are not expected to comment or provide an opinion on the success or otherwise of the commercialisation of the business activities of SRL.

1.3 It appears that most of the operational and foundation objectives of the "USA Market Import Platform Establishment and Implementation Program – Version 3" prepared in August 2006 have been achieved and implemented, except that sales volume targets set out at point 17 relating to international sales volume have not been achieved. A review of the financial information and reporting of SRL indicates that domestic sales targets are being achieved.

1.4 Notwithstanding the brief as highlighted at 1.2, we are of the opinion that it is necessary for us to comment and focus on the international sales targets and resourcing of the development of customers in the USA. The non-performance in this area is a fundamental issue and, in our opinion, more relevant than determining the sensitivity of issues such as exchange rate and other competitive risks. To this end, we find it necessary to make observations and comment on the commercial aspects of the business activities of SRL as follows:-

- It appears unlikely that the international sales targets will be achieved in the original timeframe.
 - The lack of commercial traction or conversion of market opportunity to commercial activity needs serious and immediate review by the Board of SRL.
 - The reasons for underachievement of international sales volume forecasts could be as follows:-
 - a) Insufficient market development resources to achieve international sales volume targets.
 - b) Lack of acceptance of the product by target customers.
 - c) Incorrect market research and/or implementation of strategies to capitalise on market research.
 - d) Factors outside the control of SRL such as the increasing exchange rate and economic uncertainty in the USA.
 - e) A combination of all of the above.
- 1.5 The other significant financial risks surrounding the commercialisation of the market development in the USA are detailed in section 6. It would be commercially unwise to ignore these risks, but the significant variance in and the lack of achievement of international sales volumes as compared to forecast requires urgent and high level attention. This is more critical than an analysis of exchange rate sensitivities or other commercial sensitivities.
- 1.6 The sensitivities around the other commercial risks should be considered as part of the financial analysis, but not before the fundamental sales volume issue is addressed.
- 1.7 Based on our preliminary review of the business model and assumptions provided by management, we conclude that the breakeven international sales volume is

between 180,000kgs per annum and 250,000kgs per annum, assuming no financial support provided by the Seafood CRC. Refer Annexure 4.

Our review is preliminary only and additional work is required to verify this conclusion.

- 1.8 The current international sales volume for the year ended 30 June 2008 is predicted to be 4,500kgs. This compares unfavourably with the sales volumes forecast included in the USA Market Import Establishment and Implementation Program – Version 3 prepared in August 2006 of 35,000kgs before the end of the 2006/07 season and the revised forecast of 14,000kgs before the 2008 financial year as set out in Annexure 1.
- 1.9 In our opinion, the Board needs to consider the resourcing of the existing business model, as detailed in section 3 of this report. The costs of providing adequate managerial and account management support necessary to achieve the breakeven financial return needs review and consideration.
- 1.10 Our initial calculations indicate that the market development team must source at least 500 active restaurant customers in the USA to achieve the breakeven international sales volume by 30 June 2011. This conclusion is based on the assumption that each active restaurant customer would buy an average of 500kgs of southern rocklobster per annum, or approximately 10kgs per week. Management have not disputed this assumption.
- 1.11 This requires the market development team of SRL to add a minimum net increase of 3-4 restaurant customers per week, each week, for the next 3 years.

Currently SRL has 18 active restaurant customers buying on average 10kgs of southern rocklobster per week.

- 1.12 It appears reasonable to conclude that the commercialisation of the market research will require a significant investment in market development over the next 3 years, and certainly a greater resourcing than has currently been committed to date. We have calculated that approximately 150 new customers need to be added each year in order to achieve critical mass and breakeven within a 3 year timeframe. It is difficult to predict the costs of market development but it would be reasonable to

presume that the development team could be as many as five. Salaries, travel, etc could be in excess of \$750,000 pa. More work is required to determine such costs.

- 1.13 Alternatively a slower, low cost commercialisation process could be developed and considered by the Board.

2.0 Review of Financial Model

- 2.1. We have checked the additions and calculations of the forecast Profit & Loss Statement for the years ended 30 June 2007 – 2012 as annexed. Refer Annexure 1.
- 2.2. The additions and calculations of the model are correct, based on the assumptions stated.
- 2.3. Freight has been costed at an international rate, which is higher than the domestic freight rate and therefore conservative. This should be amended to reflect the domestic freight rates on domestic sales and will improve financial performance.
- 2.4. The financial model costs, gross margin and expenses appear to reflect the actual trading results, except that international sales are significantly below forecast in the 2008 financial year.
- 2.5. A pro rata calculation of the projected volumes for the year ended 30 June 2008 is as follows:-

	Actual	Forecast
	kgs	kgs
Domestic Sales	7,400	6,000
International Sales	4,500	14,000

- 2.6. It appears that an average export value of approximately \$72 per kg has been achieved and a beach price paid to fishers of A\$35 has also been achieved.
- 2.7. Direct costs incurred appear to be in line with forecasts.
- 2.8. As set out in 2.5, international sales volume is the significant and major variance and is, in our opinion, the greatest risk to the commercial activities of SRL.
- 2.9. The international sales volumes forecast appear to be optimistic. We have calculated the number of active customers required to meet the sales volume

forecast based on the assumption that an active customer will, on average, buy 10kgs of lobster per week for the entire year. This appears to be the average of the current active customer base of 18 restaurants.

Our calculations indicate that in order to meet the sales volume increases, the market development team will need to deliver approximately 500 additional active customers before 30 June 2011, which is an average of 3-4 new active restaurant customers every week.

Refer Annexure 2 – Volume and Account Manager Analysis.

2.10. Given the market development team to date has sourced 18 active restaurant customers, the likelihood of achieving the sales volume targets forecast is low, unless the resourcing for market development changes. The USA market is difficult to penetrate and as noted in 1.12, market development costs could be in excess of \$750,000 per annum.

2.11. It is our conclusion that unless there is a significant increase in the market development resource in the USA, the international sales volume forecasts are unlikely to be achieved.

2.12. This conclusion is supported by the following:-

- International sales volume is predicted to be 4,500kgs for the 2008 financial year. This is approximately 9,500kgs below the amended forecast, and significantly below the original international sales volume forecast.
- Weekly sales by kilogram need to increase as follows:-

2009	2010	2011	2012
684kgs	865kgs	2,692kgs	4,327kgs

3.0 Management Structure

- 3.1. We have been asked to comment on the breakeven volume and, in particular, what volume sales and gross margin will result in a breakeven financial result. In our opinion, it is not possible to undertake this analysis without reviewing the business and forecast management structures and forming an opinion of the costs included in the projected Profit & Loss Statement.
- 3.2. The marketing and project management expenditure is marginally costed at \$5.62 per kg and it is contemplated this function be outsourced to Corvel Marketing & Management.
- 3.3. It is our opinion that the current management structure and model, while acceptable in the foundation stages of the business development, will be challenged in the long term. The following comments are relevant to this proposition:-
- An operating business forecast to turnover A\$35m will, in our opinion, require it's own management team and management structure that is totally focussed on the enterprise of SRL at some future point of time.
 - Corvel appears to be a cost effective, experienced and efficient management solution during this foundation period of SRL. It is difficult to determine when SRL should develop it's own internal management structure. This is a matter for the board of SRL.
 - The intellectual property of the business development should eventually transfer to management of of SRL.
 - The potential for any actual or perceived conflict of interest between SRL and Corvel (which is currently declared and agreed) is eliminated.
- 3.4. Our preliminary opinion is that the expenditure set aside for market development and the ongoing sales management is inadequate if target international sales volumes are to be met, particularly in the short to medium term. Further expenditure for management and control of an enterprise with a turnover forecast to

be A\$35m appears to be underestimated. More work is required to build a model that considers all costs and resourcing requirements.

- 3.5. In the development phase of the market and based on our experience with other food service activities, it would be reasonable to assume that an account manager could take responsibility for say 100 active and 50 less active, or inactive, accounts. This assumption is based on physical visits to each restaurant on a monthly basis. That is, 4-5 visits per day for 5 days a week, therefore approximately 100 visits per month. Other sales contacts could be made by telephone.
- 3.6. The financial forecasts predict sales of 225,000kgs in 2010 – 2011, and based on the assumptions detailed in Annexure 2, this would equate to approximately 500 restaurant customers, or at least 5 account managers and a business development manager. The forecasts predict 3 account managers.
- 3.7. A predicted Management Structure based on our experience and the activity forecast is annexed at Annexure 3. The estimated direct costs are forecast in Annexure 4 relating to the breakeven analysis.
- 3.8. It is our conclusion that the physical resourcing of the business activities of SRL may have been underestimated and a review of resourcing should be undertaken.

4.0 Breakeven Analysis

- 4.1. We have prepared a "high level" breakeven financial forecast based on the Financial Forecasts prepared by SRL and adjusting for estimated staffing levels, which in our opinion are required to manage the sales volume forecasts, and excluding the current financial assistance from the Seafood CRC for development, we estimate that under the current model that the breakeven international sales volume is between 180,000kgs and 250,000kgs per annum. Refer Annexure 4. More detailed work is required to determine the actual breakeven position.

- 4.2. Once the breakeven is achieved, a rebate to fishers of up to \$6 per kg could be achieved on reaching an annual sales volume of 500,000kgs. This is an annual "dividend" to the fishers of approximately A\$2.7m.

5.0 Sensitivities

- 5.1. It is our opinion that the risk of non-achievement of the international sales volumes forecast is so great that the sensitivity analysis on forecasts is of little benefit until this sales issue is resolved. To this end, sensitivity analysis should be considered after the business model going forward has been agreed.

6.0 Risks

6.1. The non-achievement of international sales volumes forecast is the most significant risk facing the business activities of SRL.

6.2. Other risks are largely outside the influence or control of the board and management of SRL, but they would include the following:-

- The cost of entering the USA market.
- Supply risk.
- Exchange rate risk.
- Competition (local USA product).
- Competition (international sales demand).
- Mortalities.
- Disease.
- Contamination.
- New Zealand fishers.

7.0 Scope

7.1. We have been requested to consider and make comment on the following:-

- The financial model projected Profit & Loss Statement for the years ended 30 June 2007-2012. Refer Annexure 1.
- The integrity of the Financial Forecasts.
- The risks that may adversely impact on the objective of increasing the beach price of southern rocklobsters to fishers participating in the process.
- Sensitivity analysis relating to risks.
- Breakeven calculations.

7.2. Specifically, we were not expected to comment or provide an opinion on the success or otherwise on the business activities of Southern Rocklobster Ltd.

7.3. Our analysis and comments have included conclusions on the likelihood of achieving international sales forecasts and the resources required to manage an enterprise with a turnover in excess of A\$15m. These conclusions may be beyond the scope of our brief. However, it is our opinion that the likelihood of developing a market with international sales volumes forecast, given the existing resources committed to the project, is small, and to this end we are of the opinion that comment is required.

7.4. Our analysis is preliminary in nature and based on the assumptions that may prove to be incorrect. However, the forecast international sales volume increases are so great, given the actual sales volumes achieved to date, that our general conclusions appear to be reasonable.

7.5. In preparing this report, we have relied on information provided by the management of SRL and gained through interview, email and written form. Further, we have reviewed and have access to the following:-

- Briefing notes provided by management of SRL dated 11 February 2008.
- Projected Profit & Loss Statement for the years ended 30 June 2007 – 2012.
- Statutory Report for Southern Rocklobster Ltd for the years ended 30 June 2006 and 2007.
- MYOB management reports for SRL Marketing for the period ended 1 July 2007 to 29 February 2008.
- USA Market Platform Establishment and Implementation Program - Version 3 prepared in August 2006.

8.0 Disclaimer

Pitcher Partners has used reasonable care and skill in compiling the content of this document. However, Pitcher Partners makes no warranty as to the accuracy or completeness of any information in the document. We have relied upon historical information and information provided to us by management.

This document is intended for management purposes and consideration by the Board of SRL and the Australian Seafood Cooperative Research Centre only and no part of this document is intended to be advice, whether legal or professional. You should not act solely on the basis of the information contained in this document as parts may be generalised and may apply differently to different people and circumstances.

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PITCHER PARTNERS
ACCOUNTANTS AUDITORS AND ADVISORS



Michael John Lane

Address: 160 Greenhill Road Parkside SA 5063

Dated this 2nd day of April 2008

9.0 Annexures

Annexure I. Projected Profit & Loss Statement for the year ended 30 June 2007 – 2012

Annexure II. Volume and Account Manager Analysis for the years ended 30 June 2007 – 2012

Annexure III. Predicted Management Structure

Annexure IV. Breakeven Analysis – Assuming Sales Forecasts are Reasonable

Annexure I

Southern Rocklobster Ltd - Marketing

Projected Profit and Loss Statement
for the years ended 30th June 2007 - 2012

		2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Assumptions							
Volume		6,500	20,000	50,000	100,000	250,000	500,000
Domestic		30%	30%	20%	15%	10%	10%
Volume - Domestic		1,950	6,000	10,000	15,000	25,000	50,000
International		70%	70%	80%	85%	90%	90%
Volume - International		4,550	14,000	40,000	85,000	225,000	450,000
Income							
Sales - Domestic	\$54.00	130,000	324,000	540,000	810,000	1,350,000	2,700,000
Sales - International	\$72.00	288,000	1,008,000	2,880,000	6,120,000	16,200,000	32,400,000
Total Income		418,000	1,332,000	3,420,000	6,930,000	17,550,000	35,100,000
COGS							
Purchases	\$35.69	232,000	713,846	1,784,515	3,569,231	8,923,077	17,846,154
Discounts/Currency	2.5%	7,200	25,200	72,000	153,000	405,000	810,000
COGS		239,200	739,046	1,856,515	3,722,231	9,328,077	18,656,154
Gross Profit		178,800	592,954	1,563,385	3,207,769	8,221,923	16,443,846
Gross Profit %		42.78%	44.52%	45.71%	46.29%	46.85%	46.85%
Variable Costs							
Regional Receiver	\$4.62	30,000	92,308	230,769	461,538	1,153,846	2,307,692
Consolidator	\$3.54	23,000	70,769	176,923	353,846	884,615	1,769,231
Freight - Dom	\$0.00	11,000	0	0	0	0	0
Freight - Int	\$8.13	37,000	162,637	406,593	813,187	2,032,967	4,065,934
Importer	\$4.40	20,000	61,538	175,824	373,626	989,011	1,978,022
Tags	\$0.15	1,000	3,077	7,692	15,385	38,462	76,923
Traceability	\$1.00	6,500	20,000	50,000	100,000	250,000	500,000
Marketing	\$1.00	6,500	20,000	50,000	100,000	250,000	500,000
Program Management	\$4.62	30,000	92,308	230,769	461,538	1,153,846	2,307,692
Total Variable Costs	\$27.45	165,000	522,637	1,328,571	2,679,121	6,752,747	13,505,495
Total Variable Costs per kg		\$25.38	\$26.13	\$26.57	\$26.79	\$27.01	\$27.01
Net Margin		13,800	70,315	234,813	528,648	1,469,176	2,938,352
Direct Costs							
Depreciation		4,500	24,500	34,000	34,000	48,000	66,000
Other Costs		2,500	0	0	0	0	0
Total Direct Costs		7,000	24,500	34,000	34,000	48,000	66,000
Profit before O/heads		6,800	45,816	200,813	494,648	1,421,176	2,872,352
Overheads							
Accounting		0	10,000	10,000	10,000	10,000	10,000
Company Costs (USA)		0	5,000	5,000	5,000	5,000	5,000
Insurance		33,000	18,000	45,000	75,000	100,000	100,000
Total Overheads		33,000	33,000	60,000	90,000	115,000	115,000
Net Profit		(26,200)	12,816	140,813	404,648	1,306,176	2,757,352
Premium Payment		\$0.00	\$0.64	\$2.82	\$4.05	\$5.22	\$5.51

Capital Budget -SRL	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Traceability	0	200,000	250,000	250,000	300,000	300,000
Tanks	45,000	45,000	90,000	90,000	180,000	360,000

Other Information

People Program Managers	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Account Management	0.10	0.30	1.00	1.50	3.00	4.00
Supply Officer	0.10	0.30	0.40	0.75	2.00	3.00
Administration	0.10	0.20	0.50	1.00	1.50	2.00
Total Positions	0.30	0.80	1.90	3.25	6.50	9.00

Returns Program Managers	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Kilograms	6,500	20,000	50,000	100,000	250,000	500,000
Rate	4.62	4.62	5.00	5.00	4.75	4.25
Income	30,000	92,308	250,000	500,000	1,187,500	2,125,000
Expenses (\$125k/fte)	50,000	100,000	220,000	400,000	800,000	1,200,000
Margin	(20,000)	(7,692)	30,000	100,000	387,500	925,000

Capital Budget - Program Managers	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Computers	2,000	2,000	0	2,000	4,000	4,000
Servers	0	0	0	0	10,000	0
Laptops	2,000	2,000	0	2,500	5,000	5,000
Office Fit Out	0	0	0	0	30,000	0
Vehicles	0	25,000	0	25,000	50,000	60,000
Extra Credit	0	50,000	25,000	25,000	200,000	200,000
Total Capital	4,000	79,000	25,000	54,500	299,000	269,000

Annexure II

Southern Rocklobster Ltd - Marketing

Volume and Account Manager Analysis
for the years ended 30th June 2007 - 2012

	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Assumptions - Base Case						
Volume	6,500	20,000	50,000	100,000	250,000	500,000
Domestic	30%	30%	20%	15%	10%	10%
Volume - Domestic	1,950	6,000	10,000	15,000	25,000	50,000
International	70%	70%	80%	85%	90%	90%
Volume - International	4,550	14,000	40,000	85,000	225,000	450,000
Actual Sales Volumes						
Projected Sales Volumes						
Domestic	2,409	7,386	10,000	15,000	25,000	50,000
<i>Percentage Increases</i>		207%	35%	50%	67%	100%
International	4,000	4,454	40,000	85,000	225,000	450,000
<i>Percentage Increases</i>		11%	798%	113%	165%	100%
Average Sales Volume per week - kg's						
Domestic	46	142	192	288	481	962
<i>kg's per week increase</i>		96	50	96	192	481
International	77	86	769	1,635	4,327	8,654
<i>kg's per week increase</i>		9	684	865	2,692	4,327
Total	123	332	1,695	2,885	7,692	14,423

International Restaurant Analysis

Assumptions

Average Sales Volume per Restaurant - kg's per week 10
 Estimated Customers per Representative 80
 FTE Account Manager Costs \$125,000

Estimated Number of Active Restaurant Customers	8	9	77	163	433	865
Number of Account Managers Required	1	1	1	2	5	11
Business Development Manager	0	1	1	1	1	1
Total USA Based Account Managers	1	2	2	3	6	12
Forecast Account Managers	0.1	0.3	1	1.5	3	4
Estimated Account Manager Costs	\$125,000	\$250,000	\$250,000	\$380,409	\$801,082	\$1,477,163

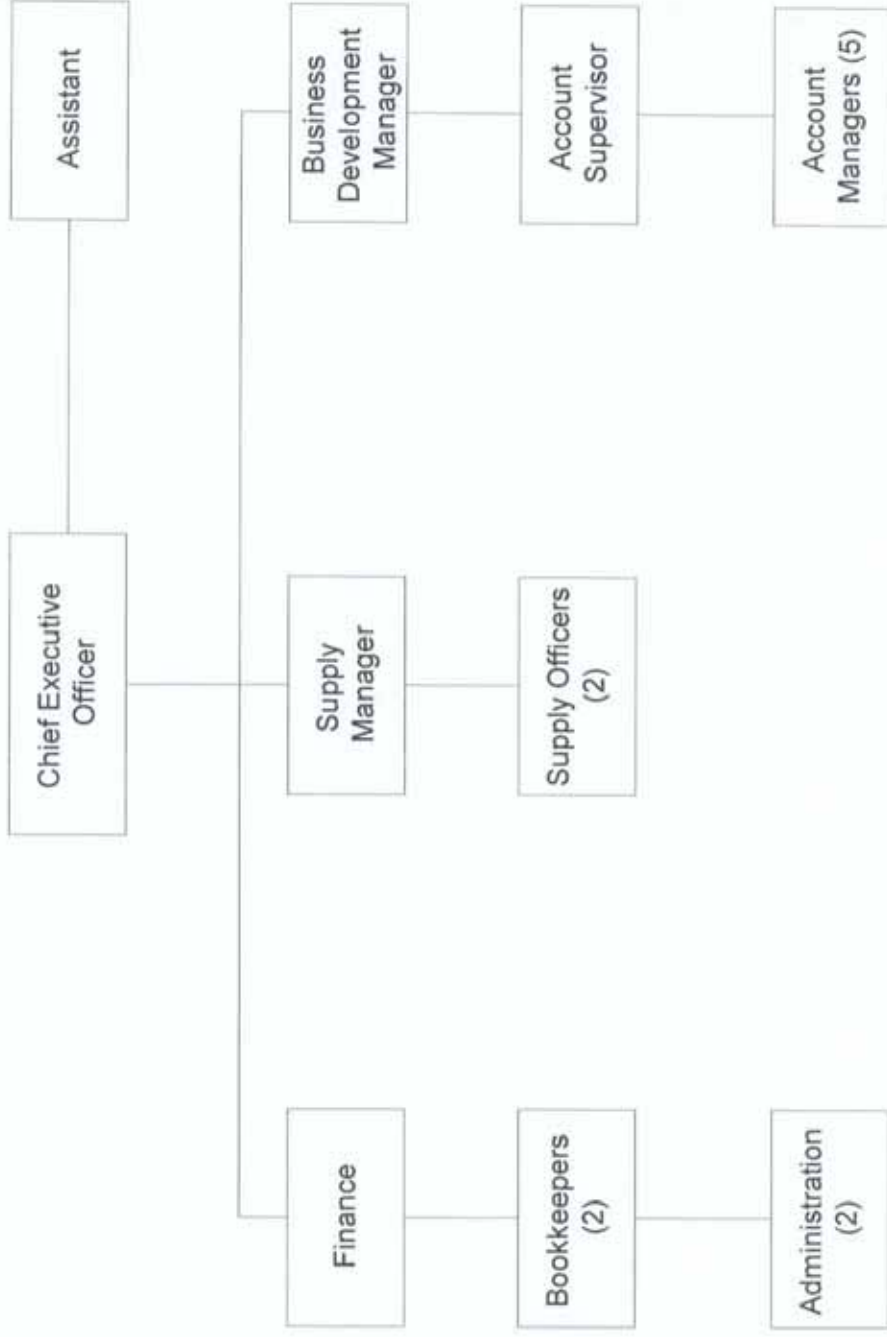
Volume and Account Manager Analysis - Domestic Sales Agreed - Adjusted International Sales

Assumptions

	18	1	2	3	4	5	
Current Active Restaurants							
Number of new Restaurants per week							
Estimated Active Restaurants as at 30 June 2008	34		50	66	82	98	
Estimated Active Restaurants as at 30 June 2009	86		154	222	290	358	
Estimated Active Restaurants as at 30 June 2010	138		258	378	498	618	
Estimated Active Restaurants as at 30 June 2011	190		362	534	706	878	
Estimated Active Restaurants as at 30 June 2012	242		466	690	914	1138	
							Base Case
							Forecast
Sales Volume per kg - 30 June 2009	31,200		53,040	74,880	96,720	118,560	40,000
Sales Volume per kg - 30 June 2010	58,240		107,120	156,000	204,880	253,760	85,000
Sales Volume per kg - 30 June 2011	85,280		161,200	237,120	313,040	388,960	225,000
Sales Volume per kg - 30 June 2012	112,320		215,280	318,240	421,200	524,160	450,000
Sales Value - 30 June 2009	\$2,246,400		\$3,818,880	\$5,391,360	\$6,963,840	\$8,536,320	\$2,880,000
Sales Value - 30 June 2010	\$4,193,280		\$7,712,640	\$11,232,000	\$14,751,360	\$18,270,720	\$6,120,000
Sales Value - 30 June 2011	\$6,140,160		\$11,606,400	\$17,072,640	\$22,538,880	\$28,005,120	\$16,200,000
Sales Value - 30 June 2012	\$8,087,040		\$15,500,160	\$22,913,280	\$30,326,400	\$37,739,520	\$32,400,000

Annexure III

Southern Rocklobster Ltd
Predicted Management Structure
 as at 30 June 2011



Total Full Time Employees 17
 Total Full Time Employees Forecast 6.5

Annexure IV

Southern Rocklobster Ltd - Marketing
Breakeven Analysis - Assuming Sales Forecasts are Reasonable
for the years ended 30th June 2007 - 2012

	Note	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Forecast Turnover		418,000	1,332,000	3,420,000	6,930,000	17,550,000	35,100,000
Net Profit as per Forecasts	1	-26,200	12,816	140,813	404,648	1,306,176	2,757,352
Add Market Development Funding	2	500,000	500,000	600,000	600,000	0	0
Adjusted Trading Net Profit		473,800	512,816	740,813	1,004,648	1,306,176	2,757,352
Add / Less Adjustments							
Add Program Management	3	30,000	92,308	230,769	461,538	1,153,846	2,307,692
Add Marketing	3	6,500	20,000	50,000	100,000	250,000	500,000
Less Estimated Employment Costs							
Account Managers	4	-125,000	-250,000	-250,000	-360,409	-801,082	-1,477,163
Supply Officers	5	-62,500	-62,500	-125,000	-250,000	-250,000	-375,000
Administration	6	-40,000	-80,000	-200,000	-320,000	-400,000	-400,000
CEO	7	-100,000	-100,000	-250,000	-260,000	-270,000	-280,000
CFO	8			-75,000	-150,000	-160,000	-160,000
Additional Overheads	9			-70,000	-100,000	-120,000	-180,000
Total Adjustments		-291,000	-380,192	-689,231	-898,879	-597,236	-64,471
Net Projected Return to Fund Development		182,800	132,624	51,582	105,778	708,940	2,692,880
Additional Return to Fishers per kg						\$3.15	\$5.98
Break-even kg's						243,750	
Break-even Rontags						600	
Account Managers & Domestic Development Manager						6	

Note 1 - Net Profit as per Forecasts

Extracted from base case profit & loss budget provided by SRL

Note 2 - Market Development Funding

Estimated market development funding supporting R&D
hun

Note 3 - Program Management & Marketing

Extracted from SRL forecasts. Added back on change of business model to SRL direct employment of staff & retention of IP

Note 4 - Account Managers

See analysis of volume and account manager for estimate of account managers to support predicted sales

Note 5 - Supply Officers

FTE Supply Officer Costs	\$125,000						
Estimated Supply Officers		0.5	0.5	1	2	2	3
Estimated Supply Officer Employment Costs		\$62,500	\$62,500	\$125,000	\$250,000	\$250,000	\$375,000

Note 6 - Administration

FTE Administration Costs	\$80,000						
Estimated Administration Staff		0.5	1	2.5	4	5	5
Estimated Administration Costs		\$40,000	\$80,000	\$200,000	\$320,000	\$400,000	\$400,000

Note 7 - CEO

Estimated CEO costs - 1 the short term before full time appointment charged by Corvel

Note 8 - CFO

Estimated direct appointment as activity and turnover increase

Note 9 - Additional Overheads

Estimate of additional overheads resulting from additional staff predicted

CONFIDENTIAL REPORT

SOUTHERN ROCKLOBSTER LIMITED



**MARKET OPPORTUNITIES AND DEVELOPMENT PROJECT
REVIEW REPORT**

Prepared for: Fisheries Research & Development Corporation ("FRDC")



Australian Government
**Fisheries Research and
Development Corporation**

Prepared by: Capital Strategies Pty Ltd



C A P I T A L S T R A T E G I E S

CAPITAL STRATEGIES PTY LTD
A.C.N. 008 181 173
CHARTERED ACCOUNTANTS

256A RUNDLE STREET, ADELAIDE, SOUTH AUSTRALIA 5000
TELEPHONE: (618) 8223 1727 FACSIMILE: (618) 8232 1639
EMAIL: capstrat@capstrat.com.au

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1.00 UNDERSTANDING OF THE BRIEF

1.10 Background to the Brief

- 1.11 Southern Rocklobster Limited (“SRL”) is a special purpose entity formed in February 2004 to represent the interests of the various Australian southern rocklobster (*Jasus Edwardsii*) fisheries. These licensed and quota controlled fisheries operate in South Australia, Victoria and Tasmania catching and distributing Australia’s premium rocklobster species. This particular species is marketed by SRL as “the finest in the world” due to its pollution free habitat, taste, texture, culinary properties and the **clean.green.**√ accreditation adopted by its fishers, processors and distributors.
- 1.12 SRL was incorporated initially to co-ordinate the research and development interests of the various rocklobster fisheries. SRL appoints an independent experienced chair (currently Roger Cotton) and has retained Roger Edwards as their Chief Executive Officer under a consultancy arrangement with Corvel Marketing & Management, an entity in which he holds a minority interest.
- 1.13 The southern rocklobster member fisheries previously competed for limited research and development funding and they were not cohesive when competing for funding against the larger (but different species – *Panulirus Cygnus*) Western Australian rocklobster fishery. Since forming SRL, their board entered in to a formal R&D MOU with FRDC and with the incorporation of Seafood CRC Ltd on 1 July 2007, SRL (with the support of FRDC) became a core participant with a suite of approved projects in accordance with their 2006/2011 strategic plan.
- 1.14 The annual *Jasus Edwardsii* catch is in the order of 4,500 tonnes per annum with the prime catching season being November to March each year with limited catch and closures of individual fisheries over the winter period. The majority of the catch is exported live to China, principally via long term processors/distributors in Hong Kong. Fishers/processors also supply the domestic market with live, fresh cooked and frozen product and in recent years there has also been an effort to target the value add processed market in both the domestic and export sectors. The prosperity of the fishery was initially achieved through the export of frozen tails to the United States market which paid a substantial premium over domestic prices. Over recent decades, this market has moved predominantly to the supply of live rocklobster to the Chinese market.
- 1.15 With the advent of Severe Acute Respiratory Syndrome (“SARS”) in Asia the industry suffered a major downturn as beach prices fell dramatically (an average 35% fall to some \$22.50 beach price per kg and as low as \$15 for 2kg+) for rocklobster and all premium seafood exports into Asia. With the decrease of reported SARS cases, and the continuing economic boom in China, rocklobster prices have again recovered to average \$35 and better over the recent season. But for the dramatic rise in the Australian Dollar against the Hong Kong/US Dollar, and to a lesser extent the Rembindi, the price recovery in Australian Dollars would have been even better.
- 1.16 At the time of the SARS related price falls, SRL became particularly alarmed at the vulnerability of their fishers given the 90%+ commitment of exports to China. In addition, SRL were and remain concerned that the Hong Kong buyers control most of SRL fishers output as regards price and distribution within China. As a longer term goal, SRL would like to open up direct links with distributors in to China but at the moment they are effectively barred by a combination of tariffs and suspected triad

collusion/pressures on the Hong Kong buyers. It is suspected that the 18% import duty in to China charged to Australians is bypassed via a grey market in Hong Kong.

- 1.17 Understandably, the board of SRL are concerned that fishers obtain the maximum possible prices for their product especially given the significant rises in fuel, vessel, crew and other operating costs in Australia. It was to this background that the major development project put forward for Seafood CRC Ltd consideration was the “*Seafood CRC – Assessment of new market opportunities and development of effective market penetration strategies for Australian Southern Rocklobster in the USA, Middle-Eastern Europe*” – say “**Market Opportunities and Development Project**”.
- 1.18 This Market Opportunities and Development proposal (Project No. 2007/704) was approved for the three years from 1 July 2007 to 30 June 2010 as one of the first projects of the new Seafood CRC. The total project budget to be contributed by Seafood CRC was \$1,798,749 over the three years with SRL making an in kind contribution of \$285,000 by \$270,000 in salaries and \$15,000 in capital and contribution by others, UniSA of \$825,000 in salaries and capital over the three years. Key features of the project are:-
- It is directed towards safeguarding the Australian premium rocklobster industry by further development of the brand, opening up new export opportunities, further development of the clean.green.√ accreditation and specific price improvement for the 2kg+ niche market.
 - It is designed to develop frontier technologies for expanding the live lobster trade initially to the distant US market to be followed by the more distant EU market, including development of technologies for value adding potential mortalities in a safe and controlled manner.
 - It is designed to take advantage of increase in demand for seafood grown naturally in clean and green environment, within sustainable fisheries.
 - It is a core project within the SRL Strategic Plan which builds on previous research and is targeted towards long term sustainability. As explained above, for some years SRL has been determined to identify new market opportunities for rocklobster exports and comprehensive research was undertaken in March 2005 as set out in FRDC Publication No. 05-1, arising from Project No. 2004/251, prepared by Australian Business Ltd in consultation with John Susman.
 - Most of the project is to be conducted by Corvel Marketing & Management as consultants and agents for SRL working in consultation with Ehrenberg-Bass Institute.

Whereas, Seafood CRC funds the majority of the costs of the project, approximately one third of the funding is contributed by SRL members leveraged by funds supplied on a \$1 for \$1 basis by FRDC under their MOU.

- 1.19 The project was approved by Seafood CRC conditional upon “*a major go/no-go point at the end of year one to determine whether a fully commercial entity established to export rocklobster to USA would be financial viable. Further investment after one year will be determined when the commercial arrangements are clearer. The Seafood CRC and SRL will work together to determine the best commercial outcome.*”
- 1.20 In accordance with the above requirement, Michael Lane of Pitcher Partners was appointed by SRL in April 2008 to provide a progress report on the USA sales and marketing project to that date, and to make an assessment of the potential

sustainability of a USA marketing/distribution office for SRL/Corvel without government grants post 30 June 2010, i.e. scheduled date for completion of the project. In essence, the report concluded that the original forecast turnover in USA of up to 500 tonnes per annum was unlikely to be achieved by 2010.

Accordingly they concluded a model had not been developed that would be self sustainable without government grants or greater contribution by SRL.

- 1.21 It is to this background that we understand that our firm Capital Strategies has been appointed to assist in determining what other options would best lead to the project's original objectives being met and to warrant continued and appropriate grant support.

1.30 Requirements of the Brief

- 1.31 This brief was let by FRDC to Capital Strategies in response to the Seafood CRC conditional approval granted for the Market Opportunities and Development project as outlined in 1.10 above. The review was also to consider issues raised in the Pitcher report, including conflicts of interests.
- 1.32 Specifically we are required to consider the business planning process adopted by SRL and other alternate models to meet the objectives of SRL and FRDC/Seafood CRC as funding partners which in turn require us to:-
- Assess the current ownership and structure of SRL and its links with Corvel; and detail alternative ownership and business structures that ensure:
 - its governance arrangements benefit the whole of the southern rocklobster industry (not just SRL Ltd as an entity)
 - SRL Ltd avoids competing with its own members (or the members of its members)
 - conflicts of interest are recognised, and handled in a transparent and effective manner
 - stakeholder perceptions are managed in a manner beneficial to the whole industry
 - asset ownership (including intellectual property) is clearly defined and well handled to the benefit of the whole industry
 - maximum benefits are delivered to the whole industry of any technology or processes developed (eg the "USA Model"; electronic tagging, etc) by SRL Ltd (eg consider the pros and cons of spinning off a company/companies)
 - Recommend to the SRL Ltd board the model you believe best meets the short and long term needs of the southern rocklobster industry
- 1.33 With regard to alternate models specific consideration was to be given to the Corvel proposal for the establishment of a company “with Southern Rocklobster Limited (SRL) and Corvel Marketing & Management as shareholders” as set out in their report to the SRL Board of April 2008.
- 1.34 The brief required us to meet and interview with representatives of FRDC, Seafood CRC Ltd, the Board of SRL, Pitcher Partners, Corvel Marketing & Management and Australian Business Ltd.
- 1.35 Whereas our original brief was to complete our report by 15 July 2008, by mutual agreement this deadline was extended to early September 2008 to allow adequate time to interview all key stakeholders and complete our report for review by FRDC, Seafood CRC Ltd, SRL and Corvel Marketing & Management at their 12 September 2008 board meeting.

1.40 Outcomes Anticipated

- 1.41 Subject to consideration of this draft report by FRDC/Seafood CRC they will advise of any changes they require and whether or not in principle they will support the continued funding of the Market Opportunities and Development project through to 30 June 2010, subject to SRL and Corvel Marketing & Management agreeing to adopt the recommendations of this report and any additional changes to the program required by FRDC/Seafood CRC.
- 1.42 From discussions with SRL and Corvel executives many of the recommendations included in this report are accepted in principal for consideration by their respective boards and for implementation by Corvel – Refer Appendix B update paper prepared by Matthew Muggleton.
- 1.43 Assuming the project proceeds, Seafood CRC Ltd and SRL will vary the original Project No. 2007/704 to document the agreed variations.
- 1.44 In completing this report we received advice on 1 September 2008 that “Seafood CRC/FRDC have agreed to proceed with funding 2007/704 as a development project to include establishing and implementing a development team in the USA to build trade volume in the market over the next two years. This is subject to SRL having a self sustaining path forward, post the research and development funding” – refer Appendix B.

2.00 PROJECT FINDINGS

2.10 Matters arising SRL/Corvel

2.11 A telephone conference with the Steering Committee and subsequent meetings with Roger Cotton (Chairman) and Roger Edwards (CEO), revealed a strong commitment by SRL to achieving the objectives of the Market Opportunities and Development Project utilising USA as the test market and building on the substantial work undertaken to date both in Australia with premium restaurant customers and in the USA.

The SRL Board is convinced that it is in their members interests that profitable alternate markets to the major markets of Hong Kong/China/Taiwan be opened up in the shortest possible time frame.

2.12 It is the SRL board's view that the process they started, following the commissioning of the Australian Business Ltd review of new market opportunities for rocklobster exports, would take up to a decade to complete. Even then it would be an ongoing process requiring constant attention if members are to protect the value of their industry, whilst maximising returns from their quota controlled and sustainable, catch.

2.13 One of the key challenges for the SRL board is to help members develop and protect their image and brand with a view to the product being continuously promoted and sold to high end users. This is particularly important given the quota controlled catch and high cost structure of the Australian rocklobster industry. Fishermen and processors in this industry are mostly independent small businesses without the financial resources and/or skill base to be able to locate and cost effectively supply direct to high value end users in distant export markets for live and value added products. Furthermore, natural competition and resentment arises when medium sized businesses emerge from the industry and small businesses cannot find a way to participate in the new markets opened up by their competitors.

2.14 The clean.green.√ fisher direct/processor model being developed by SRL in conjunction with Corvel Marketing & Management is an imaginative and soundly thought through model. The process is designed to benefit all members wishing to participate with indirect, but quite traceable benefits to even those fishers who elect not to participate directly. In the limited time the project has been running it has demonstrated a number of significant positive outcomes including:-

- High end restaurants and celebrity chefs, in Australia and USA, can and do support Southern Rocklobster as one of the finest lobsters in the world.
- High end restaurants will pay a significant premium for Southern Rocklobster when its freshness, product quality and texture and clean.green.√ process is thoroughly explained and understood.
- The Corvel Marketing & Management sales and marketing model can sit alongside direct fisher/processor sales efforts as is evidenced by their continuing high end sales to Rockpool (Neil Perry), Nobu and Versace in Australia. The unique features which appeal to customers in the Corvel Marketing & Management model include:-
 - Regular and direct contact by a sales force whose primary product is Southern Rocklobster.
 - Year round supply through the reach offered via SRL and the various fisheries operated by their members.

- An appreciation of the clean.green.√ quality assurance program backed up at all times by the quality of the product.
- Appreciation of the Southern Rocklobster brand.

2.15 In parallel with developing the high end domestic market, Corvel Marketing & Management under the direction of Matthew Muggleton, have been developing as required over the last 12 months their understanding of the United States market and the best ways of accessing high end users. This has involved some six separate trips over the last 12 months and numerous demonstrations and presentations to targeted distributors, celebrity chefs and high end restaurants and hotel chains. Whereas the product is well accepted, sales penetration has been disappointingly slow with only some 4.5 tonnes of product (compared to 6 tonnes of product in the domestic market) being sold during the 12 months ended 30 June 2008. The Research & Development program was derived from the UniSA recommended approach developed for SRL/Corvel.

Nevertheless, the average beach price paid for 2kg+ lobsters for the year end 30 June 2008 was \$34 per kg, with this product being priced in both the USA (average price \$73.69 per kg) and the Australian domestic market (average price \$64.23 per kg), to demonstrate that the distribution model is potentially viable and to cover the following costs whilst paying a competitive beach price:-

- Shipping and logistics costs,
- Live storage and distribution costs,
- Local agent commissions,
- Mortalities and potential mortalities up to 22%, and,
- Retention of \$1 per kg for a future marketing fund.

In addition, the price now being paid for 2kg+ rocklobsters by the Chinese importers has now risen from the previous discounts of up to \$10 per kg and fishers/processors are now receiving parity prices for these lobsters. This improvement is thought to be largely related to the better prices being paid by the high end restaurants in USA and Australia.

2.16 Despite the program covering costs as outlined above in 2.15, at present volumes there is insufficient contribution to cover the substantial costs of the Corvel Marketing & Management contracted personnel, travel, marketing and out of pocket costs. Hence the funding support by the industry itself, leveraged via FRDC and Seafood CRC.

2.17 In discussions with Matthew Muggleton and Roger Edwards there are a number of factors identified which have lead to the disappointing sales penetration in the USA to date. Specifically:-

- The initial US distributor chosen post an interview process conducted by a sub-committee of Southern Rocklobster Limited Board was Pacific Pride but this agency was singularly unsuccessful due to the low volume and profit opportunity offered to the distributor.
- Up until recent weeks, the US currency continued to sharply weaken against the Australian dollar. The FX rate at 30 June 2006 (i.e. at the time of the Australian Business Group report on export opportunities to the USA and Europe was being considered) was \$1AUD = US \$0.7433, decreasing to \$1AUD = US \$0.8487, (i.e. a 14% decrease) at 30 June 2007, decreasing further to \$1AUD = US \$0.9626 (i.e. a further 13% decrease) at 30 June

2008). This is a compound decrease of approximately 30% over the two years – see Appendix A.

- Although there were some six visits made to the United States over the last 12 months by Matthew Muggleton, there is no substitute for face-to-face sales and marketing contact, especially when the US based selling agent was not sufficiently enthusiastic given the limited commission opportunities.
- Other than face-to-face contact with celebrity chefs and restaurants, there was only a very basic marketing program with food chefs and editorials and no significant budget.
- To maintain faith with the Australian fishers it was necessary to maintain the Australian beach price, despite the falling US dollar and this led to a 30% price increase. In addition, channels have only recently been exploited into Las Vegas, a market identified for significant growth.
- Given the extra transport time for live lobsters to the United States and the demanding quality requirements for high end restaurants, it was necessary to convert some 10-15% of live product to cooked/frozen product. Only limited work had been undertaken to maximize returns from avoiding potential mortalities via the value add markets.

2.18 It is to the above background, that the Board of SRL fully supports the establishment of a Corvel Marketing & Management office in Los Angeles, and this office is proposed to be open in mid September 2008, when Matthew Muggleton and Lucy Hinge will move full time to the United States. The anticipated benefits from this full time commitment are expected to include:-

- A closer and more effective working relationship with the proposed new distributor Santa Monica Seafood for Los Angeles and Las Vegas distribution.
- The capacity to firm up effective distribution arrangements through other major economic centres in the United States, with the following parties and centres being targeted:-

<i>Targeted Distributor</i>	<i>Location</i>
Short list developed – no selection yet	New York
Short list developed – no selection yet	Chicago
Short list developed – no selection yet	Dallas
Short list developed – no selection yet	San Francisco
Short list developed – no selection yet	Miami
Short list developed – no selection yet	New Orleans

- Increased sales penetration with approximately 40 tonnes of product expected to be sold during FY2009.
- Dependant upon currency and the relative success of the new distribution arrangements, this is anticipated to lead to a further doubling of live sales in FY2010 and a steady increase of say 33.3% per annum thereafter up to say 180-250 tonnes per annum in 7 years.
- Again, dependant upon market acceptance of value add chef packs, it is anticipated that this segment of the business can and will be grown aggressively. It is believed that this market segment will potentially provide the opportunity for substantial incremental growth at excellent farmgate prices and this in turn will increase export competition and therefore improve prices for all Southern Rocklobster.

2.19 With regard to Corvel’s experience with value add chef packs, this is relatively new and as explained above arose from ensuring that only the freshest and vital live lobsters are delivered to customers, and the need to maximise value from second grade lobsters. Matthew Muggleton is of the view that this market can be further developed successfully in the United States utilising premium grade lobsters with premium prices being obtained for fishers. In particular, Corvel are working with a product development group in Los Angeles and have developed premium chef packs for:-

- Frozen portions,
- Rocklobster ravioli, and,
- Lobster bisque.

Initial market acceptance by target premium restaurants is reported to be positive and Matthew has identified this area of product development as potentially having equal opportunity for growth in the United States when compared to live lobster. In essence, many celebrity chefs and restaurants in the United States are more focused on convenience and presentation than the rigour, skill, discipline and time required to properly maintain, process and prepare premium dishes from live lobster.

2.20 From the enthusiasm and commitment of the Corvel personnel interviewed, I am confident that the proposed US/Los Angeles marketing office and the program developed by Matthew Muggleton (see Appendix B) will result in significant progress being achieved over the next 12 months. Whilst sales volumes were low, the understanding of the market and what is required to be successful is significant and should be viewed by the SRL board, FRD/Seafood CRC as essential field test experimentation.

It is unlikely, however, that sufficient progress will be made by the end of FY2010 for there to be a long term sustainable business specialising in the sale and distribution of Southern Rocklobster throughout North America unless there is a marked and continuing fall in the US dollar or alternatively an equivalent of the SARS scare in Asia.

2.21 Gazebo Enterprises is a joint venture entity beneficially owned 50% Burnie Lange, 25% Roger Edwards and 25% Jeff Voight. Gazebo holds a 100% interest in Centrestate Exports Pty Ltd (“CSE”) and an 80% interest in Corvel Marketing & Management (“CMM”) which entity is 20% owned by Matthew Muggleton.

This group and its subsidiaries was formed by Bernie Lange as a specialist agribusiness consulting group following the sale of IAMMA (an entity which Bernie was a foundation shareholder and director of) to Wesfarmers Limited. CSE is a grain consulting and trading entity and CMM/Corvel is a seafood consulting and trade facilitation entity which acts for SRL.

Roger Edwards background is as an agribusiness/economic consultant and he has worked for many years with the rocklobster industry in Australia and since incorporation in 2004 as the contracted CEO of Southern Rocklobster Limited. Roger and Matthew Muggleton and Jeff Voight are minority shareholders in Corvel. Southern Rocklobster Limited has retained Corvel as its principal consultants to manage on its behalf the MOU with FRDC, and all projects approved by them and Seafood CRC Limited.

The Board of SRL is fully supportive of the work undertaken by Roger Edwards and Corvel since their incorporation.

2.30 Matters arising Seafood CRC/FRDC

- 2.31 Seafood CRC Ltd commenced operations on 1 July 2007 under the direction of the Board and Dr Len Stephens the CEO. The seven year funding for Seafood CRC Ltd was obtained competitively following a bid which was supported by FRDC, the major fishing and aquaculture groups in Australia and all major fishing research institutions. The major strength of the bid was the targeted research and development needs and opportunities identified by the industry participants.
- 2.32 SRL is a major core participant of Seafood CRC Ltd and the “Assessment of new market opportunities and development of effective market penetration strategies for Australian Southern Rocklobster in the USA, Middle East & Europe” was a cornerstone project for SRL.
- 2.33 It was a condition of the Seafood CRC Ltd approval that there be “A major Go/No Go point at the end of year one to determine whether a fully commercial entity established to export Rocklobster to USA would be financially viable”. The application stated:- “Further investment after one year will be determined when the commercial arrangements are clearer. The Seafood CRC and SRL will work together to determine the best commercial outcome”. A three year program was envisaged.
- 2.34 In accordance with the project approval, Seafood CRC Ltd resolved with SRL that an independent party be appointed to determine “whether a fully commercial entity established to export Rocklobster to USA would be financially viable” based on progress to 30 April 2008. Mr Michael Lane of Pitcher Partners (Chartered Accountants) was duly appointed and his report issued shortly thereafter. In essence, the report concluded that it was unlikely (based on performance to April 2008) that a commercial entity exporting Rocklobster as proposed would be financial viable without continuing grant support.
- 2.35 Given that the project is a core program required as a condition of SRL’s investment via FRDC in Seafood CRC Ltd, it was agreed that FRDC would commission an independent review by Capital Strategies Pty Ltd to work with SRL/Corvel and Seafood CRC Ltd to determine if the project could be further modified with a view to ensuring the best commercial outcome possible.
- 2.36 An interview with Dr Len Stephens concerning the options open to SRL/Corvel indicated that continued Seafood CRC Ltd support and funding was:-
- Potentially available as Seafood CRC Ltd was committed to up to half its funding allocations being spent on development and not just research provided the development was in the interest of the members of the participant and warranted the level of grant committed.
 - Conditional upon any conflicts of interest between SRL and Corvel being adequately explained and dealt with in the interest of SRL members.
 - Conditional upon the Corvel managed venture contributing to material and ongoing benefits for SRL members and this could be potentially achieved by:-
 - significant ongoing US market penetration (say 100-250 tonnes + per annum).
 - the technology developed for the US market being applied to European and other core export markets,

- Corvel Marketing & Management maintaining a US presence, servicing SRL's members, even if not in the start up mode as currently proposed.
- US agents having sufficient success and interest in the product, such that the Corvel office could be closed or transferred to Europe.

2.40 Matters arising -Pitcher Partner Report

- 2.41 The Pitcher Partner Report concluded that less than 5 tonnes of international sales would be achieved to 30 June 2008 (compared to a forecast of 14 tonnes), although some 7.5 tonnes of domestic sales would be achieved compared to the forecast of 6 tonnes. The Report further concluded that sales in the range of 180 – 250 tonnes per annum would be required for a self sustaining business in the absence of grants from FY2011 on.
- 2.42 On the expenditure side, the Report concluded that money was properly accounted for and spent in accordance with budget estimates. Accordingly the major and most critical aspect of the Report relates to the uncertainty surrounding future sales volumes and the assumption that 180 – 250 tonnes per annum would be difficult if not impossible to achieve in the USA in the near term future.
- 2.43 The Pitcher Partner Report did not (nor were they requested in their brief to) examine alternatives for developing a financially viable model.

2.50 Challenges in Establishing a Sustainable Model

2.51 Whereas the Pitcher Partner Report dismissed currency fluctuations and concentrated on sale volume shortfalls, it is our opinion that currency can and does have a major impact on sales volumes. Fortunately, with the falling oil price the US dollar has strengthened over the last eight weeks to \$1AUD = some US \$0.85 which is a 12.5% improvement over the 30 June 2008 position.

2.52 Apart from the normal fluctuations in currencies (the 10 year average AUD/USD f/x rate is less than UD \$0.80), it is possible to take forward cover when the opportunity presents itself at improving exchange rates where there is a significant differential exchange rate between the official interest rates in the two countries concerned. With the current official Australian interest rate being 7.25% per annum and the US rate being 2%, then if SRL/Corvel Marketing & Management had access to say a 5 year rolling f/x cover facility, Australian exporters such as SRL will become more competitive. There is no doubt that sales volumes of premium seafood are directly related to cost and the AUD/USD exchange rate materially effects the cost of Australian product in the USA.

2.53 The SRL/Corvel plan to open a Los Angeles based office staffed with Matthew Muggleton and Lucy Hinge will also have a material impact on the volume of SRL product sold in the USA. Full time direct representation by the appropriate personnel should lead to:-

- Direct contact with an expanding distributor and end customer base.
- Direct contact and supervision of the major Los Angeles/Las Vegas distributor (Santa Monica Seafoods) and other premium seafood distributors to be appointed to service the main economic centres.
- Opportunities to cement and build relationships with leading food writers and celebrity chefs, and hence the opportunity of creating demand backed up by the capacity to supply on a timely and personalised basis.
- Opportunities to develop value add products targeted for maximum convenience to the US premium dining segment whilst maximising returns to Australian fishers.
- Significantly increased sales, or alternatively the exercise will provide definitive proof that the sales price point sought on behalf of Australian fishers is too high for a sustainable targeted volume market of say 180 – 250 tonnes per annum.

2.54 The USA sales and marketing proposal by SRL/Corvel is similar in nature to two other Australian owned premium seafood distribution models that have been recently formed and are currently working successfully in promoting/selling premium seafoods to high end restaurants. Specifically:-

- Blue Harvest Pty Ltd was formed some 12 months ago as an Australian distributor of premium seafoods. This venture was brought together by John Susman and Sam Gordon and it is now represented in all mainland states in Australia. The business initially distributed Kinkawooka mussels and soft shell crabs. Market penetration and price points were materially increased by pitching the products at premium end users and ensuring consistent top quality and sales and support service.

Clean Seas Tuna Limited appointed Blue Harvest to distribute their Yellowtail Kingfish, Mulloway and Southern Bluefin Tuna products

throughout Australia from April 2008 on. Their contractual arrangements are performance driven as regards increasing volumes and prices and Blue Harvest also provides international marketing consulting services to ensure co-ordination and brand development, packaging, and product development to maximise returns to the grower. It is anticipated that Blue Harvest will sell over 2,000 tonnes of premium seafood product into the Australian domestic market in its second full year of operation.

- Jayfresh International was formed some four years ago to market premium seafoods into key export markets principally within the European Union. Jayfresh is owned by Jamie Angus who is based in London/Paris and now has a support staff of three agents promoting premium seafoods throughout the European Union. Clean Seas Tuna Limited has been Jayfresh's core supplier although this entity also supplies other premium Australian seafood to the European Union. It is anticipated that Jayfresh will sell some 1,500 tonnes of premium Australian seafood product into the European Union/USA export markets in FY2009.

2.55 In most respects the SRL/Corvel USA export model for SRL rocklobster is similar to the successful models now operated by Blue Harvest and Jayfresh. Both of these entities would have operated at significant start up losses if they had not had alternative sources of revenue during their start up periods and or support from their suppliers. Initially Jayfresh also distributed premium Australian exotic fruits and Blue Harvest earned significant revenue from specialist seafood consulting services.

The major strategic differences between the SRL/Corvel and Blue Harvest/Jayfresh models are:-

- At this stage it is proposed that Corvel product range be limited to SRL rocklobster.
- The price point for their fish sales has been set at an artificially high level (principally due to movements in the currency) so as to provide competition to the main SRL rocklobster customers located in Hong Kong/China, i.e. at this stage a substantial premium over comparable products is required.
- Other income sources such as consulting or non fish products are not proposed

2.56 It is our belief that the SRL/Corvel USA export office/venture will need to be progressively refined if it is ultimately to become financially robust and financially independent of ongoing grant support. In our opinion, there are a number of options open to SRL/Corvel to achieve their own key objective (an alternative market to Hong Kong/China to protect the long term viability of the industry) and FRDC/Seafood CRC Ltd's current stated additional objective of the USA export office to be managed by SRL/Corvel providing long term sustainable benefits to SRL members. These alternatives are summarised as follows:-

- i. All parties to commit to the model as proposed by SRL/Corvel and given the currency improvement (perhaps enhanced with f/x cover) and the face-to-face representation to be provided by Matthew and Lucy then this should lead to materially increased sales, especially if the value add components of the program are well accepted in the USA.
- ii. The SRL Board with the support of its members could lower, either immediately or at some appropriate time, the beach price required to achieve further market penetration into the USA and other target markets or

alternatively they could contribute a marketing levy when either grants expire or are withdrawn.

- iii. As originally proposed the model could be adapted to the European Union market, especially as the research conducted indicated that a higher price could be sustained in this market than in the USA. We understand that the EU was not chosen as the initial target market because of the extra travel time (and hence mortality risk) and because SRL members – Fergusons in particular – were already active in that market.
- iv. SRL/Corvel could endorse the USA office promoting/selling other premium Australian seafoods. This would result in a number of benefits to the USA operation, which is later discussed.
- v. FRDC/Seafood CRC Ltd could extend the program post FY2010 subject to revised and more realistic sales targets and other issues being agreed between the parties. It should be recognised that the SRL Board believed in 2005 that it would take them up to 10 years to properly establish the brand and reach into strong competing markets with Hong Kong/China. From our experience we believe the 10 year time frame envisaged to secure strong footholds in USA and Europe are realistic compared to the objective of a self sustaining marketing arm by FY2010.

- 2.57 FRDC/Seafood CRC Ltd also seek assurances that the USA project will provide sustainable benefits for SRL members. Apparently there is some concern that intellectual property and the customer base developed by Corvel for SRL and the benefits arising therefrom may vest in Corvel and not SRL members.

I am satisfied from my review that this is not Corvel's intention. The SRL Board has confidence through working with Corvel over a number of years that the majority, if not all, of the benefits and intellectual property will flow back to SRL and its members. Any financial return to Corvel will be commensurate with the skills and services provided and commercial risks taken in undertaking this challenging project.

Nevertheless, additional security for SRL and its members would be provided if Corvel's offer of selling this section of their business to SRL (or some derivation of the principle behind this concept) was formally put in place. See later for recommendation.

2.60 Opportunities for Enhancing Australia’s Premium Seafood Industries

2.61 There is always a danger that the long term viability of primary producers (such as the Southern Rocklobster industry) will be threatened if the majority of its product is supplied to one customer or groups of customers influenced by factors outside the control of the supplier. This is a common problem worldwide for primary producers and the Australian premium seafood industry in particular, is not exempt. Threats to such industries can arise from such factors as:-

- War.
- Major diseases such SARS.
- Localised economic downturn such as the relatively recent Asian financial crisis (1997 – currency turmoil commencing in Thailand).
- Changes in tariffs and other entry criteria – often political.
- Collusive buying and control.
- Environmental issues, such as “air miles” currently gaining favour in the EU.
- New competition (e.g. aquaculture or dumping by non traditional suppliers).

2.62 SRL is the first Australian premium seafood industry to develop and fund a comprehensive strategy designed to ultimately protect their members from over-reliance on one major group of customers. The need for such a strategy was highlighted by a number of factors, including:-

- The dramatic slowdown in the Asian market following the Asian financial crisis.
- The equally dramatic slowdown on the Asian market as a consequence of SARS.
- The increasing costs of operation in Australia (labour and fuel in particular), and the decline in the value of their businesses/quota after a sustained period of asset value growth and acceptable commercial returns.
- The evidence of collusive buying, which may be Triad influenced.
- The difficulties of competing with the grey product introduced into China via Hong Kong and thereby escaping duties payable by direct Australian exporters.

The SRL/Corvel model is a critical test for the Australian seafood industry and its failure may discourage other sectors with similar problems from taking positive action now to diversify their customer base and protect the long term viability of their industry. Equally important to opening up new markets is the positioning of their product and branding as a premium clean.green.√ branded and promoted product produced from long term sustainable fisheries. The program under review is undoubtedly in the long term interest of the Southern Rocklobster industry and all its members if successful.

2.63 Other premium Australian seafood industries who share similar risks to SRL are:-

- **Southern Bluefin Tuna** – Over 90% of Australia’s catch and grow quota controlled industry production (9,000 tonnes per annum) is exported in a largely unbranded and commodity fashion to a select number of Japanese buyers who use collusive buying power. The need for a program similar to that being developed by SRL is now recognised by a number of members of the ATBOA and the association itself. Small amounts of branded product are now being sold into the European Union, United States and other selected Asian markets but not in sufficient quantities to provide a hedge against

problems which could potentially arise with Japan in the future as a consequence of such factors such as aquaculture or improved catch and grow operations in Mexico or elsewhere.

- **Australian Aquaculture Fin Fish Produces – Salmon, Trout, Kingfish, Mulloway and Barramundi** – All of these industries rely predominantly upon the domestic Australian market as we are a high cost producer and it is expensive and difficult to obtain a sufficient premium in export prices to cover the substantial cost of breaking into new markets profitably. Progress is being made into selected markets by strong corporate participants (such as Tassal, Huon Aquaculture and Clean Seas) who are demonstrating that Australia can be a cost effective aquaculture producer of premium seafood products and can compete internationally.
- **Spencer Gulf and West Coast Prawn Fisheries** – The SGWCPF association representing this fishery is concerned that it has lost most of its export markets (previously to the USA and Japan) and that profitability has been declining steadily over recent years as operating costs rise, previously lucrative export markets are lost, and the domestic market has trouble differentiating between Australia and imported aquaculture produced product. Accordingly, the premium nature of the product from this long term sustainable fishery is not being reflected in returns to members.
- **Wild Catch and Aquaculture Produced Abalone** – These fisheries are also supplying predominantly to the Chinese market and as the number of producers grows as a consequence of successful aquaculture, the vulnerability of the industry increases especially as no significant domestic or other export market development has occurred.
- **Aquaculture Produced Oysters** – The outstanding success of the Australian aquaculture oyster industry (quality and volume) means there is a real danger of over supply, unless this industry can develop viable export market for its product.

2.64 Given the difficulties of competing in the USA export market as a consequence of the low US dollar values, very few participants of the above industries are currently exporting to this market. In essence, they all suffer from the challenge SRL/Corvel is facing. Specifically:-

- Only high end users recognise its value and can pay high enough prices for premium Australian seafood.
- Present distributors in the USA cannot see sufficient volume to warrant stocking and promoting Australian seafood.
- Other than the SRL/Corvel model, no other Australian fishery or major corporate, can justify the essential requirements for skilled on the ground marketing personnel without which nothing substantial will happen.
- When exchange rates revert to normal (as they almost certainly will), Australian exporters will need to start over, without a strong customer base and or distribution chain.

2.65 In the event that SRL and Corvel saw the business opportunity and merit in not just marketing/selling southern rocklobster via its USA office, then many opportunities could be opened up for the Australian premium seafood producers. Specifically:-

- Product diversification could lead to the SRL/Corvel USA operation either becoming self sustaining, or warranting continuing financial support ex FRDC/Seafood CRC through to 2014.

- Better penetration of southern rocklobster as high end restaurants need a range of premium seafoods, of comparable quality and reliability of supply.
- A strong and well educated distribution chain servicing all the major economic centres in USA, together with high end customers, can be established to rapidly take advantage of a strengthening US dollar.
- Australian premium seafood can and should be differentiated in the US market for the benefit of all producers who can meet the necessary quality and reliability standards needed to prosper.
- In the event that the “intellectual property and customer base” was owned (at least to the extent of say 50%) by the associations/corporations providing the product, then such a USA marketing entity could be accessible to all Southern Rocklobster growers, and other premium seafood participants.
- The model, if successful, could also be adopted in the near term future in other key markets such as China/European Union via successful start up entities such as Jayfresh and Corvel when successful.

2.66 For such a model to capture the support and benefits for SRL member and others it would require:-

- **Wider supplier support** – ATBOA, SGWCPFA and Clean Seas have all been interviewed during the course of this review, and have indicated “in principle support” and a willingness to enter into discussion with Corvel to determine potential benefits.
- **Corvel performance** – Although in start up mode, I was particularly impressed by Corvel’s (and Matthew Muggleton in particular) skill level, enthusiasm and aptitude to head up the office – Certainty of funding support during the initial stages would be required, however, for major commitment from other industry/corporate suppliers.
- **Corvel Support** – Parties such as FRDC/Seafood CRC would need to help “sell the benefits of the model” to the Australian premium seafood sector.
- **Ongoing benefits** – this could be achieved by Corvel simply doing a good job and remaining independently owned. Frankly, there isn’t a premium seafood distributor resident in the USA specialising in Australian premium seafood. Dependant upon product mix to be offered, it may be appropriate to have SRL and/or its nominee, have an option to purchase a 50% interest in the USA operation in including all intellectual property, marketing materials and distributor/customer and value add relationships.

2.67 FRDC/Seafood CRC appear to both be strongly committed to working with the major Australian seafood associations/industries and corporates, in the development of world competitive and sustainable export capability, essential for long-term sustainability.

The diverse nature and ownership of Australia’s premium seafood supply chain makes it difficult to achieve and implement a cohesive and effective marketing strategy for the industry as a whole – such as has been achieved for Chinook Salmon, Beluga Caviar, New Zealand Lamb, and Wagyu Beef.

2.68 The SRL/Corvel and Jayfresh International models are important commercial models for the premium Australian seafood sector. If successful, they will substantially extend the reach and opportunities for all premium seafood producers. The barriers to success are many, and yet all informed parties recognise that the distribution chain from egg/hook to plate (whilst at all times protecting brand and quality) needs to be

improved if maximum value add is to be achieved for Australian producers/processors.

Given the present pricing difficulties brought about by the low US dollar, there is a unique opportunity for a well defined and resourced premium Australian seafood marketing entity to be established in the USA. Especially if such an entity was:-

- Focused on high end customers.
- Focused on quality and standards.
- Focused on building a distribution network to all major economic centres in USA.
- Accessible and supported by an increasing number of SRL members – the “Fisher Direct” model is an excellent model.
- Able to also promote in a similar manner, other premium Australian seafood products such as SBT, Yellowtail Kingfish, Abalone and Prawns – provided such industries/corporates are also committed to Australian Branding and quality product differentiation.

2.69 The SRL/Corvel proposed USA marketing and distribution office proposed for Los Angeles appears to be well placed and staffed to succeed subject to:-

- Acceptance of realistic budgets and timeframes.
- Adequate near term funding, and the opportunity for extended grant funding through to say 2014 subject to realistic KPI's being achieved.
- SRL members support, including access to value added rocklobster products.
- Some stability, and preferably improvement in the US\$/AUD\$ exchange rate – possibly assisted by an appropriately funded and managed f/x forward cover facility.
- Staff stability and encouragement.

It is possible that the model's chances of long term success and viability would be enhanced if the product range was expanded to include other premium Australian seafoods.

3.00 RECOMMENDATIONS

3.10 Original Proposal

3.11 We support SRL’s key original objectives for the “Market Opportunities and Development Project”, and believe that although the project has been expensive to date when compared to sales achieved in USA, substantial progress has been achieved and the project warrants continued support and funding.

3.12 Like Pitcher Partners, we also are of the opinion that the USA office will not be financially sustainable by 30 June 2010 unless there is a continuing marked improvement in the US exchange rate. Alternatively, a collapse in the Chinese market and hence a lower beach price for Chinese exports could result in a rapid increase in USA export volumes.

3.13 Unlike Pitcher Partners, we do not think financial sustainability by 2010 is the critical question. It is legitimately arguable that the project would have been successful and funding would have been warranted if:-

- An increasing number of SRL members adopt the clean.green.√ accreditation (or its equivalent) which will ultimately be required in all major markets.
- The major US distributor (Santa Monica Seafoods now appointed) is achieving sufficient sales, to continue to grow and service a market set up by SRL up to 30 June 2010, along with the other US distributors to be appointed.
- Corvel Marketing & Management diversify the product range to include other Australian premium seafoods, and hence achieve sustainability.
- A safe method is developed for achieving live shipments to EU as well as USA and a value add methodology is applied to minimise the cost of potential mortalities.
- If a value add product line(s) is developed and accepted by the market in the USA, this may well produce a different outcome than was originally envisaged.
- If the technology being developed is followed by other processors/distributors into other key markets such as EU, Dubai, and direct to China.
- If the value of the “Southern Rocklobster” brand is lifted in the key domestic market as the “premium” Australian seafood, and the average price obtained is lifted – the average export price should be a key KPI in measuring the relative success of the project.

3.14 It should be noted, however, that material issues have arisen during the initial 12 months of the program and SRL/Corvel is open to varying the program with FRDC/Seafood CRC to improve the program going forward. In particular:-

- The initial US distributor chosen did not perform, hence the change to Santa Monica Seafoods.
- Sales volumes were materially affected by currency, and if US currency remains weak it may be necessary to add say SBT and Yellowtail Kingfish to obtain market penetration and cashflow.
- As anticipated, the extra shipping distance to the USA over Hong Kong gives rise to a greater number of weak lobsters that need to be value added to lower the potential mortality cost.
- Not having a dedicated office in the USA led to a logistics nightmare, hence the proposed Los Angeles office.

3.20 Amended Proposal

- 3.21 Corvel have prepared an updated “SRL/Corvel USA Marketing Plan” discussion paper for SRL Board and FRDC/Seafood CRC consideration – Attached as Appendix B.
- 3.22 The paper includes all of the key issues arising during the course of our review, as well as a significant number of initiatives proposed by Roger Edwards/Matthew Muggleton. We support the discussion plan.
- 3.23 With regard to some of the funding options (to achieve sustainability) listed in the discussion paper, we comment further as follows:-

1. **Marketing levy to raise \$500-600k across the industry** – SRL already contributes to FRDC/Seafood CRC, but at some stage an additional marketing levy (legislation permitting) would be beneficial.
2. **Achieve the breakeven volumes required 180-250 tonne** – Likely to take longer than to 30 June 2010, but should remain a key objective – plus it will be necessary to make adequate profit to satisfy ultimate shareholders and retain key personnel.
3. **Add other product - e.g. Kingfish and Tuna** – In our opinion, the option most likely to reduce the need for grants, and add to a sustainable Corvel US marketing entity.

As part of our review we have had positive discussion with the following parties who would be pleased to consider a formal proposal from Corvel:-

- ATBOA – Brian Jefferies believes that ATBOA members recognise the need to better brand, value add and differentiate their product and that the USA market offers potential – ATF/Clean Seas Tuna Ltd have also indicated in principle support for marketing fresh SBT product via Corvel.
- Spencer Gulf & West Coast Prawn Fishermens Association – The independent Chair, Glenn Davis has also indicated support (for similar reasons to ATBOA) and SG&WCFPA would be pleased to receive a proposal from SRL/Corvel.
- Clean Seas Tuna Ltd – Matthew Muggleton visited with key CST personnel and the parties have agreed to continue discussions with regard to distribution of fresh Yellowtail Kingfish, Mulloway and SBT (sourced ex ATF) if SRL/Corvel wishes to follow up.

In addition, we believe other industries and participants such as wild catch and aquaculture abalone producers, oyster growers associations, soft shell crab and value add rocklobster producers (such as Fergusons) could be approached to potentially widen the product range offered.

4. **Establish a Corporate Structure** – We believe this program can and should be transferred to a Corvel wholly owned subsidiary which should hold all the intellectual property and assets of the project, employ the key personnel, and account for all receipts and payments. We further recommend that SRL or its nominee be granted a \$1 option to purchase 50% of the issued capital at any time up to 30 June 2010 for 50% of the value of the underlying net assets. In the event that ATBOA and/or Clean Seas or other parties were selling through SRL/Corvel USA, this would give them the opportunity via SRL of

investing and supporting the venture post 30 June 2010. It should also dispel concerns over conflicts of interest between SRL members and Corvel. We believe that Australian distribution business to high end customers, is in itself a significant success, and this business should be continued, expanded, supported and included in the new corporate entity.

The new entity would need to have assured funding (FRDC/Seafood CRC grants could be paid quarterly in advance), could be in place by say 31 December 2008, and would need to comply with appropriate corporate governance requirements.

If successful, such an entity could develop into a powerful and successful USA export sales/marketing venture for premium Australian seafoods. Such an entity could provide substantial opportunities for premium seafood export growth into the important and duty exempt USA market.

3.24 Overall we support the revised program direction as set out in SRL/Corvel's discussion paper, and recommend continued funding until at least 30 June 2010 subject to:-

- i. A separate legal entity being established by no later than 30 June 2009.
- ii. SRL and/or nominee being granted an option over 50% of the issued capital at an exercise price equivalent to 50% of the NTAs.
- iii. Corvel actively pursuing marketing/sales arrangements with other Australian premium seafood producers, maintaining the "fisher direct" model.
- iv. Matthew Muggleton entering into a mutually acceptable incentivised employment contract until at least 30 June 2010 with the new entity.
- v. The cashflow and timing of funding for the program needs to be clarified between the parties and consideration should be given to a potential 2+2 year extension subject to satisfactory progress and review of objectives and required outcomes in light of such progress.

There may also be merit, but there should be no compulsion, in SRL examining with say Jayfresh International and/or Fergusons, a similar arrangement to that which exists with SRL/Corvel, for near term EU "fisher direct sales".

3.25 The major challenge facing Australian premium seafood exporters is to reduce the number of parties involved in the egg/hook to plate chain. The "fisher direct" model being promoted for domestic and USA rocklobster sales is a critical element of the overall approach and can and should be further refined as the project moves forward.

4.00 SUMMARY

SRL and FRDC entered into a 10 year MOU whereby the parties look to deliver demonstrable benefits to the Southern Rocklobster fisheries.

One of the key programs entered into in the spirit of that MOU is the Seafood CRC “Market Opportunities and Development Project”. The three year project looks to build on the Southern Rocklobster “finest in the world” brand, by opening up new export markets to ensure competition (and fall back markets if required) to Hong Kong/Chinese buyers, who currently take over 85% (?) of all Australian production. The USA market was chosen as the test export market, and significant test marketing and protocols were developed for accessing high end domestic celebrity restaurants.

The project builds on three years of intensive quality, brand development and research. Unfortunately the research did not anticipate the logistical problems which arose from a major US dollar currency devaluation. Fortunately this devaluation against the AUD\$ may have peaked for the near term – refer Appendix A.

The logistics of a live export program into USA are significant as is the difficulty in building up a reliable and loyal customer base and efficient distribution system.

On balance, we believe significant and critical Intellectual Property has been developed, and that overall the project (despite slow sales success) is on a realistic track to reach its original objectives. This success will only be best achieved, however, with the continued support of SRL/FRDC/Seafood CRC.

Corvel have demonstrated a high level of commitment and flexibility to the process, and they are well staffed and resourced. Overall we believe their revised plans (as set out in the updated SRL/Corvel Memorandum – Appendix B) and the adoption of the key recommendations in this report, should lead to a successful and sustainable commercial outcome for all participants in the SRL industry.

APPENDIX A

Currency Movement Graphs:–

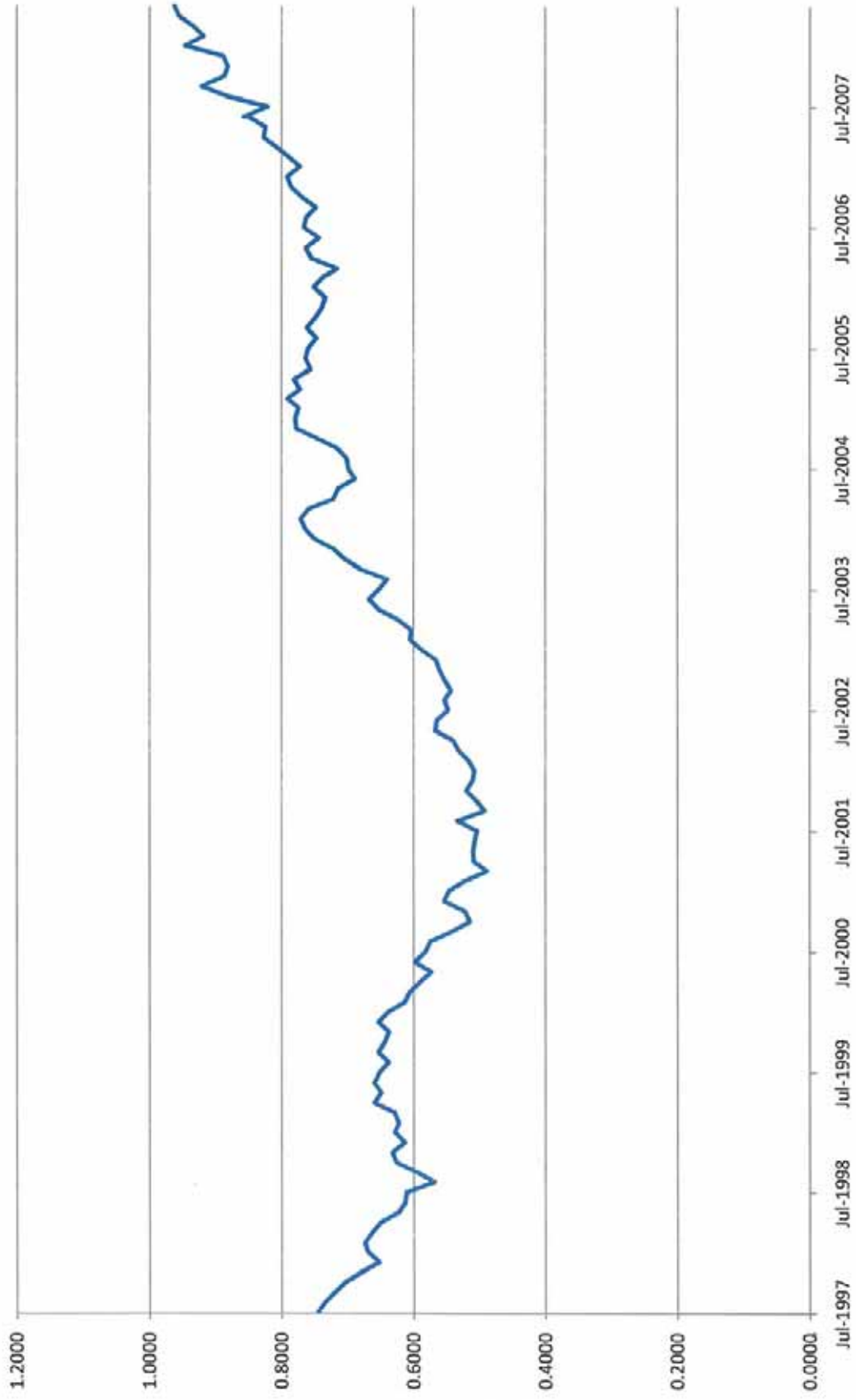
AUD \$1.00 to US \$ - 07/97 – 06/08

AUD \$1.00 to US \$ - 01/07/08 – 21/08/08

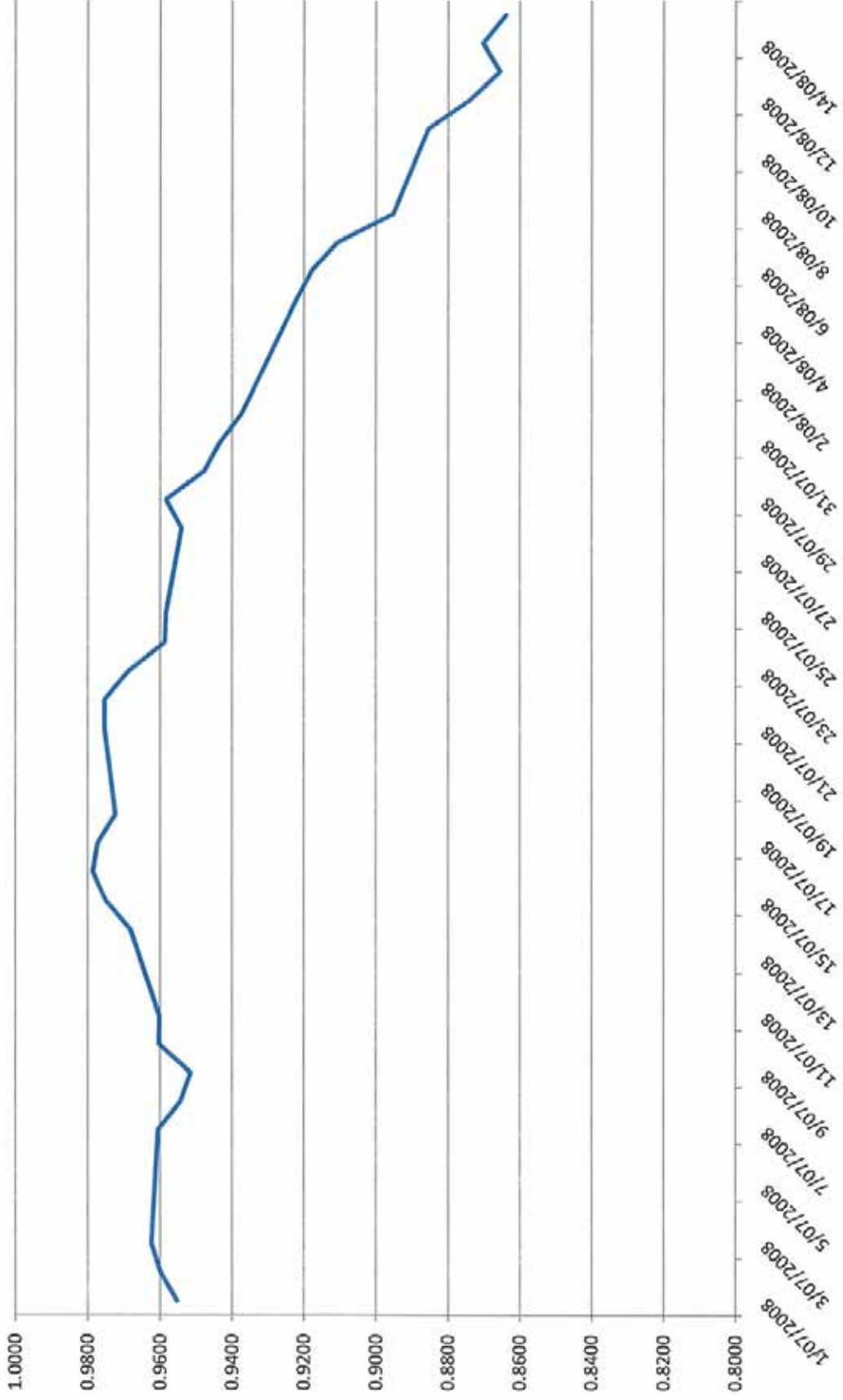
AUD \$1.00 to HK \$ - 07/97 – 06/08

AUD \$1.00 to HK \$ - 01/07/08 – 21/08/08

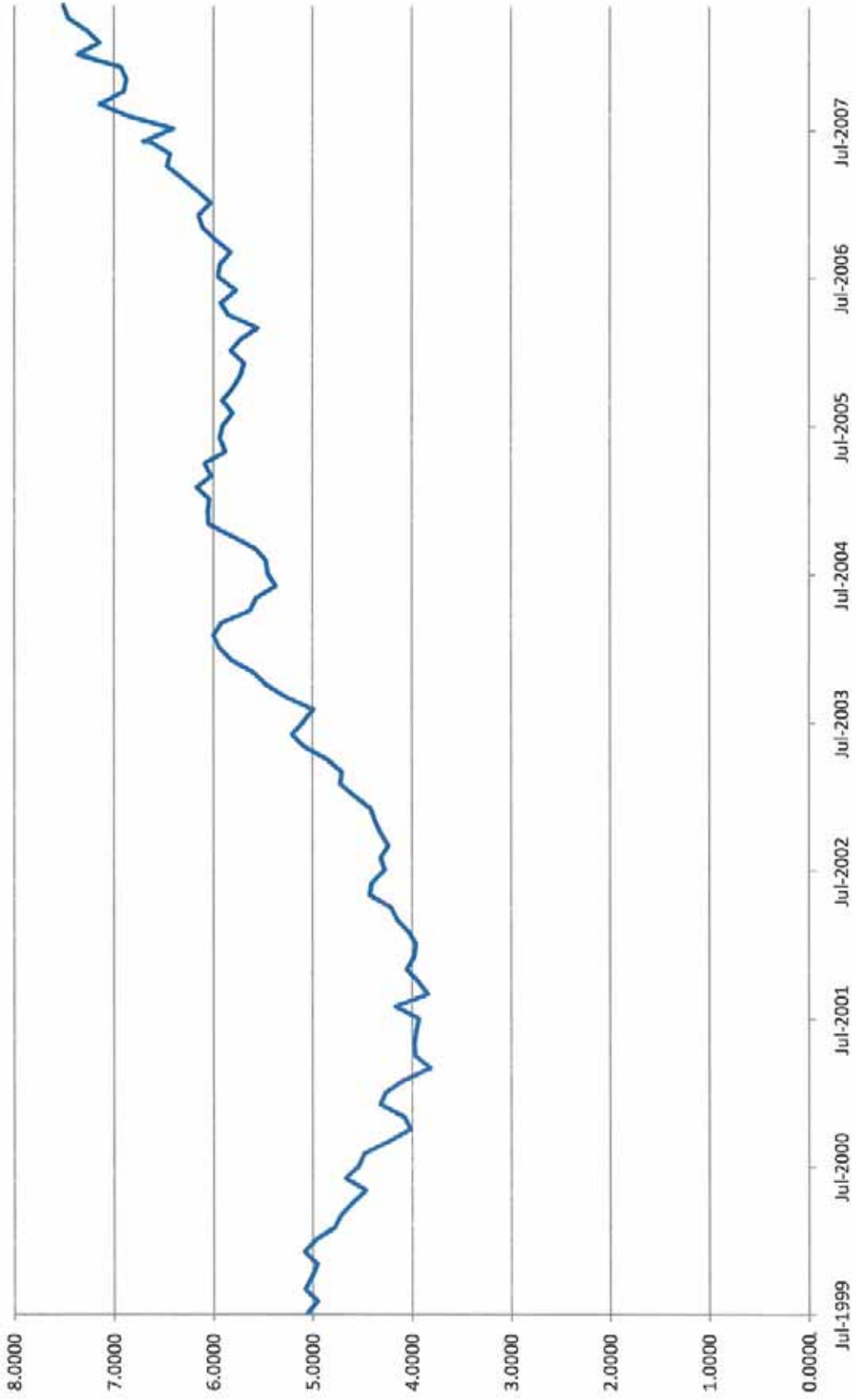
United States dollar



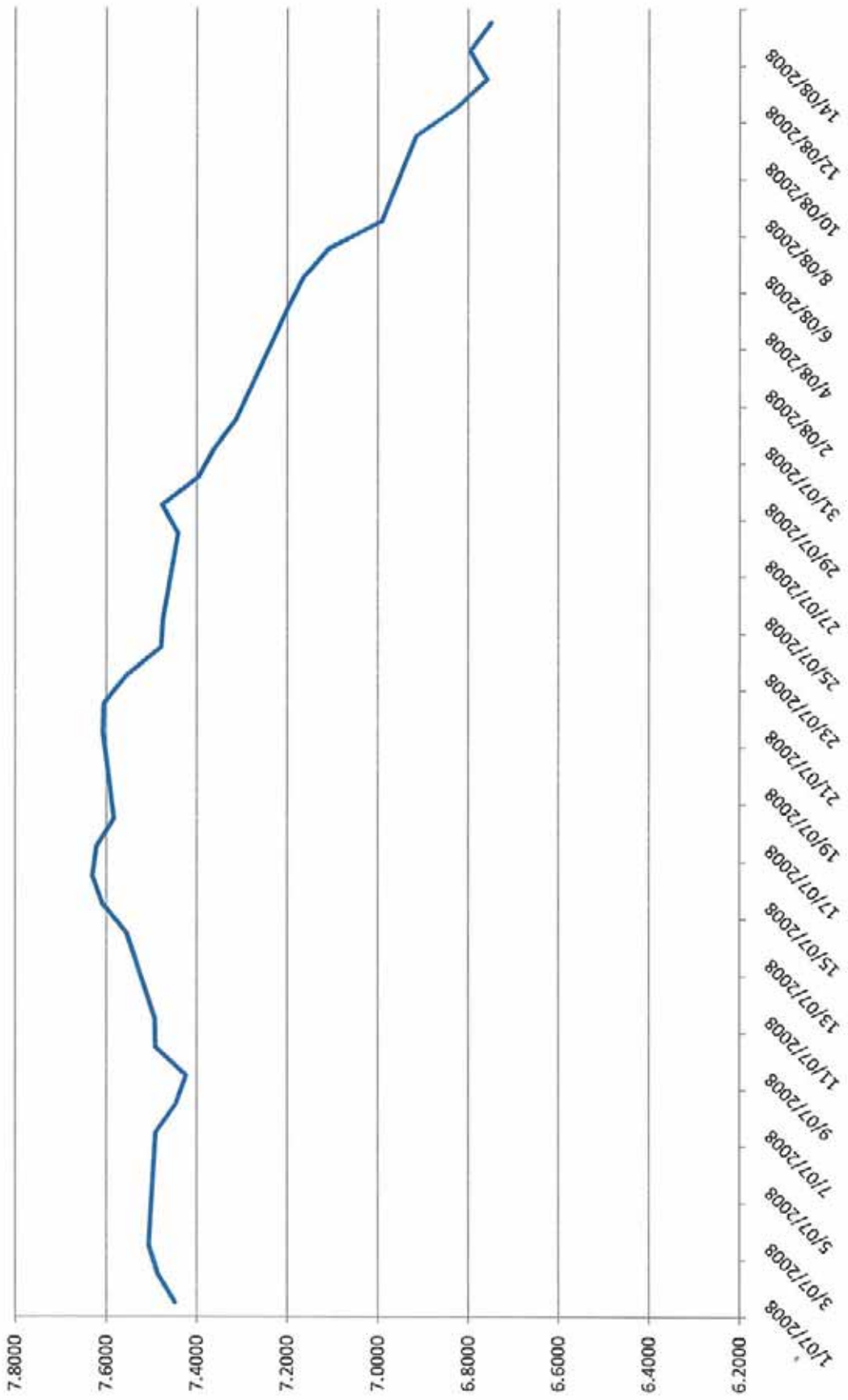
United States Dollar



Hong Kong



Hong Kong Dollar HKD



APPENDIX B

Seafood CRC Project Number: 2007/704 –
SRL/Corvel Updated USA Project & Budget

SEAFOOD CRC PROJECT NUMBER: 2007/704 “Seafood CRC – Assessment of new market opportunities and development of effective market penetration strategies for Australian Southern Rocklobster in the USA, Middle East & Europe.”

The Pitcher Partner report released April 2008 concluded that breakeven international sales of Southern Rocklobster of between 180t – 250t is required by SRL in the USA market, assuming no financial support is provided by the Seafood CRC.

Paul Robinson has been appointed to undertake an analysis of options available to Southern Rocklobster Limited Board in response to the Pitcher Partner Report. Paul’s findings will be considered when he presents his report to SRL.

The Seafood CRC / FRDC have agreed to proceed with funding 2007/704 as a development project to include establishing and implementing a development team in the USA to build trade volume in the market over the next two years. This is subject to SRL having a self sustaining path forward post the research and development funding.

The long term objective for Southern Rocklobster industry is to achieve 500t of branded Southern Rocklobster sales into a new market, which would spread industry risk away from its existing market (China). The overarching marketing strategy for the industry is to achieve risk mitigation and to increase the average return per kg to the Southern Rocklobster fishers.

The SRL board aims to achieve 56t in sales in the 2009/2010 financial year. This volume is less than the break even amount indicated by the Pitcher Partners report, but is a realistic target given the current economic conditions in the USA.

The following funding options exist and either one or a combination of options will be implemented to maintain development activity in the USA, these include;

1. Marketing levy across the Southern Rocklobster industry to raise 500 – 600K;
2. Achieve the breakeven volumes required to maintain development activity – 180 – 250t;
3. Add other products to the model to share the development costs i.e. Kingfish, Mulloway, Tuna, Lakes and Coorong Products, Blue crabs and Oysters. Interest has been shown by the Tuna and Kingfish sectors;
4. Establish a corporate structure – private or public (The structure and the buy in to the structure will be subject to the volume traded by SRL over the next 2 years);
5. Further development funding supplied by SARLAC, TRLFA & VRLA;
6. A restructured Research and Development program over a longer period, with Research and Development funding decreasing after the 2nd year and phase out over the life of the CRC and

7. Combination of all or some of the above to achieve the necessary budget to maintain activity in the marketplace.

Before any of the funding options are implemented, it is absolutely essential that a restructured development project (2007/704) is delivered over the next two to three years.

The development project, as agreed by a meeting of the SRL Board, CRC MD, FRDC ED and SRL Executive, will include the following elements:

1. Establishment and implementation of a development team in the USA
2. Delivering a communication plan
3. Develop or source of value-added products to increase the product portfolio of southern rocklobster
4. Improve supply chain supply chain costs and efficiencies
5. Improve and trial an alternative SRL trading model
6. Engage other southern rocklobster processors across southern Australia

Objectives:

KEY PERFORMANCE INDICATORS (KPI)	Target - 08/09	Target - 09/10 ¹	Target - 12/13 ²
No of restaurants engaged per week	75	150	450
Volume (kg) – USA	20000	40000	320000
Volume (kg) – AUST	8000	16000	128000
Total Sales \$	1820000	3640000	29120000
Cost of Sales	1280000	3584000	28672000
Return Customer Sales – after they have made a purchase	90%	80%	80%
Mortality	5%	5%	3%
Downgrades	15%	12%	8%
Lost Customers	10%	10%	10%

Southern Rocklobster development volume forecast (2008 / 2009)

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	TOTAL
USA Sales (kg)	0	500	500	1500	1500 ³	2500 ⁴	2500	2500	2500	2500	2500	1000	20000
AUST Sales (kg)	200	250	500	500	400	750	1000	1000	1000	1000	1000	350	7950

¹ Estimation, subject to review

² Estimation, subject to review

³ Subject to available supply

⁴ Subject to available supply

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What if scenarios	Limited / No lobster supply		Limited supply (LS) - large lobsters						LS – large lobsters	
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Reporting requirements back to the CRC:

1. Quarterly reporting against Key Performance Indicators (KPI)
2. Quarterly reporting on weekly lobster beach price –
 - a. Normal trade of Southern Rocklobster in Australia (Tasmania, South Australia & Victoria);
 - b. Fisher direct program;
 - c. Western Rocklobster;
 - d. Maine lobster and
 - e. NZ rocklobster.

Project components:

1. Establishment and implementation of a development team in the USA

In light of the Pitcher Partner report it is widely recognised that increased resources in the USA to further develop the market.

It is proposed that a development team will consist of 2 Australian's, 2-3 American's based in the market (outside Southern California / Las Vegas) and the Santa Monica Seafood Sales team based in Los Angeles.

The development team will be trained to directly engage high end-users (e.g. chefs) to penetrate market outlets across the USA. Matthew Muggleton and Lucy Hinge, both have US working visas, will be based in the USA (most probably in LA. Matthew has been appointed the CEO of the Southern Rocklobster Limited USA, SRL's USA based company, and will be responsible for managing all US operations including the development team. Lucy will handle logistics, administration, communication and in-house development support in the USA and will be based in Los Angeles at Santa Monica Seafoods.

The accounting issues surrounding the USA legal situation are being considered by SRL with the assistance of US and Australian accountants. The legal / operating structure is documented in attachment 2.

The USA development team will have experience in high-end sales and engaged as contractors. The USA contractors will be paid through a mix of commissions (fixed fee per lb) and retainer, where appropriate.

Methodology:

- a. Identify appropriate resources (USA based contractors) for the geographical areas identified through year 1 research;
- b. Interview and appoint the resources;
- c. Development and implement a training program for the development team (site tour, product briefing, cooking demonstration, introduction to all communication materials and restaurant visits);
- d. Implement the development program – this will be directly linked to the communication plan and
- e. Review resources performance against KPI outlined under the objective stage.

Timeline – 1st August 2008 – 30th June 2009

BUDGET

EXPENSE	COST
Development contractors - \$1 per lb for lobster sold to the marketplace for independent contractors and \$0.6 per lb for the Santa Monica Sales representatives +	\$80K (commissions) (80,000lb @ \$1

volume rewards	per lb) \$20K retainers
Matthew Muggleton (Management of the Development team)	130 days @ \$1000 – \$130K
Lucy Hinge (Project Officer)	130 days @ \$500 - \$65K
Travel expenses	\$75K
Development product	\$50K (750kg @ ~\$67 per kg)
Communication materials	\$6K
Insurance	\$20K
Office, administration & logistic support	\$30K
TOTAL	\$476K

2. Communication / Education program

Success of Australian Southern Rocklobster in the USA will be attributed to the continued education and communication of the Food Service Sector on the Southern Rocklobster's origin, its culinary capability and Clean Green credentials. This was once again highlighted by the recent Uni SA project undertaken in the initial year of the 2007/704 project.

Implementation of the communication plan (Attachment 1)

The communication plan covers the following activities:

- **Communication / Education:**

- Chef News – an in-house news letter designed to educate and train chefs on how use Australian Southern Rocklobster;
- Identify and advertise in food magazines that will target the appropriate audience (Please note – advertising expenses will be funded by SRL's marketing funds - \$1 per kg retained for marketing - collected through trading activity since inception of the program);
- In store education activities at Santa Monica Seafood retail stores – product tasting and customer feed back on new value added products;
- Identification and establishment of a Customer Relationship Management (CRM) system to manage and record interactions with customers to better manage customers;
- Development and establishment of an e-commerce system to facilitate trade of Southern Rocklobster to the public in the USA;
- Targeted relationship building and education / training of celebrity chefs to assist in penetration into the marketplace and build the Clean Green brand.

- **Trade shows:**

- Attendance at either or all the following USA trade shows:
 - NYC food show,
 - NRA show

- Star Chefs
- Aspen food and wine show

Methodology:

- Deliver the communication plan – 1st July 2008 – 30th June 2009.
- Review program (31st March 2009)

Timeline – 1st July 2008 – 30th June 2009

BUDGET

EXPENSE	COST
Chef news	10K
Website development	15K
Training / education budget	15K
Communication Project Office	60 days @ \$500 - \$30K
TOTAL	70K

3. Develop or source of value-added products to increase the product portfolio of southern rocklobster

The initial 12 months of the project highlighted that the US market is receptive to alternative lobster products that are less risky and require less expertise to handle and utilise.

Increasing the range of lobster products into the marketplace creates the opportunity to build sales volumes into the marketplace and has the ability to significantly reduce freight costs (shipping frozen vs live).

Southern rocklobster steaks (green frozen lobster portions) and pre-made ravioli were presented at the NRA show in Chicago in May 2008 to potential customers, with very positive feed-back and willingness to purchase.

To date approximately 10K of lobster steaks has been sold to a single hotel for their banquet menu. This item is packaged into 3 - 4oz, 4 - 5oz and 5 - 6oz portions. This product has had success in the market as it requires minimal skill and labour to prepare (thaw and cook) and is far superior / unique to other products in terms of presentation on the plate and taste sensation.

SRL has presented this item to the Santa Monica Seafood Sales team, with great reception and willingness to carry this item.

Five different lobster ravioli have been produced using high-end chefs to develop a recipe that is far superior to the current pre-made ravioli in the marketplace. Two ravioli production runs have occurred using a pasta making

company and the feed-back has been very positive to date, with potential accounts willing to use the item on their menu.

To further value add the lobster a market opportunity exists for making bisque from the shells and liver. This product would be sold in 1 gallon bags to the food service sector, which would be heated and serve in 5 - 6oz portions. A company has been identified to make the bisque, but no trials have occurred to date.

Opportunities also exist for picked green and cooked meat and large frozen tails. In the short term these items can be sourced from current processors or manufactured in the USA by contractors with the appropriate licences and food safety programs. The long term opportunity is for SRL to develop capacity to manufacture the whole range of products itself.

Methodology:

- a. Develop or source new or existing lobster products that meet the market requirements:
 - a. Lobster steaks
 - b. Ravioli
 - c. Bisque
 - d. Fresh tails
 - e. Frozen tails
 - f. Picked meat
- b. Develop recipes / product forms and test using a forum of chefs to ensure the item meets the market requirements
- c. Standardise recipe(s) for mass production
- d. Develop systems to ensure product quality, traceability, environmental and safety standards are adhered to.
- e. Identify options for production or product sourcing
- f. Produce and commercially trial these products with the marketplace (If products are sourced from existing members of the industry, steps b & c are not applicable)
- g. Add these products to the portfolio of products that can be offered in the marketplace.

Timeline – 1st July 2008 – 30th September 2008

BUDGET

EXPENSE	COST
Development work – Matthew Muggleton	35 days @ \$1000 – 35K
Contract development	10K
Development costs (recipes, packaging, forums)	15K
TOTAL	65K

4. Improve supply chain supply chain costs and efficiencies

The SRL market development platform has traded approximately 15t since its inception in 2007. This is below initial sales targets and creates need to examine the supply chain costs.

Gaining market traction into the US can be further enhanced at a more competitive price point. In order for the price point to be lowered without reducing the fisher purchase price, costs must be reduced within the supply chain.

Reducing supply chain costs and eliminating inefficiencies in the supply chain is essential to continue to provide a premium rate to fishers.

Strategies to reduce supply chain costs:

- Reduce Service provider fee per kg by 10 - 20%:
 - o Decrease service provider fees per kg if volume targets are achieved or by eliminate steps in the chain to reduce service provider fees by establishing a more direct supply chain

- Reduce freight by 15 - 25%
 - o SRL will increase the tanking capacity in Los Angeles, USA to hold a biomass of 1 tonne.
 - o Increase amount shipped per shipment
 - o Ship frozen products where applicable
 - o Consolidate with other seafood shipments to the USA

- Reduce mortality / downgrades by 5%
 - o Improve supply chain operating procedures
 - o Engage dedicated resource in the USA managed SRL's warehouse options
 - o Target stronger lobsters – keep clear of areas with soft shell lobsters

- Forward contract on exchange
 - o Develop contracts so that fishers are not exposed to exchange rate fluctuations

- Add other products to the SRL model to improve the model's efficiency

Methodology:

- a) Develop strategies to reduce supply chain costs (see above)
- b) Implement the strategies
- c) Review the strategies

Timeline – 1st July 2008 – 30th September 2008

BUDGET

EXPENSE	COST
PO – Hamish Parsons	15 days @ \$800 – 12K
Travel	3K
TOTAL	15K

5. Develop and trial an alternative SRL trading model

SRL has recently developed an alternative model which decreases the reliance upon fishers and shift cash flow and mortality issues to the existing processors. The “receiver direct” model avoids some of the fundamental challenges posed by forward contracting.

The main features of the model include:

- An order is placed with a service provider for a quantity of lobster
- Service provider purchases, tags, and stockpiles “Clean and Green” lobster to fulfil the order
- SRL purchases lobster direct off the processor at “beach price” + service fee
- SRL pays the fishers whose product went to the US a bonus rate of \$1-\$2/kg. This is an unexpected payment and encourages uptake of the Clean Green program and boosts industry support for the market development program
- Service providers benefit from the service fee and increased supply from fishers hoping to receive a bonus payment.

Methodology

- a) Develop model and contractual agreements for implementing the model
- b) Trial the model in the 2008/2009 season
- c) Review the model

BUDGET

EXPENSE	COST
PO – Hamish Parsons	15 days @ \$800 – 12K
Travel	2K
TOTAL	14K

6. Increase interactions with other southern rocklobster processors

It has been recognised that a contingency plan is required to guarantee supply to the marketplace. SRL aims to broaden its engagement with other processors not currently working with SRL.

Below is the current group of processors that SRL has done commercial business with:

- Ocean wave Seafood – MEL
- Coastal Water Seafood – TAS
- Red Rocklobster – TAS
- MD Seafood – TAS
- Fox Fishing – TAS
- Air Lobster – SA
- Apollo Bay Co-op – VIC
- Portland Seafood – VIC
- Stankes – SA
- Australian Bight Seafood – SA
- Fish Factory – SA
- Five Star Seafood – SA

Methodology:

- a) Engage other processors not involved with SRL
- b) Identify parties interested in working with SRL
- c) Development of commercial arrangements with processors that SRL is not already working with.
- d) Pilot supply facilitation with new processors

BUDGET

EXPENSE	COST
PO – Hamish Parsons	6 days @ \$800 – 4.8K
Travel	1.5K
TOTAL	6.3K

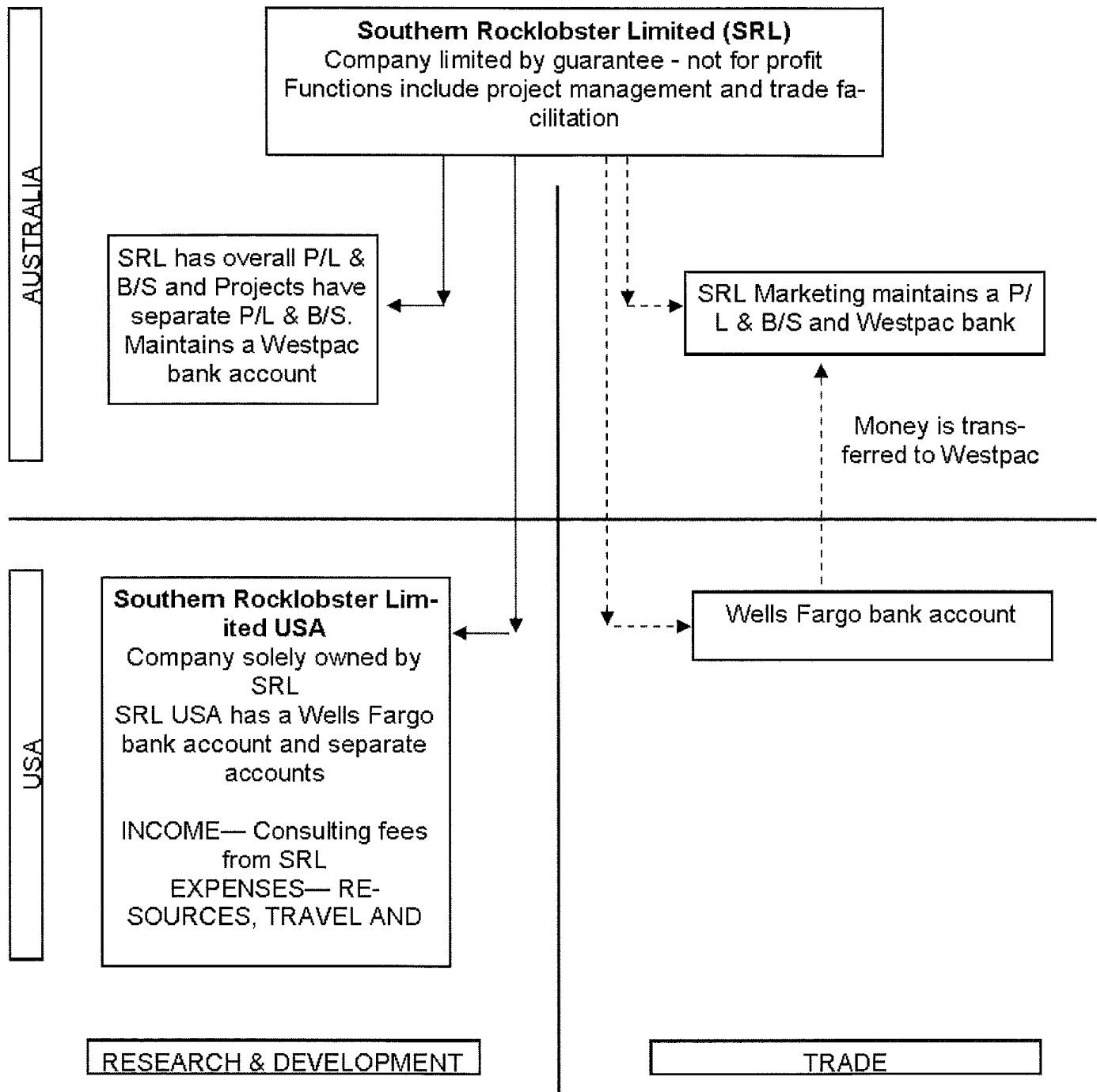
GRAND TOTAL

646.3K

APPENDIX C

SRL/Corvel Organisational Chart – USA Marketing Project

ATTACHMENT 2: SRL's legal and operating structure



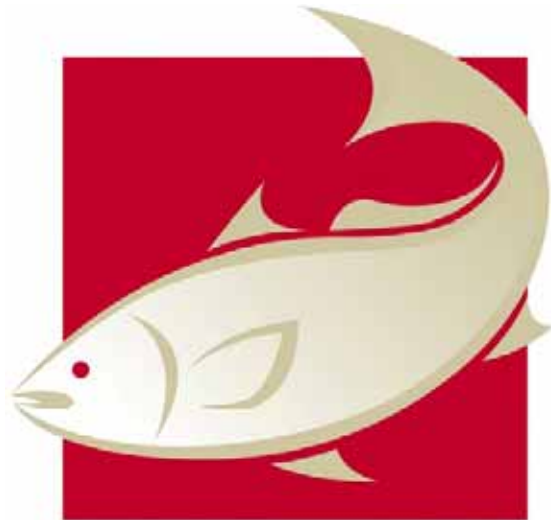
Notes regarding structure:

- The project contract for 2007/704 will still be between the CRC and SRL
- SRL will engage SRL USA (legal arrangement to be determined) to be the USA development arm of the business in the USA. SRL USA WILL NOT TRADE LOBSTERS.
- All trade of lobsters will be done by SRL.
- SRL USA will engage resources (i.e. Corvel) to do the work.
- Matthew Muggleton is legally appointed as CEO of SRL USA.
- The governing Board of SRL USA is the SRL Board.

CONSULTATION WITH SOUTHERN ROCK LOBSTER INDUSTRY IN AUSTRALIA ON MARKET DEVELOPMENT OPPORTUNITIES

John Allen FAICD

Project Number: 2010/716



AUSTRALIAN
SEAFOOD
COOPERATIVE
RESEARCH CENTRE

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NON-TECHNICAL SUMMARY

2010/716 – Consultation with Southern Rock Lobster Industry in Australia on Market Development Opportunities

PRINCIPAL INVESTIGATOR: John Allen

ADDRESS: P.O. Box 8338, South Perth WA 6951

OBJECTIVES

The objectives of this project were:

1. To identify market development opportunities that are pre-competitive, able to be exploited by any businesses in the SRL industry and benefit all SRL members. These may involve market testing, market studies, product development, etc.
2. To identify and resolve factors that will encourage individual businesses to participate in market development projects.
3. To identify opportunities for SRL members to use the education and training funds in the CRC (additional to SRL funds) to assist in implementing any market development opportunities.

EXECUTIVE SUMMARY

Most of the interviews were on a “without notice” basis, and even though there was an article in the April Bulletin, most had not read it or given any thought to the next phase of SRL Market Development Program.

When the question was asked most people being interviewed want to express their thoughts on the *Clean Green* initiative and the activities of SRL in the USA Market. Clearly all people interviewed had a view on these two topics but as far as the next phase of SRL Market Development Program, most had no idea. What did come over strongly from the fishermen was their concerns about the industry’s dependency on China. In most cases this was much less of an issue to the processors.

The fishermen participating in the *Clean Green* accreditation wanted the acceptance of the initiative across the industry and they felt that this needed more funds in the future.

The age of the fishermen and whether they had children in the industry also influenced their thoughts on where future dollars should be spent. The fact that it appears the average age of the fishermen is quite high brings some challenges for the future of the industry if younger people can’t be attracted to it.

BACKGROUND

SRL Ltd has funds in the Seafood CRC which have been committed to research into market development over the next 5 years.

To ensure that these funds are used to produce the largest possible benefit for the industry, SRL, FRDC and the CRC have agreed to facilitate detailed conversations with a range of industry stakeholders to identify ideas for the future market developments.

To this end, fishers, processors and exporters were interviewed in the various zones of the southern rock lobster industry.

Approximately 40 interviews took place with the preference being one on one face to face; however, this was not always possible so a number of interviews had to be conducted by telephone. The logistics of the face to face interviews proved to be a greater challenge than anticipated, as not all people are available on the same day you want to attend a certain geographic area. Some of the processors and exporters refused to conduct interviews, either through time constraints or past bad experiences with SRL.

Before revealing some of the observations of the interviews I would like to make a few comments:

On reading all of the literature, strategic plans, Pitcher Partners review and Capital Strategies Report, I was left with the impression that these documents are written from a very inward perspective. Similar to what you would see in a multinational organisation where the staff is focused on managing up for internal promotion rather than an outwardly focused perspective addressing the issues of the market place.

I can understand that the strategic plan was probably written to enhance the argument for further funding, but if that is the case, there should be a working plan which goes into much more detail on how funds would be spent, what KPI's would be achieved, what time lines would be met and what actions need to be taken and who would perform these actions.

I also believe that the Fisher Direct program is very ambitious and you are not the first primary production group that has had the desire. Farmers in particular have held a view for years that they are price takers and that they should have a larger slice of the supply chain margin. Generally speaking there has only been limited success as farmers are good at farming but not necessarily good at marketing and I feel that the same applies for fishermen. That said, there are successful examples on a limited scale. But to do it on a large scale you end up competing with your distribution and you require this distribution to handle the remainder of the produce/product/catch. So on one hand you want to compete or bypass the traditional distribution, but then you also require them to stay viable so they can acquire the remainder of the catch.

OBSERVATIONS FROM STAKE HOLDERS INTERVIEWED

CLEAN GREEN ACCREDITATION AND IMAGE

- ❖ It was clear that there was some confusion on the *Clean Green* initiative; some fishers thought that accreditation was only required if you were exporting to the USA.
- ❖ It was also indicated by some fishers that there was no value in the *Clean Green* accreditation. It was an additional cost at a time when the industry was in survival mode.
- ❖ In Victoria where *Prime Safe* accreditation is also required then *Clean Green* is seen as an unnecessary expense.
- ❖ The *Clean Green* accredited members in Victoria want more focus on *Clean Green* replacing *Prime Safe*.
- ❖ There was reference in some areas that the *Clean Green* requirements are too complicated.
- ❖ The majority of *Clean Green* members see that the *Clean Green* image is adding to the Southern Rock Lobster Brand and a platform not only for OH&S but also environmental issues.
- ❖ The members who have stuck with *Clean Green* can see the many benefits, not only OH&S but also the image and branding. Going forward they are concerned that due to the lack of auditing the standards have been slipping on some boats and this is damaging the quality and image of the *Clean Green* initiative.
- ❖ The processor sees little or no advantage in the *Clean Green* program. It is the “What’s in it for me?” attitude.
- ❖ Some processors saw the tag as difficult to apply and in the case of the product going to the USA, the applying of the tag was their only chance to make a margin.
- ❖ It was identified on a number of occasions that the brand and tag could not be used on the fish going into China through the back door of Hong Kong. This is because the wholesalers do not want Australian fish identified as no “duty” has been paid. Is there an opportunity to brand the fish inside China?

OBSERVATIONS FROM STAKE HOLDERS INTERVIEWED (CONT'D)

FISHER DIRECT INTO THE USA SPFD SECTOR

- ❖ Without exception, all stakeholders expressed their concern with the SRL dependence on the Chinese market and the need to look for alternative markets.
- ❖ Also the fact that the importers products transit through Hong Kong into China evades Duty and this does not allow for transparency and visibility of the supply chain or the building of the SRL Brand.
- ❖ Concerns were expressed by some processors about the transparency and flow of information about the move into the USA market. There is a lack of solid data – the SRL News Bulletin is seen as self promoting.
- ❖ Other comment centred on SRL re-inventing the wheel. Some exporters are already operating in the USA market with lobster and other seafood products.
- ❖ There was general consensus that the staff in the USA are very enthusiastic but some concern was expressed about the company structure set up by Muggleton, with the main concerns centred around the ownership of the intellectual property.
- ❖ The knowledge level of the activities in the USA was very limited at all levels in the supply chain.
- ❖ It was felt by some that the expanding of the seafood basket to other products including king fish and seafood ravioli was not in the interests of SRL but only in the interest of Muggleton's company.
- ❖ The fact that the fishermen had to wait up to 90 days for payment for their catch that went to USA was an issue with some.
- ❖ The lure of \$300 per kg was very appealing to some but totally unrealistic to other. The sceptics believe that this would only be achievable for a very low volume. Most hope the USA initiative would be successful, but of course, "hope" is not a strategy.
- ❖ Some are questioning the need to pursue the USA market as there are not as many larger fish being caught with a decrease in quota and a reducing catch, the focus is now more on the higher value fish.
- ❖ The processors feel that there will not be any other market that will pay more than the Chinese. This is due to the fact that lobster is used as a celebration food for weddings, birthdays and Chinese New Year.

COMMENT

The *Clean Green* accreditation and branding appears to be a sound strategy that will be beneficial to the industry as an achievable OH&S initiative which should be accepted and recognised by all of the regulators as the lobster industry showing initiative, responsibility and leadership in taking control of their industry.

The *Clean Green* Brand and the image that can be developed is vital for the future push into all markets including domestic sales.

The *Fisher Direct* into the USA SPFD sector appears to be of only limited value regardless of what performance indicators you use. I must admit I have been given only limited information and what information I have read, suggests to me that it is self promoting and that it is a matter of “more time and more money and we will achieve the sales that we initially set”. Again, I think that this is clearly a strategy of “hope”. Some of the basic assumptions have changed since SRL’s first move into the USA market. These changes to the assumptions are not as a result of anyone’s actions and are out of the control of SRL or the staff in the USA. For example the assumption on the beach price not going over \$35/kg for product to the USA is no longer correct. The assumption on the exchange rate that USD\$ to AUS\$ was not to go above USD\$0.79 / AUS\$1. Today it is close to USD\$0.87 / AUS\$1 and not long ago, it was in the high 90cent range.

When assumptions change, the plan needs to change. The sales targets have never been achieved but in fairness I believe sales should not have been one of the KPI’s. This should have been a market development exercise and not a commercial operation. The commercial aspects of the plan come after all market development is completed and you know your target market and have set up the supply chain and distribution.

It was critical to identify the supply chain. Who are the key players and what was the reaction going to be from them by the SRL *Fisher Direct* Program?

If more time was spent in this area and less focus on generating early dollars, the *Fisher Direct* Program may look different today and have a greater chance of success. Because you are dealing with a perishable consumer product you will need access to some part of the supply chain; you may be able to bypass some of the chain but you need to understand it first. Also you need to understand the reaction of the traditional distribution and one thing is for sure, they will not be neutral, and they will actively work against this strategy.

To do this effectively you need to identify local partners who are prepared to work with you to achieve your goals. This strategy also applies to the Australian side of the business, instead of viewing the local processor/exporter as a threat and wanting to bypass or compete with them they should be an integral part of the strategy. Some processors/exporters are already marketing in the USA and Europe and SRL should be working closely with these key players who have experience in handling a perishable consumer product.

RECOMMENDATIONS

1. SRL needs to become more proactive in promoting the *Clean Green* initiative within the lobster fleet. This will require the appointment of at least one individual who is completely focussed on the *Clean Green* Program.

All fishermen need to be encouraged to join and stay in the program. I believe a target of 90% acceptance should be set and SRL success should be judged against this level.

The current level of acceptance by SRL members is:

S.A. Northern Zone 25%

S.A. Southern Zone 45%

Tasmania 17%

Victoria 8.4%

This translates to 145 boats out of a total fleet of 590 boats.

(Figures supplied by John Carragher 25.6.2010)

This level of acceptance is clearly insufficient if regulators are to accept *Clean Green* as the OH&S platform of the industry.

Also another concerning factor is that when the question was asked to both board members and fishermen, "at what level did they believe the *Clean Green* initiative had been accepted by the industry", the overwhelming belief is that the level is well above 50%.

The standards of *Clean Green* need to be adhered to, so more regular audits are required. To reduce the confusion *Clean Green* should be targeted as an OH&S program and after satisfactory levels of acceptance by the fishermen, it can then be used as a platform to launch other environmental or marketing initiatives.

Let's keep the message as simple as possible while reinforcing that each and every boat owner and skipper has a "duty of care" and the fact is that they cannot afford not to be in the program.

Focus also needs to be given to the regulatory authorities. In South Australia and Tasmania they need to accept the *Clean Green* program as the OH&S standard for the industry and in Victoria, *Clean Green* needs to replace *Prime Safe*. Changing the regulations is easy to recommend, but difficult to achieve and I'm not sure who should drive this, but SRL should initiate the discussions.

RECOMMENDATIONS (CONT'D)

2. Traceability should be introduced after SRL has achieved acceptance of the current *Clean Green* program. To begin a traceability program without a solid *Clean Green* base may well add to the confusion and perception that the *Clean Green* program is too complicated. Traceability will be essential in most sophisticated markets in the future.

Can this Clean Green accreditation be used as the model for the entire fishing industry? From someone who knows little of the industry it would appear to have potential, and this should be investigated.

3. Cease all activity in the USA and clarify who owns the intellectual property, what is the intellectual property and is the intellectual property of value?

I believe that all stake holders agree that SRL should be seeking alternative markets as the reliance on China has significant risk. However, it is also believed by exporters that the price in China is as high as we will get anywhere in the world.

Be clear on why we are seeking new markets, is it purely to spread risk or is it to sell the large white lobster of over 2kgs? Is it to gain a higher price/kg or is it a *Fisher Direct* strategy?

My recommendation is totally against the *Fisher Direct* strategy; it is my opinion that the industry needs the processor/exporter and needs to form more of a partner relationship with the key players. SRL should focus on say 6 key processor/exporters and work closely with them to grow the market for Southern Rock Lobster.

PROCESSORS:

- Red Rocklobster Stanley
 - Ian Heathorne 0409 521 878
- Southern Ocean Rocklobster Port Lincoln
 - Trent Gregory 0413 996 121
- Southern Waters Marine Products Port Lincoln
 - Steve Moriarty 0428 837 174
- Coastal Waters Seafood Sydney and Hobart
 - Geoff Hunt 0411 409 591
- Southern United Seafoods Melbourne
 - Wensom Lim 0419 833 083
- Ferguson Australia Ltd
 - Andrew Ferguson 0418 819 403

RECOMMENDATIONS (CONT'D)

As demand is increased, price will increase as it is a finite resource, and quotas have enforced a limited supply. The key processors should be chosen using set criteria:

- a. Are they a processor/exporter or just middlemen?
- b. What countries do they focus their exports in?
- c. Their experience in shipping live lobster.
- d. How are they adding value to the lobster?
- e. Do they have offices overseas?

At least two exporters who were interviewed had offices in China (Red Rocklobster and Southern United Seafoods). I would suggest that SRL works with someone who has an office in China to gain an understanding of the supply chain in China; identifying distributors, wholesalers and the customer/user.

Longer term work has to be done on gaining a “free trade status” for Lobster going into China. Do other fish products have Free Trade status? It is now known that New Zealand has Free Trade status in China and they have a history of being successful in the promotion of their primary production. This may be a concern in the future as New Zealand now has legal access and the ability to promote their product within China, Australia does not.

4. Create a market development plan to sell Southern Rock Lobster in Vietnam. This was suggested by a couple of processors that were interviewed. As it is a market in closer proximity to Australia with all the benefits of easier service. This was suggested as an alternative to the USA which is seen as a very difficult market to conquer. Vietnam has a growing economy and a large number of wealthy individuals. Their cuisine is based largely on seafood. I would recommend the alignment of SRL with a key exporter in Australia and allow the exporter to do all commercial activity. SRL would bring key partners in the Vietnam supply chain into contact with our key exporter. A study of the Vietnam market would be required and a detailed plan would need to be written but if successful this model could be used in other countries or regions.
5. Insist that all directors of Southern Rock Lobster Limited attend and gain accreditation in the “Company Director Course” of the Australian Institute of Company Directors, so that they all fully understand their fiduciary duties and legal liabilities.
6. Appoint at least one full time executive officer who reports regularly to the board of directors of SRL and is incentivised by the achievements set and agreed KPI's.
7. Increase all communication with all stakeholders. The SRL Executive Officer should attend all zone lobster meetings and written communication should be more factual rather than promotional.

CONCLUSION

I am sure that SRL has been involved in more projects than the *Clean Green* program and *Fisher Direct* in the USA but there appears to be no knowledge by any of the stake holders who were interviewed.

There was very little constructive input as to where SRL should spend future dollars on market development and as far as the education and training fund in the CRC; all of them have no ideas. This is due to a lack of understanding as to what is available to them in the areas of education or training. This needs to be spelt out in simple terms by the CRC.

As an outsider, I would recommend that a number of them should be educated in planning for their retirement, and perhaps that would be a possible use of those funds

Projects in the future need to be managed more closely and the board needs to set strict KPI's and have reports on the progress of those KPI's on a regular basis.

It may also be worthwhile considering having independent directors sit on the board that bring other skills and experiences in order to guide SRL into the future.

It is also my opinion that individuals employed by SRL should be just that, individuals – not companies. Companies get a life of their own and to some extent, this is what I believe is happening in the USA.

APPENDIX

TASMANIA - DETAILS OF THOSE INTERVIEWED

Name	Description	Location	Phone
Damien Hursley	Fisherman	Stanley	0428 133 606
John Parker	Fisherman	Hobart	0419 529 853
John Hammond	Fisherman	Launceston	0429 130 238
Kent Way	Fisherman/Processor Dragon Seafoods	Hobart	0428 294 749
John Sansom	Fisherman		0427 477 284
Rodney Trelloggen	CEO	St Helens	0418 138 768
Geoff Hunt	Coastal Waters Seafood	Sydney/Hobart	0411 409 591
Iam Heathorne	Processor/Exporter Red Rocklobster Pty Ltd		0409 521 878
Clive Perryman	Fisherman	Tasmania	0407 834 005

SOUTH AUSTRALIA – DETAILS OF THOSE INTERVIEWED

Name	Description	Location	Phone
Ronald Rowe	Fisherman	Point Turton	0428 815 858
Daryl Spencer	Fisherman	Pot Lincoln	0428 602 169
Peter Barwick	Fisherman	Port Lincoln	0428 837 229
Barry Power	Fisherman	Port Lincoln	0428 837 409
Richard Leech	Fisherman	Port Lincoln	0428 822 895
Trent Gregory	Southern Ocean Rock Lobster	Port Lincoln	0413 996 121
Tom Dawson	Southern Ocean Rock Lobster	Port Lincoln	0413 996 121
Steve Moriarty	Southern Waters Marine Products		0428 837 174
Andrew Ferguson	Processor/Exporter Ferguson Australia	Adelaide	0418 819 403
Simon Peters	Fisherman	Kingston	08 8767 2256
James Braithwaite	Fisherman	Kingston	0427 672 431
Kim Skeen	Fisherman	Beachport	0428 849 351
Peter Barbour	Stanke Oceana Seafood	Carpenter Rocks	0417 878 448
Andrew Lawrie	Processor Sky Seafoods	Robe	08 8768 2899 and 0409 355 534
David Johnston		Port Macdonnell	0427 382 410
Bert Williams	Processor Williams Seafoods	Port Macdonnell	08 8738 2588
Les Feast	Fisherman	Port Macdonnell	0428 529 489

APPENDIX (CONT'D)

VICTORIA - DETAILS OF THOSE INTERVIEWED

Name	Description	Location	Phone
Darren Lane	Processor Portland Seafoods	Portland	0419 527 005
Jason Fullam	Fisherman		0428 382 483
Peter Price	Fisherman	Portland	03 5523 4726 and 0408 580 417
David McCarthy	Fisherman	Portland	03 5523 6603
Gary Kerr	Fisherman	Portland	03 5523 2112
Gary Ryan	Fisherman	Warnambool	0427 612 947
Alan White	Processor Apollo Bay Fisherman's Co-op	Apollo Bay	03 5237 6906
Wensom Lim	Processor/exporter Southern United Seafood Australia	Richmond	03 9428 8836
Mick Cooke	Fisherman	Port Lonsdale	0419 585 119
Anthony Circonti	Processor/exporter Red Legs Seafood	Victoria	0438 684 999

WESTERN AUSTRALIA - DETAILS OF THOSE INTERVIEWED

Name	Description	Location	Phone
Gary McDermott	Buyer - Craig Moyston	WA	0419 908 721


APPENDIX (CONT'D)

BUSINESS CARDS COLLECTED



FERGUSON AUSTRALIA PTY LTD
 Days Rd (cnr Regency Rd)
 REGENCY PARK, South Australia 5010
 Telephone +61 8 8346 8764
 Facsimile +61 8 8346 8729
 Mobile +61 (0) 418 819 403
 andrew@fergusonaustralia.com
 www.fergusonaustralia.com

Andrew Ferguson
 MANAGING DIRECTOR



Southern Waters
 marine products pty ltd

Stephen Moriarty
 Managing Director
 PO Box 671
 26 North Quay Blvd,
 Port Lincoln, South Australia, 5608
 Telephone: +61 8 8682 6366
 Facsimile: +61 8 8682 6337
 Mobile: 0428 837 174

Email: swmp@bigpond.com
 www.southernwaters.net

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Brian Franklin
 Director

cheno Winery
 icheno 7215
 mania Australia

Phone: +61 (0)8 6375 1221
 Fax: +61 (0)8 6375 1589
 Email: bfrankli@inet.net.au
 Mobile: 0419 394 331

Mal Maloney

phone 03 6266 4538
 fax 03 6266 4544
 malmaloney@trump.net.au
 145 Crabtree road Grove Tasmania 7109

REDROCK LOBSTER Pty. Ltd.

Factory 6452 1878

Ashton 0428 521 878
 Gene 0419 521 878
 Ian 0409 521 878

HOLCORP FISHERIES
 LIVE CRAYS

Clive & Coreena Perryman
 Mobile 0407 834 005

MINNAMURRA, JJ



Flinders Island Scallops
 TASMANIA'S BEST • OCEAN FRESH •

JIN & JILL HAMMOND
 Vindermere Road
 emiere TAS 7252
 : lyemma@vision.net.au

Phone: (03) 6328 1478
 Fax: (03) 6328 1421
 John: 0429 130 238
 Jill: 0407 877 509

D & E JOHNSTON PTY. LTD.

DAVID & LIZ JOHNSTON
 47 Pascoe Road Port MacDonnell
 PO Box 259
 Port MacDonnell SA 5291
 David Mobile: 0427 382 410
 Liz Mobile: 0419 823 007
 Telephone: (08) 8738 2410
 Facsimile: (08) 87382296
 Email: elusive2@bigpond.net.au




LILIVIMA FISHERIES

100 High Street 547 396
 Phone 03 6458 188 202
 Fax 03 6458 188 202
 www.lilivima.com.au



Portland Seafoods
 R B Anderson Rd. Portland

DARREN LANE
 MANAGING DIRECTOR

P.O. Box 821
 Portland Vic. 3305 Australia
 portsea@ansoninc.com.au

Tel: 61 3 5523 2577
 Mobile: 0419 527 005
 Fax: 61 3 5521 7169

EXPORTERS * LIVE LOBSTER
LIVE KING CRABS * COOKED CRAYFISH

APPENDIX 5: FRDC PROJECT 2004/251 – Identification of New Market Opportunities for Australian Southern Rocklobster Exports



Australian Government

Fisheries Research &
Development Corporation

Identification of New Market Opportunities for Australian Southern Rocklobster Exports

A report for Fisheries Development and
Research Corporation

Australian Business Limited
Gee Yap

March 2005

FRDC Publication No 05/1
FRDC Project No 2004/251

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Identification of New Market Opportunities for Southern Rocklobster
Publication No. 05/01
Project No.2004/251

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Researcher Contact Details

Australian Business Limited
140 Arthur Street, North Sydney NSW 2060

Phone: 02 9458 7667
Fax: 02 9955 8914
Email: gee.yap@australianbusiness.com.au

In submitting this report, the researcher has agreed to RIRDC publishing this material in its edited form.

FRDC Contact Details

Fisheries Research and Development Corporation
Fisheries Research House
25 Geils Court
DEAKIN ACT
PO Box 222
DEAKIN WEST ACT 2600

Phone: 02 6285 0400
Fax: 02 6285 4421
Email: frdc@frdc.gov.au
Website: <http://www.frdc.com.au>

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Non-Technical Summary

The Australian Southern Rocklobster (ASRL) industry is worth approximately \$190 million to the Australian regional economy. Recent world events and consolidation of processors for the vital Chinese market have adversely impacted the industry to a point where fishermen are questioning its future viability. Return to industry is estimated to have decreased by as much as \$50 million in 2004 as fishermen continue to experience significant price pressures at the wharf. The industry's heavy reliance on three key export markets, namely China, Hong Kong and Taiwan, meant no alternative markets were in place to compete and offset the low returns generated from the three Chinese markets.

The industry identified new market development as a key immediate priority. More importantly, the industry needed information about key overseas markets to make informed decision on how best to position ASRL for future growth. The research undertaken as part of the project showed that the premium demanded by ASRL meant that the product should be positioned within the Super-Premium-Fine-Dining (SPFD) sector or the Top 5% of restaurants, where return is highest.

The SPFD sector is currently undergoing tremendous change with the increasing emphasis on “New World” cooking, where chefs are pushing traditional boundaries to develop new recipes based on a combination of English, Japanese, French, Indian, Thai and Chinese influences. High profile celebrity chefs like Jamie Oliver, Kylie Kwong and Neil Perry are reinforcing the popularity of New World cooking, which in turn generates consumer interest and demand for such restaurants. Leading markets for such restaurants include Napa Valley/San Francisco, New York, Chicago, Milan, Madrid, Sydney, Melbourne, London, Manchester and Dubai. This market segment is particularly appealing as chefs are open to new ideas and will use the finest ingredients sourced from around the world.

Trials undertaken in the Napa Valley and London suggest that ASRL has the culinary capabilities to be positioned in the Top 5% of protein served within the SPFD sector. The servicing of this foodservice sector is highly sophisticated and the industry needs to invest in appropriate delivery infrastructure to effectively service this market. Three key areas identified as critical in creating a value proposition for ASRL.

1. *Product* - Acknowledge that the product is more than the lobster. How the industry handle, grade and pack the product will provide the platform to create value and allow ASRL to command a premium price.
2. *Distribution* - Develop a network that meets the highest quality standards. Check and limit distribution to create exclusivity and mystique. Adjust for volume with price. Allow for repacking in the last mile.
3. *Communication* - Communicate the power of one. Create the relationships with the chefs and reinforce ASRL position and value proposition.

The marketing of premium food ingredients is highly complex and involves the integration of all facets from Product, Distribution and Communication to create the “Ultimate Branded Offer and Guarantee”. In essence, ASRL needs to be the Maserati or Ferrari of the lobster world. The success of new markets and subsequent rise in beach price lies with the industry's commitment to consistently deliver on the promise - “Australian Southern Rocklobster – The Finest Lobster in the World”.

1.0 The Australian Southern Rocklobster Industry

1.1 The Fishery

The Australian Southern Rocklobster (ASRL) industry comprises Australian wild catch fishers, processors and marketers of the spiny rocklobster (*Jasus edwardsii*). The fishery comprises of some 733 licensed fishers operating across 5 Australian states. The species is also fished throughout New Zealand and the coastal waters of the nearby Chatham Island.

Using industry multipliers the ASRL industry (the industry) makes an estimated \$600 million contribution to regional coastal economies in Australia. The ASRL national catch (excluding recreational) is valued at around \$190 million at export prices and comprises roughly 40% of the \$480 million national lobster catch.

Rocklobsters are caught commercially using baited pots placed on the seafloor around reefs in depths ranging from 5-275 metres. On return to shore live, over 90% of lobsters are held in temperature controlled aquaria being shipped to domestic customers, or airfreighted live to export markets.

A small proportion of the catch is killed and sold in other forms (e.g. tails, either chilled or frozen).

The industry currently comprises 5 core stakeholder activities.

- a) **Input Suppliers** consists of Fishery Managers which undertake tasks including licensing, regulation and compliance, fishery health and population monitoring
- b) **Licensed fishers**, who operate commercial vessels within defined fishery zones and seasons to harvest the wild catch quota
- c) **Lobster/seafood processor and exporter**, who typically purchase the catch from fishers, prepare or minimally value add the product, and then export to designated customers and importers. A small portion of the catch is distributed to the domestic market.
- d) **Lobster/seafood importers and distributors**, who receive live, chilled or frozen product from processors.
- e) **Consumers** who typically reside in north Asia, demand premium quality live or processed lobsters at restaurants and other premium food service outlets.

Figure 1.1: Australian Southern Rocklobster Value Chain



The industry has traditionally operated in 5 independent state-based fisheries. A number of state industries have very fragmented ASRL fisher organisations. While intrastate and interstate communications are increasing, whole of industry planning is still lacking. The ASRL Strategic Plan developed by Macarthur Agribusiness in September 2003 aims to strengthen the industry by

attempting to provide a cohesive strategic direction for the next 20 years. The plan highlighted the need for new market development focus to better manage market downturns from key Chinese markets including Taiwan, China and Hong Kong.

1.2 Current Industry Challenges

Based on the statistics released by the Australian Bureau of Statistics, Australia exports more than 80% of its total lobster (*Jasus Edwardsii*, *Panulirus Ornatus* and *Panulirus Cygnus*) catch. It is estimated that greater than 80% of the ASRL catch is destined for only three key markets – China, Hong Kong and Taiwan. These three markets have traditionally yielded good return for the industry with nominal beach prices doubling from \$16.49 to \$33.10/kg between 1990/91 to 2000/01.

However changes in world events and local market conditions have had an adverse impact on the Industry. The emergence of the SARS virus in China and Hong Kong in 2003 led to significant economic slowdown with consumers preferring to stay at home in fear of contracting the virus in public places. The lack of consumer spending and the fear of food contamination led to the collapse of the restaurant trade in Hong Kong and China which in turn impacted the Industry. The collapse of the Chinese market resulted in significant price pressures, with fishermen and processors holding fish with no alternative markets to absorb the surplus.

The appreciation of the Australian dollar also had a significant impact on the industry. Between 2003 and 2004, the Australian dollar fluctuated between US\$0.63 - \$0.78. The currency fluctuation means the price of Australian exports could appreciate by as much as 25%. The relatively strong Australian dollar over 2003-2004 has made Australian export expensive in the international market, thus reducing affordability and demand by overseas customers.

The industry also experienced significant consolidation at the processor level in recent years. It is widely believed the export of ASRL to China and Hong Kong is currently managed by only 5 processors. The lack of competition among processors and importers is creating downward price pressures with beach prices reaching as low as AUD\$18/kg in 2004/05.

The continual price pressure has led to the industry experiencing significant diminishing returns with the catch value for 2004/05 estimated to be worth approximately \$117 million, some \$38 million less compared with \$155 million in 2000/01. Beach prices in 2004/05 have fallen to a point where fishermen are questioning the viability of the industry.

1.3 Project Aim and Objectives

A key priority area identified under the ASRL Strategic Plan is to increase sales per kg of lobster through market development and supply chain management. It highlighted the need to broaden the existing market base, better engage and understand customer needs, and identify opportunities to increase margins through identifying new niche markets and more cost effective distribution channels.

The key objectives of this project include:

- Identify new markets for ASRL which will spread the existing market base, and better insulate against market downturns;
- Identify new niches in existing markets through a better understanding of pricing, competitors, seasonality windows, and changing supply channels; and
- Gain a better understanding of foreign consumer and customer needs and identify opportunities for value added lobster products.

The project objectives will directly address several areas of the ASRL Strategic Plan including:

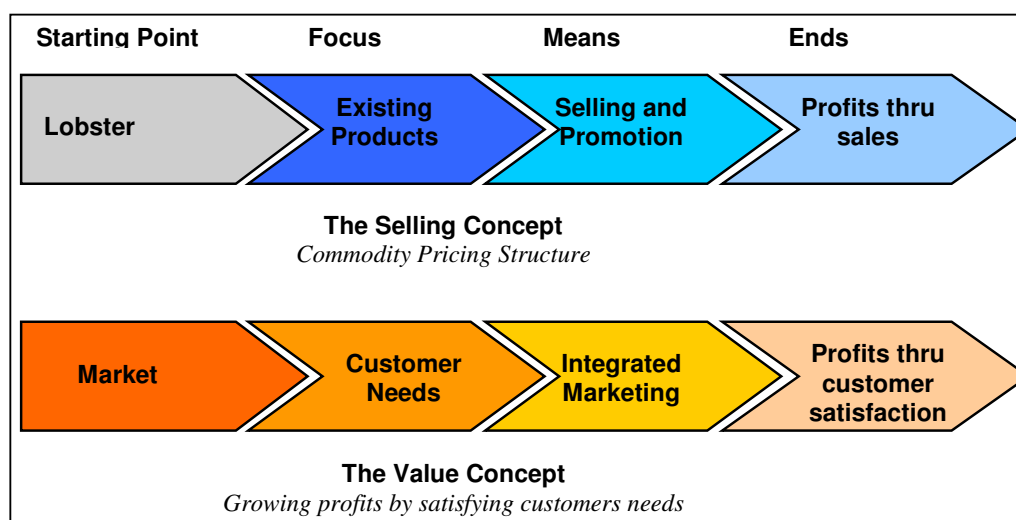
1. Investment Platform 1 – Increase sales margin per kg of lobster through market development and supply chain management.
2. Investment Platform 3 – Conduct market research in selected Asian, North American and European markets to:
 - Identify viable niche market opportunities;
 - Identify consumer needs and preferences for fresh and value added lobster products;
 - Identify cool chain and quality management requirements;
 - Identify the product and supply capabilities of competitors;
 - Meet importers, distributors, and food service managers to establish rapport, enhance industry awareness, and discuss value adding opportunities; and
 - Assess new food service and value adding technologies that may be applied to *Jasus Edwardsii*.

The project also aligns with Fisheries Research and Development Corporation (FRDC) Strategic R&D Plan under the Market Development initiative.

A key outcome of the project is the potential to reduce the industry reliance on Hong Kong and China, spread risk, increase product demand, and raise relative beach and export prices. In addition, the identification market niches will help the industry to better focus its resources in developing channels that yield the highest return.

As shown in Figure 1.2, a better understanding of, and engagement with markets, consumers, supply chains and competitors will allow the industry to better plan its marketing strategy (including product differentiation and branding) and move ASRL away from commodity trading into a high value branded category.

Figure 1.2 - The Selling vs Value Concept



2.0 Identifying New Opportunities

2.1 The Global Seafood Market

The National Food Industry Strategy (NFIS) in conjunction with Seafood Services Australia and the Western Australian Department of Fisheries recently commissioned an in-depth study into the global seafood trade. The study identified some interesting changes in the global seafood market including:

Consumer Trends

- Advances in refrigeration technology, packing and airfreight systems have made fresh product accessible to a wider range of consumer markets, that in some instances have stimulated increased demand for seafood products (e.g. sashimi, sushi, live fish)
- A decline in red meat consumption in Western societies, favourable reports on the health benefits of seafood, and a decline in real prices of some species (e.g. salmon, catfish) have broadened the appeal and consumption of seafood
- The increasing ability of the fishing industry to manage production and marketing, resulting in reduced uncertainty, increased efficiency and increased market share has overall improved the supply and marketing of seafood globally.

Global Seafood Trade

- World demand for fish and fishery products is expected to grow by around 2% annually (subject to improvements in wild caught efficiency and aquaculture productivity) to reach 183 million tonnes – 95 million tonnes more than in 1995.
- World trade in seafood is dominated by shrimp, salmon/trout, tuna, groundfish, crab/lobster, and cephalopods
- World trade is expected to increase significantly in live/chilled/fresh finfish, frozen whole fish and fillets, mostly to markets in USA, EU and Asia (Taiwan, Japan, China, Singapore, Malaysia)
- Real prices from 2000-2020 for crustaceans and high value finfish are expected to increase by 15% and could be potentially as high as 60% if fish stocks are threatened
- Trade in seafood is becoming increasingly consolidated through larger-scale global ventures and producers, stimulating market competitiveness and resource development
- Forecasted rising net imports among developing and developed countries
- Forecasted increased demand and prices for high-value products.

2.2 World Lobster Trade

According to the US Department of Agriculture, world lobster production increased steadily from 157,000 metric tonnes (MT) in 1980s to more than 233,000 MT in 1997, before stabilising at 227,000 MT in 2001. Wild lobster is by far the main source of total production, but aquaculture, although minimal, is growing. Catches of American lobster (*Homarus Amercanus*) and spiny lobster (*Panulirus spp.*) accounted for 68% of the world's production in 2001. Other important species include European lobster (*Homarus Gammarus*) and rocklobster (*Jasus spp.*).

The US and Canada are the world's largest lobster producing countries. Together, these two countries accounted for 37 percent of the total production in 2001. Other major producers are the United Kingdom, Australia, Cuba, Ireland, and France.

In the US, the American genus account for around 95% of total US production, followed by spiny and slipper lobsters. Of the 37,094 MT landed in 2002, Maine led all states with 76% of the total harvest. Other important states are Massachusetts and Rhode Island. Spiny lobster is primarily harvested in Florida and California.

World trade in lobster grew steadily over the last decade, as both exports and imports increased. World lobster exports rose 108 percent, from US\$0.85 billion in 1989 to US\$1.76 billion in 2001, due to increased sales of frozen and fresh/chilled products. Leading importing countries for live lobster and lobster products include the United States, Canada, China and Japan. The two largest lobster producing countries, US and Canada, predominantly trade (import and export) between each other.

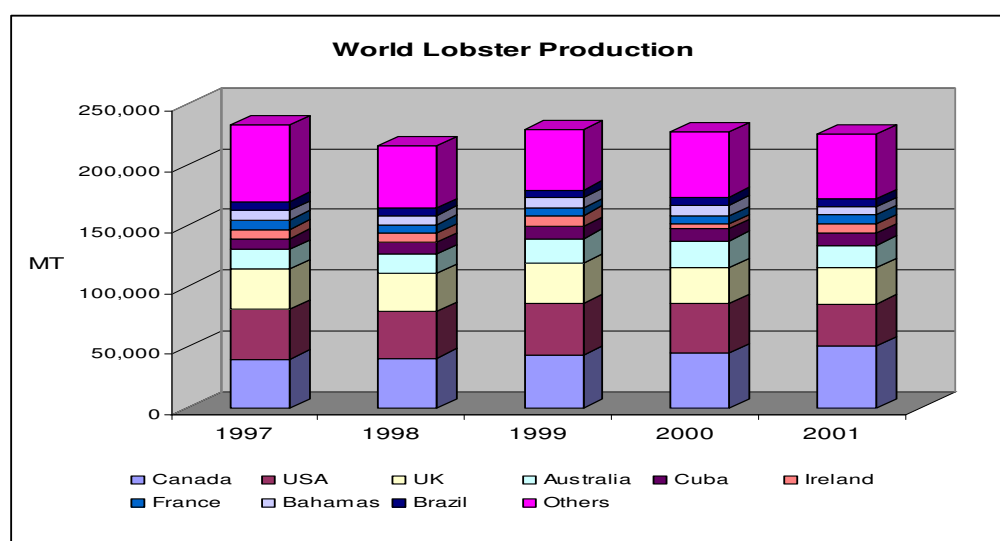
The global lobster trade is predominantly confined to several key species namely the American or European lobster (*Homarus spp.*), rocklobster (*Panulirus spp.*) and cold water rocklobster (*Jasus spp.*). There is also the Norway lobster (*Nephrops norvegicu*) which is commonly found in around France, Scotland, Iceland, and Spain. The European lobster (*Homarus vulgari*) is taken mainly off Turkey, the British Isles, France, Italy, Norway, and Portugal.

Table 1 - Top 15 Lobster Producing Countries

Lobster, Spiny-Rock Lobster	Year (MT)				
	1997	1998	1999	2000	2001
Australia	15,996	16,619	20,283	22,253	18,586
Bahamas	7,798	7,553	8,225	9,023	7,042
Brazil	7,502	6,002	6,334	6,469	6,400
Canada	40,079	41,030	43,428	45,331	51,412
Cuba	8,996	9,417	9,879	9,850	9,850
Denmark	4,321	5,000	5,466	5,094	4,824
France	7,551	6,908	6,224	7,044	7,396
Indonesia	4,021	2,394	3,244	3,596	4,220
Ireland	7,581	7,607	9,124	3,519	7,890
Mexico	2,552	2,212	1,973	2,799	2,509
New Zealand	6,156	3,716	3,756	3,859	3,658
South Africa	2,584	2,642	2,290	2,083	2,750
United Kingdom	33,289	30,713	33,146	29,578	29,637
United States of America	41,350	38,818	42,737	40,689	34,258
Total World Production	233,384	216,201	229,485	227,094	225,171

Source: FAO

Chart 1.1 – World Lobster Production



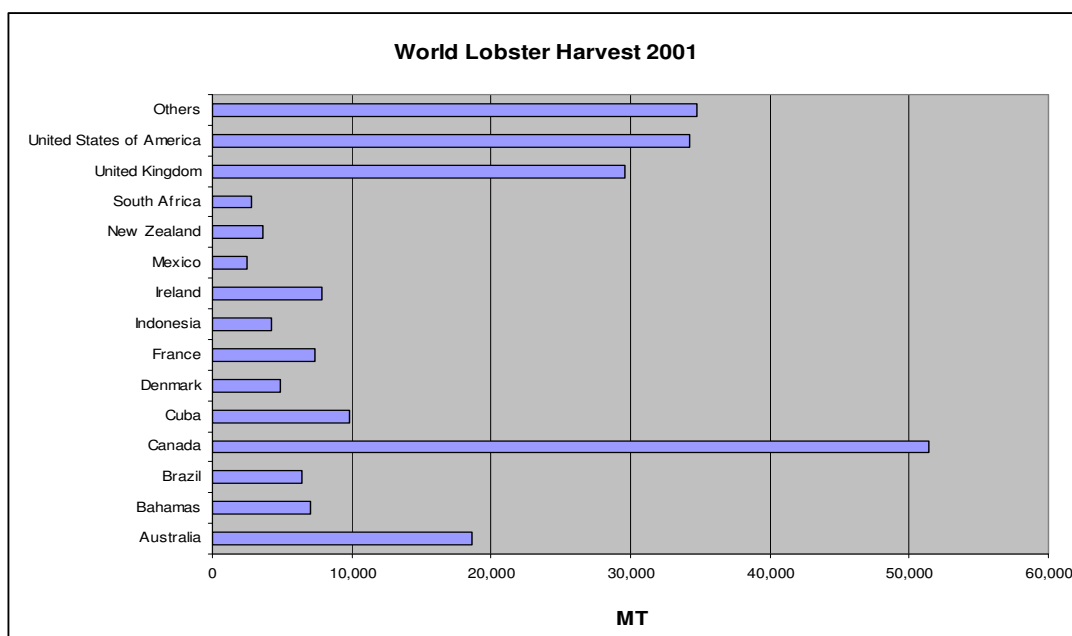
Source: FAO

The most common rocklobster genus is *Panulirus* spp. with commercial catches originating largely in the waters off South Africa and Namibia, Australia, New Zealand, France, Japan, Brazil, Cuba, the U.S., Mexico, and the Bahamas.

The supply of *Jasus* spp. is limited to several countries namely Australia, New Zealand and South Africa. It is estimated the three countries collectively supply approximately 9,500 MT per annum of *Jasus* spp. Similar species could be found in other countries such the US and Ireland but commercial catch volume is minimal.

It is widely accepted that the most highly prized lobster is the *Jasus* spp. as the deep cold ocean habitat allows the lobsters to have a much firmer texture and superior flavour. With global supply of *Jasus* spp. at approximately 9,500 MT or 4% of the world's total lobster harvest, this genus usually commands the highest price with distribution confined to key Chinese markets such as China, Hong Kong and Taiwan.

Chart 1.2 – World Lobster Harvest 2001



Source: FAO

2.3 Leading Seafood Markets

In terms of fish consumption, in 1995, Asia was the largest consuming 61 million tonnes, followed by Europe with 12 million tonnes, North America and Oceania consuming 8 million tonnes, and Latin America and the Caribbean consuming 5 million tonnes each.

It is forecasted by 2015 consumption per capita will be highest in Japan (70.9kg), followed by the Nordic countries (38.8kg), high-income East Asian countries (35.2kg), North America (30kg), Australia and New Zealand (28kg), Western Europe (26.7kg), low income East Asian countries (26.5kg) and China-Mongolia (26kg).

The Asia-Pacific region accounts for around two-thirds of the world's fisheries products used for human consumption and this will continue to grow due to increasing population (1%pa) and increasing consumption per capita (7.5%pa).

Table 2.1 lists the top 20 seafood import countries with their purchasing power parity. Using Australia's purchasing power parity as the benchmark, it would appear all the countries could be potential export markets for ASRL with the exception of China, Korea, Thailand and Portugal. Despite its low purchase power, China remains a key focus of the industry given their preference for the *Jasus* spp. genus and willingness to pay the highest price in the international market for it.

In attempting to identify new market opportunities, all the premium western oriented markets were considered. The selection of new markets was based on the following criteria:

- strong demand for seafood;
- willingness by consumers to pay a premium for high quality seafood;
- high purchasing power;
- access to transport and logistics (especially in the for “live” trade); and
- access to appropriate distribution channels.

Table 2.1 – Top 20 Seafood Import Countries

No.	Top 20 Seafood Import Countries	Seafood Import (US\$'000)	Purchasing Power Parity 2003 – US\$	Population (million)
1	Japan	13,453,375	28,000	127
2	USA	10,291,344	37,800	293
3	Spain	3,723,590	22,000	40.3
4	France	3,062,660	27,500	60.4
5	Italy	2,722,414	26,800	58
6	Germany	2,354,306	27,600	82.4
7	UK	2,241,908	27,700	60.2
8	China	1,787,242	5,000	1,300
9	China, Hong Kong SAR	1,768,439	28,700	6.8
10	Denmark	1,737,396	31,200	5.4
11	Korea Rep.	6,626,906	17,700	48.6
12	Canada	1,371,517	29,700	32.5
13	Netherlands	1,233,831	28,600	16.3
14	Thailand	1,019,176	7,400	64.8
15	Belgium	1,002,522	29,000	10.3
16	Portugal	936,993	18,000	10.5
17	Sweden	733,199	26,800	8.9
18	Norway	653,927	37,700	4.5
19	Taiwan	530,618	25,000	22.5
20	Australia	518,809	28,900	19.9

Source: FAO

2.4 Potential New Market Opportunities

The markets identified with good export potential for ASRL included the United Arab Emirates, France, Spain, Italy, United Kingdom, USA and Japan. Basic on the ground market assessment showed the following market characteristics:

United Arab Emirates

Market Snapshot

- The UAE is one of the fastest growing economies in the Middle East enjoying a growth rate of 5% pa;
- The premium tourism sector has been particularly strong due significant expansion of air services, hotels and other tourism infrastructure. The UAE currently hosts some 4 million tourists per annum and this is forecasted to increase significantly in the short to medium term as Dubai continues to become the gateway to the Middle East;
- The super premium foodservice sector has been particularly strong largely due to the introduction of 7-star hotels, high end restaurants and palaces;
- The growth in the premium foodservice sector is predominantly driven by “New World” restaurants;
- Most food products in the UAE are imported and there is strong recognition of Australia as a quality supplier;
- New Zealand (NZ) and Western Australian (WA) lobsters are already present in the market
- Wholesale live NZ lobster in Dubai retails for about AUD\$80/kg;
- There is good access to the local foodservice trade as there is a strong presence of Australian chefs working in Dubai; and
- Supply opportunities to supply lobster are mainly confined to the foodservice sector.

Immediate Challenge

- The Dubai market is small due to a population of only 4 million people, however the country also receives 4 million tourists per annum;
- Oman supplies UAE with lobster at very competitive prices;
- Holding tanks in Dubai are designed for USA and Canadian lobsters rather than cold water species;
- Buyers tend to benchmark price of imported lobsters to US and Canadian lobsters;
- WA lobsters are considered expensive when compared with US and Canadian lobsters; and
- The premium restaurants demands “live” lobster.

France

Market Snapshot

- The annual lobster consumption in France is about 9,000 MT pa.;
- Lobster is a popular menu item in premium French restaurants;
- The export of WA lobster to France is enjoying good growth – both live and frozen. The recent reduction in import duty to 12.5% increased demand significantly;
- WA lobster is starting to enjoy strong awareness and penetration within the foodservice sector;
- Consumers are willing to pay premium for high quality food products;

- The premium food service trade demands only “live” lobster; and
- Apart from foodservice, there are also opportunities in retail sector – as meal solution in gourmet food stores (Paris only).

Immediate Challenge

- Previous trials of ASRL to France have not been successful – high mortality (18-22%);
- Long sales cycle - it took WA five years to develop awareness and generate sales momentum;
- According to the French chefs, the best lobsters are still sourced locally from Brittany;
- South Africa and Quebec already supply France with cold-water rocklobsters;
- Portion serve is important – i.e. half-a-lobster per serving;
- Transport logistics – lack of direct air service to France; and
- Lack of awareness of ASRL by French consumers.

Spain

Market Snapshot

- The annual lobster demand is about 9,000 MT;
- Australian wild caught prawns were recently introduced into Spain and is enjoying good popularity and penetration;
- There is good opportunity to capitalise on the momentum generated by the Australian prawn industry and introduce other seafood;
- The market demands low to middle grade seafood;
- The foodservice trade is supported by a very large tourism sector – some 60 million tourists visit Spain annually;
- Canadian and USA lobsters (live & frozen) are already imported in large quantities. There is also cheaper frozen lobster tails from Cuba and North Africa; and
- In addition, Spain also imports about 1,000 MT from within the EU – same niche market that the ASRL could be targeting.

Immediate Challenge

- Lobster is mainly consumed during special occasions – making demand highly seasonal to the festive seasons eg. Christmas or New Year;
- Lobster is also commonly sold at retail level – demand is for low grade frozen lobster;
- The lack of efficient transport logistics between Australian and Spain will limit export to frozen lobsters only;
- Whilst Spain is one of the highest seafood consuming countries in the world, consumers are not willing to pay for premium seafood;
- Australian seafood suppliers are often seen as opportunistic and lack commitment to consistently supply the Spanish market; and
- ASRL is likely to be benchmarked against Canadian and Maine lobsters.

Italy

Market Snapshot

- Italy consumes about 5,000 MT of lobsters per annum – most of it imported;

- Approximately 1,000 MT is imported from within the EU – (same niche market ASRL will be targeting);
- Lobsters are mainly used by high end hotels and western restaurants only. Traditionally Italian cuisine do not use lobster;
- Imported USA and Canadian lobsters are considered super premium products – available in both live and frozen; and
- Similar to Spain, the Italian market has little appreciation for premium seafood. The market generally demands low to middle grade seafood products.

Immediate Challenge

- The consumption of lobster is highly seasonal – mainly during celebrations and festivities like Christmas and New Year;
- Traditional Italian cooking do not use lobster – instead it uses seafood like scampi, calamari, mussels etc.;
- Consumers tend to opt for other premium Italian dishes like truffle or regional specialties over lobster when dining in restaurants;
- Australian seafood is often considered too expensive for Italian market; and
- Significant investment required to create awareness of ASRL to the foodservice sector.

United Kingdom

Market Snapshot

- WA lobsters are already exported to the UK;
- Apart from the foodservice trade, there is also opportunity to supply lobster and lobster products to high end retailers like Harrods and Harvey Nicholls but demand will be niche in this category;
- Cold water rocklobster is sometimes served in upscale restaurants where they want to provide a differentiated offering to the common Maine lobster. Cold water species like the Irish rocklobster is rarely served due to the lack of availability;
- According to chefs in leading high end restaurants, there is a niche market in London for ASRL provided a marketing strategy is in place to support the demanded price premium;
- The growth in the high end foodservice sector has been largely in “New World” restaurants;
- There is a high presence of Australian chefs in the premium London foodservice market - good potential to seek their assistance in introducing ASRL to the London market; and
- The purchasing decision is largely influenced by the plate cost. The cost for the centre of plate or protein is usually no more than 30% of the plate cost.

Immediate Challenge

- In the food service sector – plate cost is the most important factor influencing the purchase decision;
- Purchase decision lies with restaurant management and the executive chef;
- ASRL was imported into London previously. The importer/distributor found it too hard to sell. There was no marketing support to educate chefs and position ASRL as a super premium product. Most of the restaurants benchmarked ASRL to Maine and Canadian lobsters; and
- Initial export trials of ASRL to London were not very successful experiencing high mortality.

USA

Market Snapshot

- The premium demanded by ASRL means it needs to be positioned in the high-end culinary areas of Nepa Valley, Miami, New York, San Francisco, Las Vegas etc.;
- In high end foodservice, celebrity chefs play an important role in creating awareness and promotion through:
 - TV cooking programs
 - creation of new season restaurant menus
 - educating and influencing other chefs
- The US market is highly marketing orientated. Product branding, packaging and positioning are of most importance;
- The growth in the premium foodservice sector has been dominated by “New World” cooking;
- Maine lobster enjoys a very good reputation due to its strong marketing and brand positioning; and
- The purchasing decision in premium foodservice is largely influenced by the plate cost. In most instances, the centre of plate or protein accounts for about 30% of plate cost. For example, if a main meal sells for \$40, the protein needs to cost no more than \$15.

Immediate Challenge

- The presence of Maine lobster is particularly strong especially along the US east coast;
- The biggest competitor for ASRL in the US will be Maine, Canadian and South African lobsters;
- The difference between ASRL and Maine lobster needs to be communicated to consumer; and
- A marketing program needs to be in place to support ASRL and its push into the premium foodservice market.

Japan

Market Snapshot

- Over 80% of imported lobsters are used in weddings with the remaining used in restaurants and hotels;
- Lobster is usually serve boiled, sashimi or grilled – Japanese style;
- The Japanese prefer the taste and texture of Maine, Canadian or WA lobsters – very similar to the local species found in Japan;
- ASRL is already exported to Japan but not particularly popular with Japanese consumers due to different texture and taste;
- ASRL is not usually found in Japanese restaurants but rather in high-end western restaurants.

Immediate Challenge

- The consumption of lobster is decreasing as Japanese are preferring not to feature lobsters in wedding dinners to reduce cost;

- Many Japanese are unfamiliar and therefore have little appreciation for ASRL – need better promotion and education;
- Portion serve is important for the Japanese market – half-lobster per serve. If served as sashimi then is whole lobster; and
- The penetration of ASRL in Japanese restaurants is very low. Most Japanese chefs are unfamiliar on how best to cook and present cold-water rocklobster.

2.5 Prioritising Market Opportunities

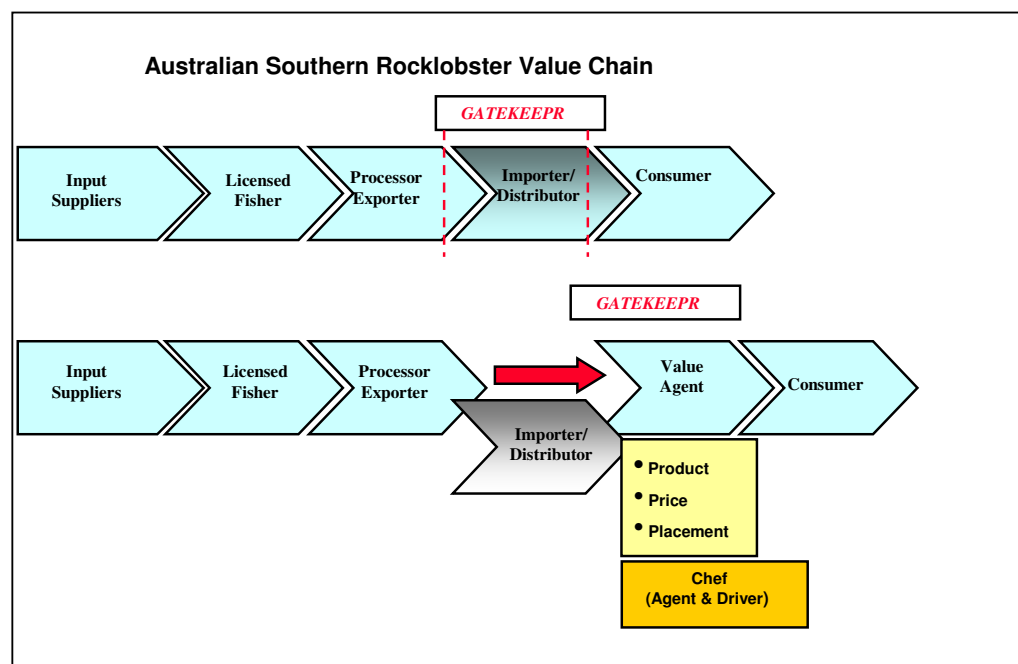
The premium demanded by ASRL effectively limits supply opportunities to fine-dining restaurants. The assessment of seven high wealth countries shows potential for ASRL to be positioned in non-Chinese markets however significant effort is needed to differentiate it from other species such as those originating from Western Australia, Maine, Cuba, Canada and South Africa.

Currently, most importers and distributors accept ASRL as no different to other lobster and rocklobster species, thus subjecting the industry to a commodity trading structure where the buying process is purely driven on price. Feedback from most importers and distributors is that the premium demanded ASRL makes it a difficult sell especially when Maine and Canadian lobsters are selling for significantly less (usually for about half price of ASRL).

To achieve the required premiums demanded by industry, there is a need to elevate and reposition ASRL from its current commodity status to super premium category where pricing is determined not by its intrinsic value but rather on intangible attributes such as uniqueness, prestige, limited harvest, exoticness and exclusivity. Examples of products successful in creating a super premium branded image include Bartter Creek Pork, Wagyu beef, Kobi beef and Sydney Rock Oysters.

As shown in Figure 2.2, the current key influencer (gatekeeper) within the supply chain lies with the importer/distributor. There are little opportunities for importer/distributor to create value as their primary role is to import and distribute the product to the end user.

Figure 2.2 – Identifying the Value Agent



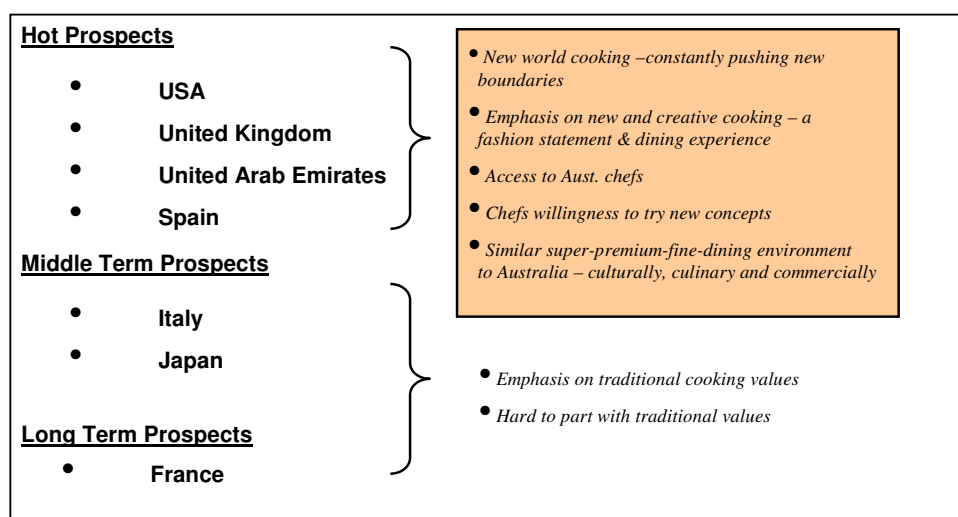
The industry needs to identify key influencers and drivers within the foodservice sector capable of repositioning ASRL to the super premium category. Chefs play the most critical role in creating value as they are able to influence the core marketing fundamentals - product, price, placement and promotion. To position ASRL as a premium product, the industry needs to understand the restaurant trade including plate cost, value proposition, culinary trends, new menu creation and chef needs. It is the understanding and meeting of these needs that will allow the industry to achieve the required returns. The premium demanded ASRL essentially limits supply opportunities to the Super-Premium-Fine-Dining (SPFD) sector or the Top 5% of restaurants in any market.

The current trend within the premium foodservice or fine dining sector is the increasing emphasis on “New World” cooking where chefs are encouraged to test their culinary creativity by creating new dishes often using a combination of French, African, Chinese, Japanese and Thai influences. As chefs in this market segment are constantly experimenting and trying out new food ingredients, it offers ASRL greater prospect of market penetration. In addition, the characteristics of “New World” restaurants is the same around the world regardless of location, whether it is in Sydney, New York, San Francisco, London or Madrid, thus allowing one business model to be replicated to many markets.

As shown in Figure 2.3, the best new prospect for ASRL is to target premium “New World” restaurants in the US, UK and UAE. In the US, cities like New York, Los Angeles, San Francisco, Napa Valley, Miami and Chicago are considered to be highly exciting markets which are currently demanding quality from their seafood suppliers. A similar trend is happening in the UK with restaurants in London, Manchester, Bristol and Glasgow increasingly demand that the best seafood be sourced from around the world. According to local restaurateurs, chefs, distributors and associated products suppliers, the New World restaurants are enjoying strong growth in sales and yield.

These markets are the culinary opinion forming capitals of the “New World” dining market. Trends like super premium raw fish through sushi and sashimi currently sweeping through the broader contemporary food markets originated from London and New York markets. Much sought after ingredients like the Chilean Sea Bass, Loch Fyne Oysters, Hiramasa Kingfish and more recently Australian Barramundi originated from these markets.

Figure 2.3 – Prioritising Identified Markets



3.0 Understanding Foodservice

3.1 The Foodservice Pyramid

The foodservice industry is diverse and spread across multiple tiers of distribution and retailing. The structure of the industry can be best illustrated by Table 3.1 showing the different levels in which foodservice operates.

1) Super-Premium-Fine-Dining

Refers to the top 5% of restaurants where spending per head is highest and where food attract the highest premium. These restaurants are usually multi-award winning and headed by a world renowned executive chef. The chefs are often seen as industry innovators as they set the benchmark for service and menu creation which is subsequently followed by the rest of the foodservice sector.

Examples of such restaurants in Australia include Tetsuya, Rockpool, Aqua Luna, Boathouse, Longrain, MG Garage etc. The chefs in these restaurants are highly respected and are continuously monitored by the food media for latest development within the industry.

2) Food media

Food media plays an important role in communication process through the release of lifestyle and leisure articles in magazines and newspapers, often commenting on the latest development in food and wine. Ideas and influences for articles generally come from the innovators.

The review and recommendation by these columnists are highly influential often drawing significant consumer interest. For example, a good review on the Sydney Morning Herald - Good Living section every Tuesday could draw months of full bookings for restaurants.

Examples of influential food media include the Michelin Guide (Europe), Zagat (US), Sydney Morning Herald Good Food Guide, Health and Fitness, Nature and Health, Women's Day, Vogue, Gourmet etc.

3) Branded foodservice

Branded foodservice refers to the Top 30% of restaurant trade where there is still heavy emphasis on quality but the menu price point is more affordable for the general public. It refers to the wider restaurant, hotel and upmarket café trade. A good example would be the local mid-tier Thai, Japanese or Italian restaurant where families would visit once or twice a month.

This sector is known as the Early Majority as they closely follow the development of the SPFD and Food Media, and implement the latest industry trend and fashion.

4) Broad foodservice

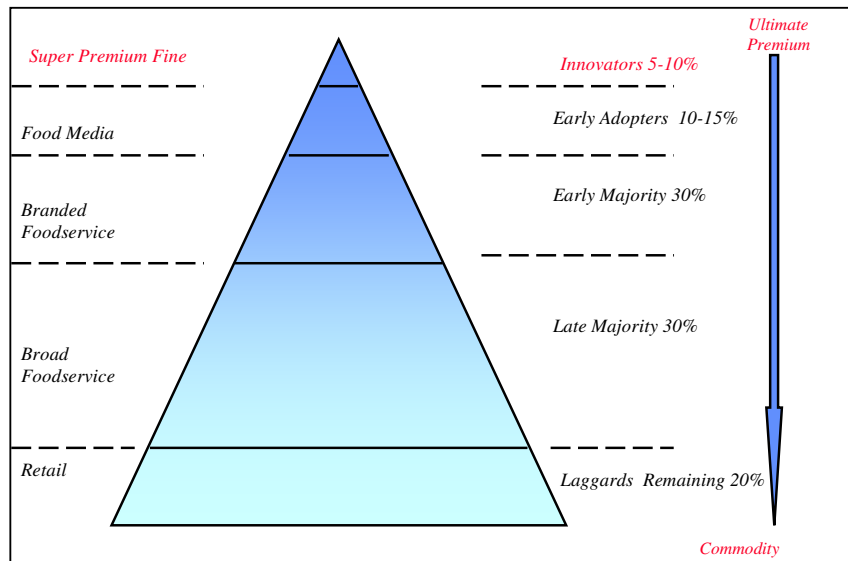
In this sector, the emphasis is on bargain dining. Examples of such outlets include fast food outlets, cafes, takeaways, sushi bars etc.

The focus of sector is to achieve profit through high volume turnover.

5) Retail

Refers to meal solutions found in supermarkets and other retails stores. Examples include fish fingers, lean cuisine, healthy choice, frozen garlic bread etc. The retail level offers the smallest margin for manufacturers in return for the highest volume turnover.

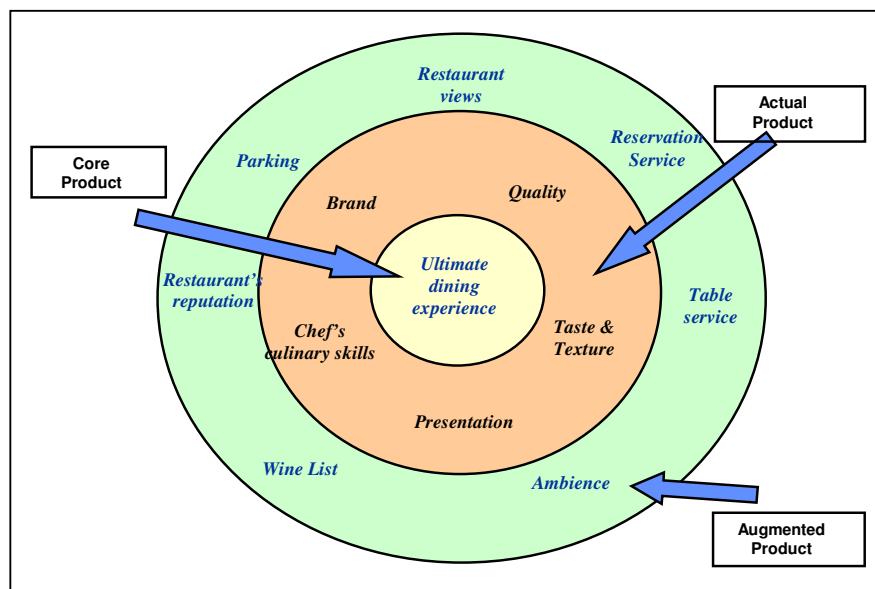
Table 3.1 – The Foodservice Pyramid



3.2 The Concept of Value

In the foodservice sector, how a customer defines value can be attributed to a range of factors. Within the SFPD sector, most customers are essentially after the ultimate dining experience. As shown in Table 3.2, a range of attributes goes to supporting and delivering this enhanced experience to customer.

Table 3.2 – Defining Value in Super-Premium-Fine-Dining

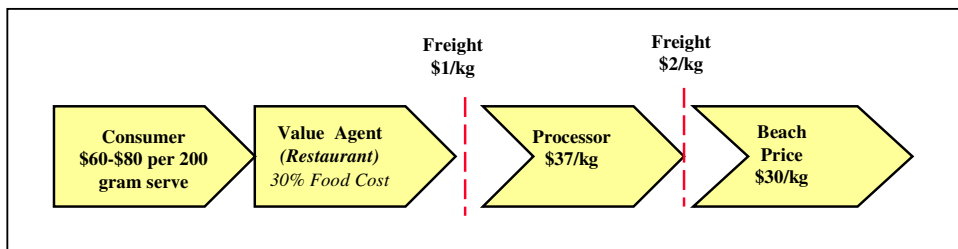


Critical to delivering the ultimate dining experience is the food (actual product). Good food in a restaurant is dependant on the brand, quality, chef's culinary skills, taste and texture of the protein, and presentation. For example, when a customer pays \$60-\$80 for a serve of lobster, they expect the meal to consist live ASRL or Eastern rocklobster cooked to absolute perfection by a well known chef like Neil Perry, David Thompson or Guillaume Brahimi.

The purchasing decision of restaurants is largely influenced by the plate cost. As most restaurants operate within certain price bands and any protein sourced needs to fit within that framework. For the industry to achieve a higher beach price, it must ultimately work the restaurants (agent & driver) to build value and brand presence for ASRL. Currently customers find it difficult to pay \$70 for a plate of ASRL as they are unable to differentiate it from other cheaper lobster species available in the market. The lack of proper branding further adds confusion in the marketplace. For example, a leading restaurant in Sydney list ASRL as “Tasmanian Crayfish” on their menu due to lack of uniform branding and market positioning.

A marketing program needs to be place to support the restaurants build ASRL brand presence and positioning with end customers.

Table 3.4 – ASRL Price Structure in Sydney Restaurants



4.0 Market Trials – London and Napa Valley

The desk top research identified possible supply opportunities exist in non-Chinese markets, especially within the SPFD sector in high income markets such as the US, UK, UAE and Spain. In-depth and on the ground research had to be undertaken to confirm the culinary capabilities of ASRL to be positioned in the Top 5% of restaurants in these markets.

Two markets were selected for product trial. Both London and the Napa Valley (Napa) were selected for their uniqueness to the target high profile, opinion-leading chefs within the global food community and the existing network of contacts, colleagues and available information. The investigations in London and Napa consequently focussed on establishing a clearer understanding for the commercial, logistical and culinary requirements to mount a successful campaign in these markets

A usage and attitude survey was conducted in both markets –sending samples of live ASRL to leading “premium seafood” restaurants in both markets. The samples were accompanied by a questionnaire and followed by telephone interviews with recipients. All investigations were undertaken by opinion forming foodservice representatives capable of interpreting feedback.

4.1 Seafood Supply

The seafood market in the United Kingdom and the US West Coast is well serviced in the supply of high quality seafood, sourced locally, nationally and internationally. Chefs and restaurants do not limit their selection exclusively to “local” product and are open to supply from 30 minutes to 30 hours away although a higher yield is afforded to local product

The Culinary Quality was seen by chefs in as non-negotiable – “live lobster” is the preferred and only form used in the premium and super premium restaurant markets in London and Napa Valley. Few restaurants have live holding facilities (storage tanks) in-house, preferring to take product daily or multi-deliveries per week.

Lobsters to both markets are shipped via two main channels:

- Direct from processor to restaurants in small volumes, 5-10 pieces per box, in packaging which ensures the lobsters remain the best possible condition – both in transit and on arrival
- Via an importer/distributor – lobster are either stored in tanks at distributor warehouse or cross-docked in set unit packaging

The Fine Dining Market remains the most dynamic sector within the restaurant trade, providing greatest tolerance to macro and micro economic dynamics and broad range of international cuisines. Seafood sales have risen over recent years, resulting in greater menu presence for premium seafood items and greater opportunity. Seafood enjoys an enviable reputation amongst fine dining sector patrons, who have driven this demand through the fine dining market.

Product Quality and service standards are non negotiable in the Fine Dining sector. Most fine dining restaurants are serviced by several seafood suppliers and will change suppliers if quality standards are not met. Food is fashion in this market - every aspect of the offer must deliver to this positioning - the quality of the product, the packaging, distribution mechanism and cachet must all meet the standards of the restaurant. Chefs are open and willing to try “new” seafood providing they have culinary and commercial capability.

4.2 Distribution

Specialty seafood distributors are making a renaissance in both the London & Napa/San Francisco Bay area. A number of these operations are an extension of the general wholesale seafood distribution businesses. These “new generation” specialty seafood distributors have well informed, enthusiastic, professional Product Category Managers who are service focussed often working closely with chefs to introduce new high quality niche products into restaurants, leveraging on quality values.

Pricing is less sensitive with these specialty distributors than in traditional wholesale and distribution businesses. They are instrumental in generating interest and brand equity for “new” seafood through their direct access with the SPFD sector.

These seafood specialty distributors recognise and reward quality in the same manner as the premium restaurateur – knowing that they can create accost metric, which returns them a full yield on every item. They view ASRL as “different” and agree with their clients (restaurants) on the culinary quality and potential for use in the super-premium-fine-dining sector. Based on their feedback, there is good potential for ASRL to be developed into a branded product to suit the SPFD sector.

Most of the restaurants interviewed in both locations sourced their seafood from these specialty seafood suppliers. Most would use 1-3 suppliers and their selection of suppliers is predominantly based on three principle drivers - relationship, service and quality. Very few distributors and restaurants would import seafood direct as the lack of commercial scale would make such an activity unfeasible.

In the distribution of imported seafood products, most niche distributors would source their weekly requirement directly from an importer. Access and direct communication with the importer is critical in managing quality, control and product information.

Live holding facilities for live crustaceans are common amongst importers and some local distributors. The care, management and stocking of these systems vary from a dedicated in-house resource to being the responsibility of the supplier. All of the distributors agree the management of the “live category” is the most significant issue - mortality and wastage (and the associated cost and process of claiming with suppliers) in the live trade is their biggest challenge.

The logistics of completing the last “9 miles” of the transaction demands utilisation of numerous low capacity, small vehicles that cope with the tight streets and parking constraints of the inner city precincts. Average loads are typically less than 20 deliveries with a payload of no more than 250kg.

The specialty seafood distributors servicing both Japanese and New World restaurants are primarily focused on the logistical aspects of the transaction and supplier relationships namely:

- Order Recruitment;
- Processing;
- Packing;
- Despatch; and
- Delivery.

Restaurants in the premium and SPFD category in both London and the Napa are well serviced by specialty suppliers providing the highest quality seafood from global sources.

4.3 Product Feedback

Chefs interviewed placed quality and culinary suitability of the seafood they purchase as the most important driver in their purchasing criteria. Both Premium and Super Premium restaurants receive lobster live, exclusively.

Background as to the history of the fishery and supply is an important issue in the selection and merchandising of lobster in this market sector. Ideally, premium lobsters should be coming from well managed fisheries known for their clean environment and sustainable practices. Customers in developed countries are continuously pressuring industry to adopt best practices to increase quality, and ecologically sustainable. For example, consumers in the US recently pressured restaurants to boycott the much sought after and highly prized “Chilean Sea Bass” when news got out that the fish was caught to the point of extinction. As the result, most premium restaurants in the US now no longer serve Chilean Sea Bass on their menu.

Most restaurants also mentioned that marketing support from suppliers (such as point of sale and promotion materials) is reserved for value-added retail and low-end foodservice products. In premium foods and wines, the marketing support is in the form of staff training, tastings, menu creation and on going product education.

The SPFD market in Napa & London according to restaurateurs and chefs is increasingly demanding a higher level of professional engagement from suppliers than previously – it is no longer appropriate to provide only the product, an informed and educated appreciation for all aspects of growing, harvesting, processing and shipping is essential information for the chef.

A significant trend identified in both Napa and London is the desire by consumers for produce to be presented in its most natural form - simply prepared and cooked.

All chefs unanimously agreed on the culinary capability of ASRL - the flavour and texture profile suited the SPFD sector. All interview recipients confirmed they would only purchase ASRL (live) if the product was made available locally.

When evaluated against available local lobster species in the Napa Valley and London, preliminary results present the cost of ASRL (on current market value) within the Top 5% of available ingredients. Such pricing will elevate it to the level of a super-premium ingredient (in the same category as Iranian Caviar, Foie Gras and Truffle) and position it as one of the most expensive crustacean in the world. Most restaurants also confirmed a target protein spend of between 30% of the dish selling price, which would place ASRL on current market value in the top 3% of all menu items sold in the SPFD category.

The trials to Napa and London highlighted the potential for ASRL to be positioned within the global SPFD sector. However, the servicing of this niche sector requires the industry address the following market drivers:

1. **Quality** – guaranteeing product condition, packaging and presentation;
2. **Availability** – guaranteeing supply consistency within a prescribed season;
3. **Suitability** – for suitable use in the cuisine of the individual operation i.e. “New World” or “Fusion” cooking;
4. **Value** – the price to quality relationship and not price alone; and
5. **Branding** – including provenance, sustainability and the character of the fishery.

4.4 Price Point Analysis

Apart from examining the culinary acceptability of ASRL, it is also important determine the likely plate price for ASRL in both markets. Table 4.1 shows the cost structure involved in landing ASRL in Napa and London at beach prices of \$30 and \$40/kg respectively.

Based on plate cost and margins imposed by restaurants, it would seem that ASRL would be competitive with the very rare Irish spiny lobster which sells for GBP25-35 per serve. The London market is capable absorbing a beach price as high as \$40/kg based on the cost structure illustrated.

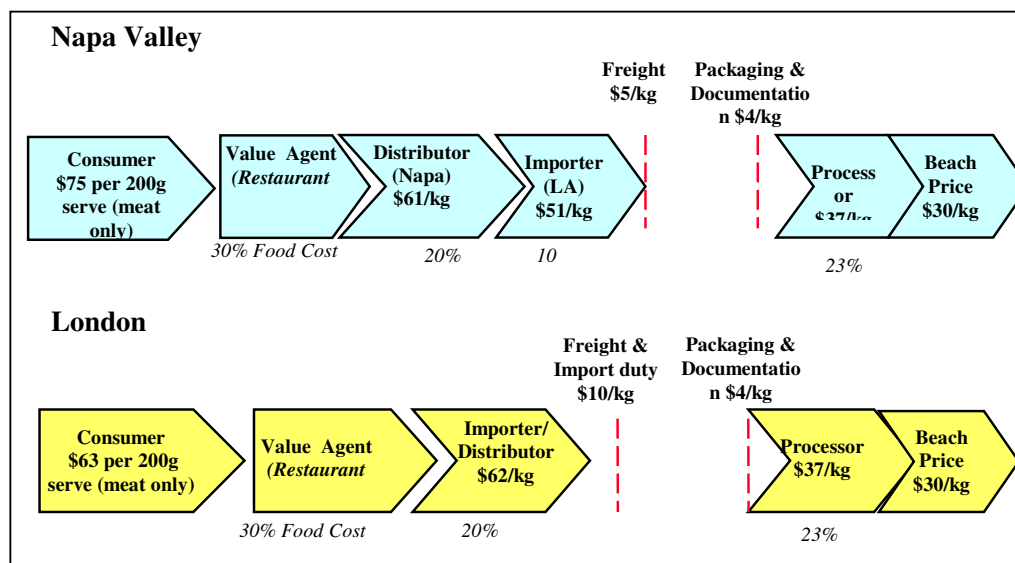
In the US market, the additional link between the importer and distributor led to a price point that placed ASRL in the upper percentile of the Californian spiny lobster price band. Greater cost efficiency needs to be achieved for the US market, such as finding a company that undertakes both the role of importer and distributor in the Napa/San Francisco area. To be a substitute for Californian spiny lobster, ASRL needs to have plate price band of between US\$50-\$70 per serve.

Table 4.1 – Cost Structure in the Supply Napa Valley and London

	US		UK	
Beach Price \$AUD	30	40	30	40
Processor	7	9	7	9
Processing, packing, documentation	4	4	4	4
Freight	5	5	7	7
Import Duty	-	-	3	4
Importer 10% margin	3.70	4.90	-	-
Domestic Freight	1.30	1.30	-	-
Distributor Cost	51	64.20	51	65
Distributor Sell (20% Gross Margin)/kg in AUD\$	61	77	62	78
Distributor Sell Price/kg in local currency	US\$47	US\$60	GBP26	GBP33
Local Spiny Lobsters (US & Irish)/kg	US\$22-33		GBP25-35	
Plate price per 200g (meat only) – Local lobster	US\$30-\$60		GBP25-35	
Plate price per 200g (meat only) –ASRL *	US\$64	US\$108	GBP26	GBP33

* The plate cost for ASRL is calculated on same margins for local spiny lobsters
Exchange rate AUD\$1: GBP0.40, AUD\$1: US\$0.70

Table 4.2 – The Supply Chain and Cost Structure (Napa Valley and London)



5.0 Recommendation

An opportunity exists to create new markets for ASRL within the global western fine dining market. The trial in Napa and London confirmed the culinary capabilities of ASRL to be positioned within the SPFD sector. Both of these markets are highly influential and offer a beachhead into other SPFD markets across the US and UK.

Servicing the SPFD sector requires the ASRL to develop and maintain the highest standards across the product, presentation, logistics and the distribution network to compete with other high quality products available to this sector from various global supplies.

Establishing the culinary and commercial capability of the ASRL and gaining acceptance within this market will require a commitment to a comprehensive campaign, which includes production and logistic issues. Underpinning this will need to be a clear marketing strategy, if the industry is to establish a platform from which it can build the beach value of the fishery, every element of the campaign must speak “Prestige” and “Luxury” – the industry needs to start associating their offer with other premium brands such as Beluga caviar, Mikimoto pearls, Macerate, Moet & Chandon Champagne, Hennessy cognac etc. For ASRL to be positioned as one of the most expensive protein in the world, it needs have distinction and exclusivity – a premium brand presence within the foodservice sector such as Way or Black Angus beef.

The marketing strategy must deliver a premium brand positioning with a set of brand values, which appeal to the super-premium chefs. This will be the essential element of success in “New World” restaurants regardless of location or country. In part, the marketing plan will need to address differentiation, positioning and profile for the ASRL above other various lobster brands and luxury food products available to chefs in the SPFD sector.

Consistency of the offer must be developed across 3 critical success factors:

1) Product

Investment is required to set up systems that provide:

- *Grading* to allow industry to create levels within their own brand, driving even higher prices for the marquee product. Top chefs want the best produce and will pay for it.
- *Logging* into a centralised online system that tracks the provenance of each lobster to the level of time of catch, fishery, processor and despatch time.
- *Handling* guidelines on how to store, package and transport product.
- *Packaging* in a form that maintains product quality and reinforces the premium position and brand.
- *Tagging* each lobster and creating the means by which chefs are reassured of quality. They should be able to enter the unique code on the tag into our online system to be delivered information on provenance.

**DELIVERING THESE DEMONSTRATES
COMMITMENT TO QUALITY & FRESHNESS**

2) Distribution

- Selecting limited number of suitable distributors will be critical.
- The recommendation is to create a hub and spoke network of certified handlers.

- These distributors/handlers are trained by ASRL to:
 - Handle and hold product correctly
 - Manage stock and grade
 - Understand our product differences
 - Deliver product expediently
 - Assess product and refresh or repack if required
- These distributors would be scored by restaurants to ensure that they maintain ASRL standards.
- If required ASRL should fund holding facilities.
- ASRL should also monitor distributors independently.

CORRECT HANDLING, SPEED AND SYSTEMS MAINTAINS PRODUCT INTEGRITY & FRESHNESS

3) Communication

- The need to generate a message that differentiates ASRL to other competing products internationally
- Define ASRL position including brand values, positioning and proposition
- Investment in materials such as packaging, websites and other marketing collateral that can be used by distributors
- Engagement of distributors, restaurants and chefs whenever and wherever possible
- A field media campaign concentrating on influencers and editorial
- Chefs should be supplied with “development product” to provide menu creation
- A range of branded merchandise is also needed to build the brand

BUILD BRAND PROMISES BASED ON PRODUCT AND QUALITY SUPERIORITY

Table 5.1 – Critical Success Factors

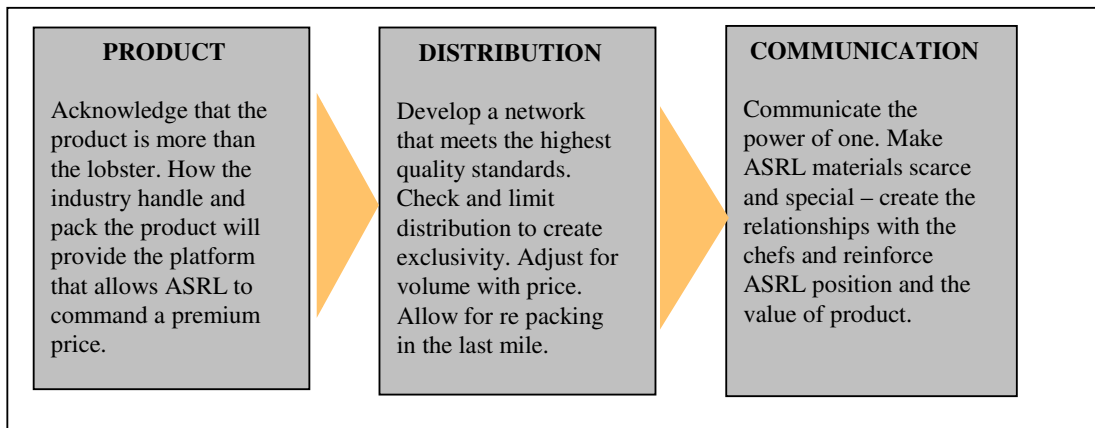
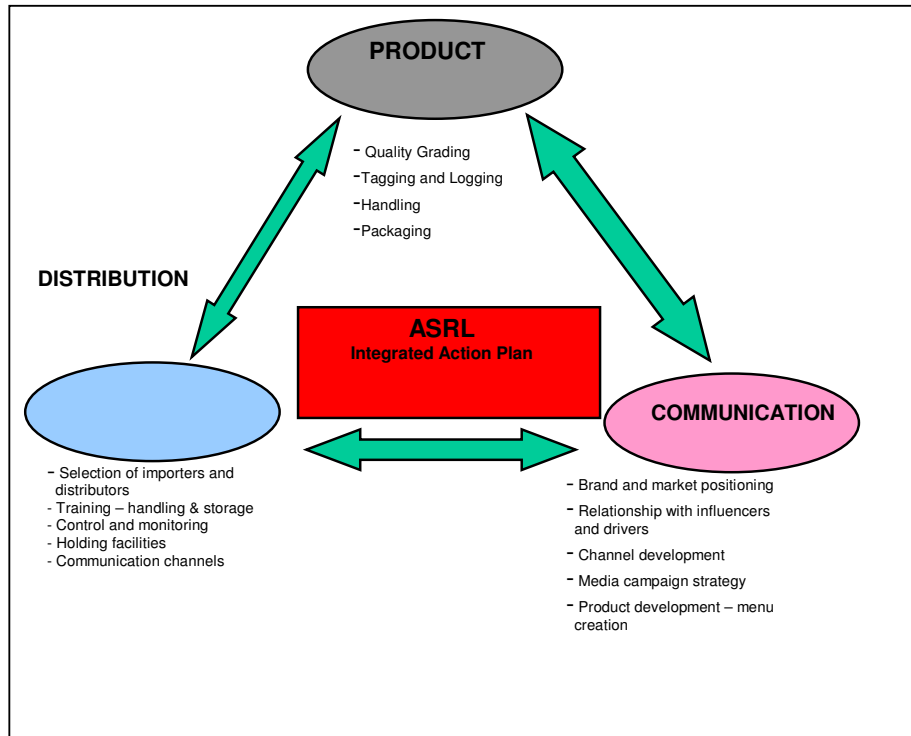


Table 5.2 – ASRL’s Integrated Action Plan



Appendix 1 - Sensory Evaluation Project

US Evaluation – Napa Valley, California

Project Brief

A group of leading chefs and restaurateurs from the Napa Valley and San Francisco bay area were invited to a presentation of Australian Southern Rock Lobsters at a signature restaurant, Hurley's, in the Napa Valley.

Australian Southern Rocklobster was presented live and in a series of preparations - sashimi, steamed (Asian style), Grilled and Barbequed. An ex-pat Australian chef had been briefed and controlled the presentation.

Live Southern Rocklobsters had been trans-shipped via an existing Importer, who had re-tanked the Lobsters for 3 days after their arrival from Australia, prior to on shipping to the restaurant in Napa. The importer and distributor for this project were Kingfisher Trading Co Inc and Osprey Seafood.

Project Participants

Thomas Kellar - French Laundry
Jeffrey Cerciello - Bouchon
Bob Hurley - Hurley's
Steve Litke - Farmhouse inn
Steve Fuji - Ebisu
Aqua - Laurent Manique
Pesce - Ruggero Gadaldi
Swan Oyster Depot - Sam Sancimino

Participant Profile

Hurley's

Host restaurant Hurley's is one of the Napa Valleys most highly regarded restaurants - chef Bob Hurley is somewhat a godfather to the New American cuisine movement.

French Laundry

The most famous restaurant in the US today. Chef/Owner Thomas Kellar is regarded is one of the most sought after chefs in America and a reservation at The French Laundry can mean a 6 month waiting list.

Bouchon

Owned by Thomas Kellar, Bouchon is a hero of the Napa Valley with local winemakers and International visitors alike. The crustacean and oyster bar is a feature of this restaurant.

Farm House Inn

The small, formal dining room in the Napa run by chef/owner Steve Litke is regarded for the quality of produce they use. A formal French style cuisine.

Pesce

A San Francisco institution in the heart of the financial district, Pesce is a formal Italian restaurant, which specialises in top quality seafood.

Ebisu

San Francisco's most highly regarded Japanese restaurant is modest in price by comparison to other San Francisco restaurants but is highly regarded for the quality and uniqueness of the

seafood they serve.

Aqua

San Francisco's most famous, high-end seafood restaurant, Chef Laurent Manique is known for his love of crustacean and commitment to quality.

Swan Oyster Depot

A unique retail/diner operation, which is regarded to have the *best* quality seafood in California. A hallmark dish is their steamed lobster.

Participant Feedback

- **What Lobster variety do you currently use - country of origin?**

All recipients' use US lobster from Maine, 7 uses Canadian when Maine, USA not available, 2 uses Floridian in summer (peak period) & 2 use Mexican. All would use Californian if available.

Finding - country of origin is no barrier to the use of Lobster

- **What is the price range you pay for lobster?**

\$US5.50lb Mexican - 15.95lb Californian when available

Finding - the relative low cost/value of local lobster poses a price strategy issue for SRL - current \$A30 beach price = \$US15.95

- **How do you receive the Lobsters?**

Live only – all respondents

Finding - live is viewed as the only product form for the premium restaurant market

- **What is the frequency of delivery?**

All recipients responded - *daily*. They are used to being well serviced by distributors and do not expect to carry stock of live lobsters

Finding - a solid distributor network is essential

- **How are the lobsters you buy packed?**

Maine - packed in seaweed in wooden crates, Florida -poly boxes, Mexico - poly boxes

Finding - market would appreciate a system which offers more product security and information

- **What storage method do you use in the restaurant for lobsters?**

With daily deliveries, most recipients ordered/used all product in the day, others cooked and iced immediately on arrival.

Finding - concern regarding the fragility of Lobsters could be overcome by providing a tanking system for the restaurants or the distributors

- **What are the typical volumes you use weekly?**

If on the menu 15-30kg per week, if as "special item" 50-60kg per week

Finding – a pilot programme of say 20 restaurants would provide adequate volume for 55-60 tonne per year

- **What is the selling price of a main course lobster dish in your restaurant, and what size do you serve?**

Sell price \$US30-60, serve size 200gm meat - 750gm whole/half

Finding – the current cost metrics of exporting SRL into the fine dining market in Napa provide opportunity for all stakeholders

- **How was the condition of the SRL on arrival by comparison to your usual lobster?**

Far better (5) same (2) worse (0) - 0 mortalities “very lively” “excellent condition”

Finding - the distance to market is not an impediment to the logistics

- **Would you use SRL if it were readily available?**

Yes (7)

Finding - an opportunity exists for SRL in the premium dining rooms of the Napa Valley

UK Evaluation – London, England

Project Brief

Live Southern Rock Lobsters were logistic directly to a group of leading restaurants, specialist seafood retailers, a leading London Food Critic and the Food Editor of the London Times.

The Lobsters were transhipped via Singapore, express clearance was arranged with British customs and immediate courier delivery was made to all recipients.

All recipients received handling instructions and questionnaires prior to the arrival of the lobsters. Recipients were verbally interviewed after the assessment to recruit immediate feedback.

The importer and distributor of the consignment was Benair.

Project Participants

Rainer Becker - Zuma
 Mitchell Tonks -Fishworks
 Martin Brito - Nahm
 Darren Wightman -Yo Sushi
 Rowley Leigh - Kensington Place
 Mark Hix - J. Sheekey
 Mark Edwards -Nobu London
 Terry Durack - Restaurant reviewer - Sunday Independent
 Jill Duplex - Food Editor -London Times

Participant Profile

Kensington Place

Restaurateur Rowley Leigh owns and operates one of London’s premium seafood retail shops and his eponymous “Kensington Place” restaurant is regarded as one of London’s best brassiere style operations.

Nahm

Owned and operated by Australian David Thompson, Nahm specialises in traditional Royal Thai Cuisine and was the first Asian restaurant to be awarded a coveted Michelin star.

Nobu

Part of the famous Japanese Chef Nobu Matsushita's restaurant group, Nobu is regarded as the finest Japanese restaurant in Europe

J Sheekey

London's most famous and highly regarded specialty seafood restaurant, known for its simplicity in preparation of superior quality seafood

Fishworks

Owner/operator Mitchell Tonks is regarded as the upcoming star of English Seafood Cookery. With 5 restaurant/fish retail stores across London, Fishworks is setting the pace in quality seafood.

Yo Sushi

Yo is the largest, high end Japanese restaurant group in Britain. Run by ex-pat Australian Darren Wightman, Yo prides itself on the quality of the seafood it purchases

Terry Durack

Ex Pat Australian Durack is the restaurant critic for Britain's Sunday Guardian newspaper and regarded as an authority on quality produce

Jill Duplex

Food Editor for the London Times - recognised authority and keen supporter of the best produce.

Participant Feedback

- **What Lobster variety do you currently use - country of origin?**
Canadian (4), Floridian (2) Cuban Spiny (2) Irish (2) Scottish (4).
Finding - country of origin is no barrier to use, local "British Isle" product regarded as "best"
- **What is the price range you pay for lobster?**
BP Canadian 12-15kg, Cuban 11-15kg, Irish 25-35kg
Finding - the relative low cost/value of other lobsters poses a price strategy issue for SRL - current \$A30 beach price = BP22.00
- **How do you receive the Lobsters?**
Live only
Finding - live is viewed as the only product form for the premium restaurant market
- **What is the frequency of delivery?**
All recipients responded - *daily*. They are used to being well serviced by distributors and do not expect to carry stock of live lobsters
Finding- a solid distributor network is essential
- **How are the lobsters you buy packed?**
Canadian, Floridian, Cuban - packed in poly boxes, local product wooden crates with seaweed
Finding - packaging is not particularly sophisticated as daily deliveries are usually made from distributors' tanks
- **What storage method do you use in the restaurant for lobsters?**
With daily deliveries, most recipients ordered/used all product in the day, others cooked and iced immediately on arrival.

Finding - concern regarding the fragility of Lobsters could be overcome by providing a tanking system for the restaurants or the distributors

- **What are the typical volumes you use weekly?**

If on the menu 10-20kg per week, if “specialled” 50-60kg per week

Finding – an opportunity exists for the development of an annual programme for SRL of 50-60 tonne per annum

- **What is the selling price of a main course lobster dish in your restaurant, and what size do you serve?**

Sell price BP25-35, serve size 200gm meat - 750gm whole/half

Finding – the cost metrics on current pricing of SRL can be delivered against the commercial expectations of the London fine dining market

- **What is the most important feature of Lobster to you?**

Flavour (6) Texture (5) Supply (3) Uniqueness (7) Price (1)

Finding - flavour and texture are the predominant influence in the selection of premium seafood in this market sector

- **What is the feature selling point of lobster on your menu?**

Dish (description) (6) Provenance (5) Seasonal Special (6) Price

Finding - the uniqueness of the offer is a greater sales tool than the price -price is not a barrier in the super premium restaurant market - lobster has cachet in this market

- **How does the flavour & texture of the Australian Southern Rock Lobster compare with the lobster you mostly use?**

Better (7) same (2) worse (0) - “SRL is sweeter and richer than Maine lobster”, “ASRL is firmer in texture and more versatile than local lobster” “SRL has a definite sweetness not found in local lobster” “similar to Irish Spiny Lobster and Cuban Spiny Lobster”

Finding - SRL has a real culinary uniqueness, which can be developed

- **How was the condition of the SRL on arrival by comparison to your usual lobster?**

Far better (5) same (2) worse (0) - 1 mortality

Finding - the distance to market can be overcome through well-planned logistics

- **Would you use SRL if it were readily available?**

Yes (7)

Finding - an opportunity exists for SRL in the premium dining rooms of the London Restaurant market

Appendix 2 – Cost Metric

ASRL West Coast USA

The following costing model has been assembled in relation to delivering Australian Southern Rock Lobster to the fine dining sector in Napa Valley.

Required beach price	A\$ 40.00kg
Processor Margin	A\$ 9.00kg
Processing, packing, documents	A\$ 4.00kg
Freight Melbourne to LA	A\$ 5.00kg
Importer 10%margin	A\$ 4.90kg
Domestic Freight	A\$ 1.30kg
Distributor cost	A\$ 64.20kg
Distributor sell (20% gross margin)	A\$ 77.00kg
Portion cost to restaurant per plate	A\$ 46.00
Restaurant Sell Price per plate	A\$ 138.00
US Restaurant Sell Price	US\$ 106.00

Note: Exchange rate AUD\$1: US\$0.70 and Protein Plate Cost of 30%

ASRL London, England

The following costing model has been assembled in relation to delivering Australian Southern Rock Lobster to the fine dining sector in Napa Valley.

Required beach price	A\$ 40.00kg
Processor Margin	A\$ 9.00kg
Processing, packing, documents	A\$ 4.00kg
Freight Melbourne to London	A\$ 7.00kg
Import charges and Customs Clearance	A\$ 4.00kg
Distributor cost	A\$ 65.00kg
Distributor sell (20% gross margin)	A\$ 78.00kg
Portion cost to restaurant	A\$ 47.00
Restaurant Sell Price per plate	A\$ 140.40
Restaurant Sell Price	BP 60.00

Note: Exchange rate AUD\$1: GBP0.40 and Protein Plate Cost of 30%

Appendix 3 – Seafood Importers & Distributors

Specialist London Seafood Distributors

- | | |
|-----------------------------|----------------------------|
| ✓ Fishworks | ✓ J Foreman and Sons |
| ✓ M&C Seafoods | ✓ Loch Fyne Seafoods |
| ✓ Applebee Fish Co | ✓ Cornwall Fish Supplies |
| ✓ Kensington place Seafoods | ✓ Point Look-out Fish Dock |
| ✓ East End Seafoods | ✓ Lidgate Seafoods |
| ✓ Atlantic Fish Co | ✓ Euro Tuna Supplies |
| ✓ Cutty Seafood Catering | ✓ Japan Food Corporation |
| ✓ William Black Seafoods | |

Specialist San Francisco Seafood Distributors

- | | |
|-------------------------|-----------------------------|
| ✓ A&L Seafoods | ✓ Osprey Seafoods |
| ✓ Alaska Feast Seafoods | ✓ Ocean Blue Seafoods |
| ✓ Apollo Fish Co | ✓ Pierless Fish |
| ✓ Citarella Foods | ✓ Point Look-out Fish Dock |
| ✓ Down East Seafoods | ✓ Shaffer City Seafoods |
| ✓ Early Morning Fish Co | ✓ Third Generation Seafoods |
| ✓ F. Rozzi & Sons | ✓ Wild Edibles |
| ✓ Gotham Seafoods | ✓ Yamma Seafoods |
| ✓ Lockwood Seafoods | |

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**APPENDIX 6: SRL INTERNATIONAL MARKET DEVELOPMENT PROGRAM,
VERSION 8**

“Australian Southern Rocklobster – finest in the world”



International Market Development Program
Version 8
August 2005





Not For Publication

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Photographs

Courtesy SA Rock Lobster Advisory Council, Seafood Council (SA) Ltd, Ferguson Australia

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This program has been developed based upon information provided from the following sources:

1. Fisheries Research and Development Corporation Project No: 2004/251 “**Identification of New Market Opportunities for Southern Rocklobster**” Final Report 2005.
2. Fisheries Research and Development Corporation Project No: 2002/313 “**Southern Rock Lobster R&D plan and subprogram development**” - Strategic Plan Summary 2003.
3. Fisheries Research and Development Corporation Project No: 2001/072 “**Improved Management of Southern Rock Lobster Research and Development**” Final report 2001.
4. “**Planning for Future Competitiveness**” - Reid and Spawton, 1999.
5. **Market Development Workshop** – Southern Rocklobster Limited (SRL) March 2005.

It is assumed that all information used by CORVEL to prepare the program is accurate and that the direction provided by SRL Board is unbiased and in the best interest of industry and remains current.

In developing the program CORVEL has made no assumptions on exporting factors, which can not be predicted and therefore measured:

- Changes in supply of Australian Southern Rocklobster;
- Exchange rates movements;
- International events that may impact market conditions;
- Changes in trade barriers; and
- Political factors that may influence economic settings.



Australian Southern Rocklobster Industry
Market Development Program

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1. Executive Summary

The Australian Southern Rocklobster (ASR) industry export value peaked at approximately \$190 million in 2001/02, generating in excess of 3,000 jobs and \$0.5 billion in economic activity primarily in the regional communities of South Australia, Victoria and Tasmania¹. The industry comprises around 700 small owner/operator businesses with little or no capacity to make substantial investment in and manage industry development. Adding to the fragmentation of the industry, product is sold by many competing exporters with limited capacity for investment in long term market development. Industry development is contingent upon coordinated investment at the whole of industry level.

Recent world events and conditions in the primary markets have adversely impacted the industry to a point where fishers are questioning its future viability. Export returns have decreased by as much as \$50 million per annum in 2004 as fishers continue to experience significant price pressures at the wharf.²

The industry and the regional communities that rely on it, have been exposed and significantly penalised by the reliance on a single product form – live lobster, being sold by the many small competing exporters in a few export markets, namely China, Hong Kong and Taiwan.

At the same time as returns have collapsed, the industry through the leadership of Southern Rocklobster Limited (SRL) has become organised nationally for the first time. SRL has completed strategic planning and market research to allow the industry to make an informed decision on how best to position the ASR industry for future growth. Significantly, market trials undertaken in the Napa Valley and London have shown that ASR has the culinary capabilities to be positioned as the top 5% of protein within the Super-Premium-Fine-Dining (SPFD) sector³.



¹ EconSearch (2003a & 2003b) and ABARE (2003)

² Southern Rocklobster Limited, 2003

³ FRDC: 2004/251

The SPFD sector is currently undergoing rapid change with increasing emphasis on “New World” or “Fusion” cooking, where chefs are pushing traditional boundaries and developing new recipes based on a combination of English, Japanese, French, Indian, Thai and Chinese influences. High profile celebrity chefs like Jamie Oliver, Kylie Kwong and Neil Perry are reinforcing the popularity of New World cooking, which in turn generates consumer interest and demand for such restaurants.⁴

Leading markets include Napa Valley/San Francisco, New York, Chicago, Milan, Madrid, Sydney, Melbourne, London, Manchester and Dubai. The SPFD market segment is particularly appealing as chefs are open to new ideas and willing to use the finest ingredients sourced from around the world.

Southern rocklobster is of superior quality and can demand premiums in the SPFD sector or the top 5% of restaurants, where return is perceived to be the highest. However, servicing this foodservice sector is highly sophisticated and industry needs to invest in the appropriate infrastructure to effectively service the needs of this market sector. Three key areas identified as critical to meeting the needs of the SPFD sector include:

1. *Product* - Acknowledge that the product is more than the lobster. How the industry handle, grade and pack the product will provide the platform to create value and allow ASR to command a premium price.
2. *Distribution* - Develop a network that meets the highest quality standards. Check and manage distribution to create exclusivity and mystic.
3. *Communication* - Communicate and create the relationships with the chefs and reinforce ASR position and the value proposition.

The marketing of premium food ingredients is highly complex and involves the integration of facets from Product, Distribution and Communication to create the “Ultimate Offer and Guarantee”.

The success of new markets and subsequent rise in returns to regional economies lies with the industry’s commitment to consistently deliver on the promise - “Australian Southern Rocklobster – finest in the world”.

⁴ FRDC 2004/215

Strategy Summary

Based on the market research, the SRL Board has built the Australian Southern Rocklobster Market Development Program in which its philosophy relies on 4 fundamental planks as follows:

1. Positioning in the super fine dining segment to attract price premiums through communication, product development and relationships with key influencers – chefs in the SPFD segment;
2. Replacing the gate keepers – large importer distributors with industry managed niche distributors to guarantee service;
3. Guaranteeing the supply and quality offered through facilitating the supply chain – catchers will maintain product ownership and therefore commitment through to the customer; and
4. Implementing the Clean Green product certification, branding and traceability program through the supply chain.

Important note:

It should be noted that the definition of “branding” for the purpose of this business plan is:

“Use of the Clean Green product certification mark to identify Southern Rocklobster products that meet quality criteria”.

The Clean Green mark will be utilised to distinguish the product for the end user, as product meeting specific quality criteria. This is similar to the Label Rouge & National Heart foundation marks, which manufacturers use on their branded product to distinguish the product meeting certain standards relating to quality. The Clean Green mark can be used in conjunction with individual company brands that conform to the standards.





Timeframe

The program will commence in July 2005 and run as a pilot for 3-5 years subject to funding and results.

Target Markets

After consideration of price points and logistical details, the priority markets as determined by the SRL Board are the USA – Napa Valley, Europe – London/France and China. As well subject to resources Dubai and Sydney are viewed as priorities.

Program Objectives

This Market Development Program aims to:

1. Create relevant support structures readily accessible to industry to develop markets;
2. Develop a whole-of-chain approach to market development;
3. Establish product standards through the supply chain and support these with an accreditation program;
4. Position Australian Southern Rocklobster to attract premiums in new markets; and
5. Establish mechanisms to ensure commitment to supply to market specifications.

The financial objectives for industry growth based on increasing beach price by \$20/kg within 10 years are:

1. \$90 million export earning;
2. \$250 million regional economic activity; and
3. 900 regional jobs.

The Southern Rocklobster Limited Board will oversee the delivery of projects identified in this market development program. The program will be conducted as a **non-commercial pilot** for 5 years. **Southern Rocklobster Limited (SRL) will not trade in southern rocklobster** but will design, establish and then manage supply chain structures/assets, distribution processes, accreditation and projects that allow development of the market to a position where commercial businesses can trade.



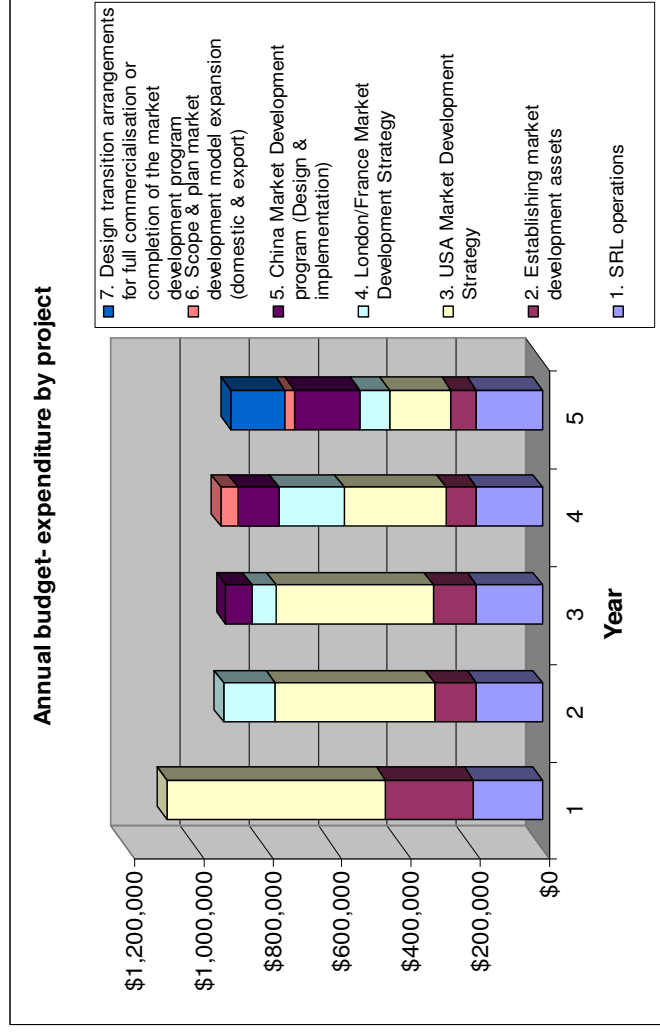
Program Projects

Achieving industry growth targets hinges on seven linked projects being:

- Project 1 – Start up / Operations.
- Project 2 - Establishing and Maintaining Market Development Assets.
- Project 3 - USA Market Development Strategy.
- Project 4 - London/France & Dubai Market Development Strategy.
- Project 5 - China Market Development Program.
- Project 6 - Scope and Plan Market Development Model Expansion (Domestic & Export).
- Project 7 - Design transition arrangements for full commercialisation or completion of the Market Development program.

The budgeted costs for each project over the life of the program are detailed below in Chart 1.

Chart 1: Annual project funding-Expenditure by project



Program Funding

Table 1: Program Funding Summary

Funding Estimates \$'000							Totals	% of total budget
Year	0506	0607	0708	0809	0910			
In-kind	\$240	\$240	\$240	\$240	\$240	\$1,200	26%	
Industry cash	\$270	\$270	\$270	\$270	\$270	\$1,350	29%	
FRDC	\$240	\$240	\$240	\$240	\$240	\$1,200	26%	
SA Dev Boards	\$50	\$50	\$50	\$50	\$50	\$250	5%	
SA Industry Seafood Plan	\$100	\$100	\$100	\$100	\$100	\$400	9%	
Victoria Export Program	\$100					\$100	2%	
FPRAP	\$200					\$200	4%	
Total Cash	\$860	\$660	\$660	\$660	\$660	\$3,500		
Total In-kind	\$240	\$240	\$240	\$240	\$240	\$1,200		
Total	\$1,100	\$900	\$900	\$900	\$900	\$4,700	100%	

Important note:

It should be noted that the market development program may be amended subject to funding changes. The secured funding sources for the SRL market development program, at the time the program was finalised, are industry cash and in-kind. Funding sources do not include support from State Trade Departments and Austrade, but these options will be targeted during implementation of the market development program.



2. Background

2.1 Global Seafood Trade

The National Food Industry Strategy (NFIS) in conjunction with Seafood Services Australia and the Western Australian Department of Fisheries recently commissioned an in-depth study into the global seafood trade - **Australian Seafood Strategy for Export Growth**. The study identified important overarching changes in the global seafood market including:

Consumer Trends

- Advances in refrigeration technology, packing and airfreight systems have made fresh product accessible to a wider range of consumer markets, that in some instances have stimulated increased demand for seafood products (e.g. sashimi, sushi, live fish);
- A decline in red meat consumption in Western societies, favourable reports on the health benefits of seafood, and a decline in real prices of some species (e.g. salmon, catfish) have broadened the appeal and consumption of seafood; and
- The increasing ability of the fishing industry to manage production and marketing, resulting in reduced uncertainty, increased efficiency and increased market share has, overall, improved the supply and marketing of seafood globally.

Global Seafood Trade

- World demand for fish and fishery products is expected to grow by around 2% annually (subject to improvements in wild catch efficiency and aquaculture productivity) to reach 183 million tonnes – 95 million tonnes more than in 1995;
- World trade in seafood is dominated by shrimp, salmon/trout, tuna, groundfish, crab/lobster, and cephalopods;
- World trade is expected to increase significantly in live/chilled/fresh finfish, frozen whole fish and fillets, mostly to markets in USA, EU and Asia (Taiwan, Japan, China, Singapore, Malaysia);
- Real prices from 2000-2020 for crustaceans and high value finfish are expected to increase by 15% and could be potentially as high as 60% if fish stocks are threatened;
- Trade in seafood is becoming increasingly consolidated through larger-scale global ventures and producers, stimulating market competitiveness and resource development;
- Forecasted rising net imports among developing and developed countries; and
- Forecasted increased demand and prices for high-value products.⁵

⁵ National Food Industry Strategy Ltd, Seafood Services Australia, Western Australian Department of Fisheries, 2004

2.2 World Production and Trade

The ASR industry is a small or niche supplier of approximately 4,500 metric tonnes (MT) of premium rocklobster to world markets. According to the US Department of Agriculture, world lobster production increased steadily from 157,000 MT in 1980s to more than 233,000 MT in 1997, before stabilising at 227,000 MT in 2001. Wild lobster is by far the main source of total production, but aquaculture, although minimal, is growing.⁶

Catches of American lobster (*Homarus americanus*) and spiny lobster (*Panulirus spp.*) accounted for 68% of the world's production in 2001. Other important species include European lobster (*Homarus gammarus*) and other rocklobster (*Jasus spp.*). The US and Canada are the world's largest lobster producing countries. Together, these two countries accounted for 37% of the total production in 2001. Other major producers are the United Kingdom, Australia, Cuba, Ireland, and France.⁷

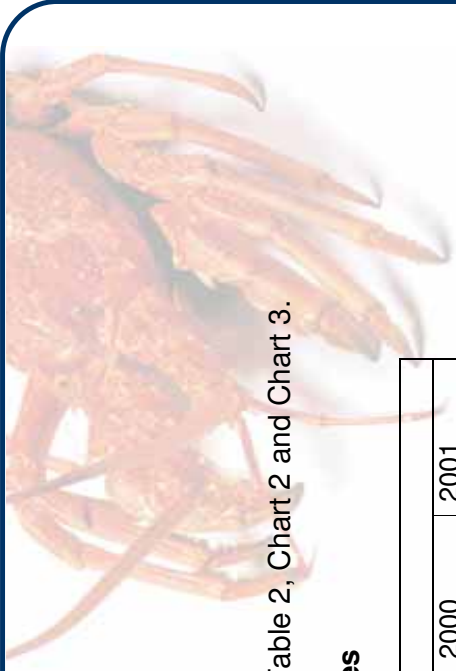
In the US, the American genus account for around 95% of total US production, followed by spiny and slipper lobsters. Of the 37,094 MT landed in 2002, Maine led all states with 76% of the total harvest. Other important states are Massachusetts and Rhode Island. Spiny lobster is primarily harvested in Florida and California.⁸

⁶ Souleymane Diaby, 2004

⁷ Souleymane Diaby, 2004

⁸ Souleymane Diaby, 2004





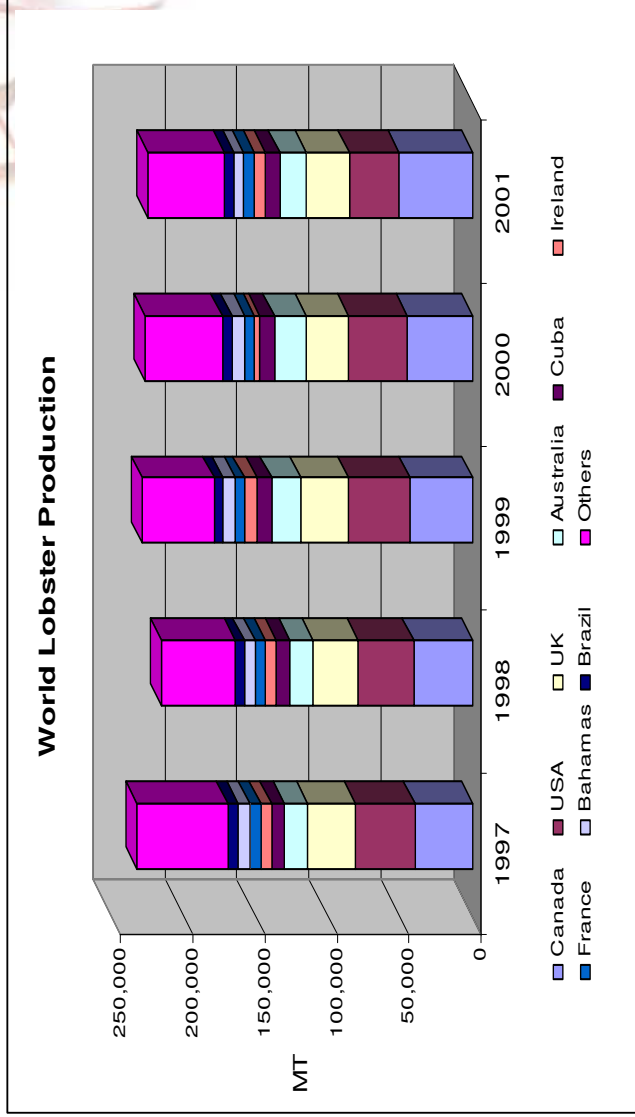
International competition for the Australian Southern Rocklobster industry is detailed in Table 2, Chart 2 and Chart 3.

Table 2: Top 15 Lobster Producing Countries

Lobster, Spiny-Rock Lobster	Year (MT)					
	1997	1998	1999	2000	2001	2001
Australia	15,996	16,619	20,283	22,253	18,586	18,586
Bahamas	7,798	7,553	8,225	9,023	7,042	7,042
Brazil	7,502	6,002	6,334	6,469	6,400	6,400
Canada	40,079	41,030	43,428	45,331	51,412	51,412
Cuba	8,996	9,417	9,879	9,850	9,850	9,850
Denmark	4,321	5,000	5,466	5,094	4,824	4,824
France	7,551	6,908	6,224	7,044	7,396	7,396
Indonesia	4,021	2,394	3,244	3,596	4,220	4,220
Ireland	7,581	7,607	9,124	3,519	7,890	7,890
Mexico	2,552	2,212	1,973	2,799	2,509	2,509
New Zealand	6,156	3,716	3,756	3,859	3,658	3,658
South Africa	2,584	2,642	2,290	2,083	2,750	2,750
United Kingdom	33,289	30,713	33,146	29,578	29,637	29,637
United States of America	41,350	38,818	42,737	40,689	34,258	34,258
Total World Production	233,384	216,201	229,485	227,094	225,171	225,171

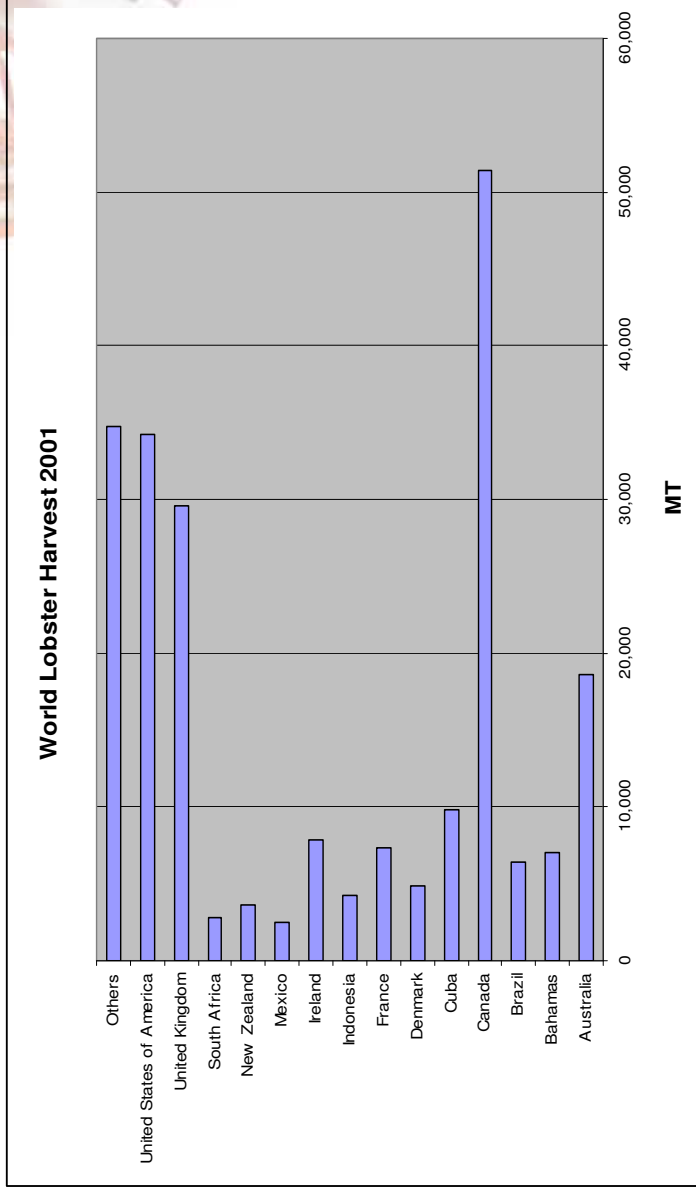
Source: FAO

Chart 2: World Lobster Production



Source: FAO

Chart 3: World Lobster Harvest 2001



Source: FAO

The global lobster trade is predominantly confined to several key species namely the American (*Homarus spp.*) or European (*Panulirus spp.*) rocklobster and cold water rocklobster (*Jasus spp.*). World trade in lobster grew steadily over the last decade, as both exports and imports increased. World lobster exports rose 108%, from US\$0.85 billion in 1989 to US\$1.76 billion in 2001, due to increased sales of frozen and fresh/chilled products. Leading importing countries for live lobster and lobster products include the United States, Canada, China and Japan. The two largest lobster producing countries, US and Canada, predominantly trade (import and export) between each other.⁹

There is also the Norway lobster (*Nephrops norvegicus*) which is commonly found in France, Scotland, Iceland, and Spain. The European lobster (*Homarus vulgari*) is taken mainly off Turkey, the British Isles, France, Italy, Norway, and Portugal.¹⁰

The most common rocklobster genus is *Panulirus spp.* with commercial catches originating largely in the waters off South Africa and Namibia, Australia, New Zealand, France, Japan, Brazil, Cuba, the U.S., Mexico, and the Bahamas.

The supply of *Jasus spp.* is limited to several countries namely Australia, New Zealand and South Africa. It is estimated the three countries collectively supply approximately 9,500 MT per annum of *Jasus spp.* Similar species could be found in other countries such as the US and Ireland but commercial catch volume is minimal.

It is widely accepted that the most highly prized lobster is the *Jasus spp.* as the deep cold ocean habitat allows the lobsters to have a much firmer texture and superior flavour. With global supply of *Jasus spp.* at approximately 9,500 MT or 4% of the world's total lobster harvest, this genus usually commands the highest price with distribution confined to key Chinese markets such as China, Hong Kong and Taiwan.

⁹ Souleymane Diaby, 2004

¹⁰ Souleymane Diaby, 2004

2.3 Australian Production and Trade

Based on the statistics released by the Australian Bureau of Statistics, Australia exports more than 80% of its total lobster (*Jasus edwardsii*, *Panulirus ornatus* and *Panulirus cygnus*) catch. It is estimated that greater than 80% of the ASR catch is destined for only three key markets – China, Hong Kong and Taiwan. These three markets have traditionally yielded good return for the industry with nominal beach prices doubling from \$16.49 to \$33.10/kg between 1990/91 to 2000/01.¹¹

However, changes in world events and local market conditions have had an adverse impact on the Industry. The emergence of the SARS virus in China and Hong Kong in 2003 led to significant economic slowdown with consumers preferring to stay at home in fear of contracting the SARS virus in public places. The lack of consumer spending and the fear of food contamination led to the collapse of the restaurant trade in Hong Kong and China which in turn impacted the Industry. The collapse of the Chinese market resulted in significant price pressures with fishermen and processors holding fish and no alternative markets to absorb the surplus.

The appreciation of the Australian dollar also had a significant impact on the industry. Between 2003 and 2004, the Australian dollar fluctuated between US\$0.63 - \$0.78. The currency fluctuation means the price of Australian exports could appreciate by as much as 25%. The relatively strong Australian dollar over 2003 - 2004 has made Australian exports expensive in the international market, thus reducing affordability and demand by overseas customers.

The industry also experienced significant consolidation at the processor level in recent years. It is widely believed the export of ASR to China and Hong Kong is currently managed by only 5 processors. The lack of competition among processors and importers is creating downward price pressures with beach prices reaching as low as AUD\$18/kg in 2004/05.

The continual price pressure has led to the industry experiencing significant diminishing returns with the catch value for 2004/05 estimated to be worth approximately \$120 million¹² compared with around \$180 million in 2000/01¹³. Beach prices in 2004/05 have fallen to a point where fishermen are questioning the viability of the industry.

¹¹ Casey E. Bean, Adam Branson, 2004

¹² ABARE, 2004

¹³ Southern Rocklobster Limited, 2003

2.4 Australian Southern Rocklobster Industry Development

The Australian Southern Rocklobster (*Jasus edwardsii*) supports major commercial fisheries in Tasmania, Victoria and South Australia with total catches from these states being around 4500 MT. Of this catch, South Australia is the largest producer with approximately 55% of the total catch, followed by Tasmania (35%), and Victoria (10%). The fishery peaked in value at around \$180 million beach price in 2001/02. It is one of Australia's major export-orientated fisheries. Since that time the value of the industry has declined by up to 50% due to a fall in market prices.¹⁴

The fishery, being based primarily in regional rural areas, is also a major contributor to the economies of rural, coastal areas in the southern States. Studies in South Australia¹⁵ have shown that indirect economic impacts of lobster fishing on regional economies are greater than the direct impacts.

The industry structure comprises around 700 small owner operator businesses with little or no capacity to make substantial investment in and manage industry development. As well, selling of the product is currently managed by many small competing exporters with limited capacity for investment in long term market development.

Industry development is contingent upon coordinated investment at the whole of industry level.

During the 1990's the industry experienced extraordinary growth – 30% per annum in South Australia alone, but the industry focus during that time was management and stock sustainability. Despite the various management arrangements in the different States, the industry in the late 1990's became pro-active in addressing significant challenges in a unified way. The FRDC-sponsored 1st National Rocklobster Congress in Adelaide in 1999 was a major step forward in uniting the Southern rocklobster industry nationally.

About the same time the South Australian Rocklobster industry with assistance from Primary Industries and Resources SA (PIRSA) initiated an investigation into industry priorities and development in South Australia. A long term strategic plan for the industry "Planning for Future Competitiveness" (Reid and Spawton, 1999) set a broad framework for development – the imperatives for a "whole of species" and "whole-of-chain" approach were obvious.

¹⁴ FRDC 2002/313

¹⁵ EconSearch 2001

Following the Congress, leaders of the Australian Southern Rocklobster industry have maintained ongoing formal communication regarding progressing the concept of coordinated development for the species.

Industry agreement was reached by mid 2001 to proceed and terms of reference were established for an investigation into the feasibility of establishing a development program for wild catch Australian Southern Rocklobster. In June 2001 FRDC agreed to support the industry and fund an investigation which was to, *inter alia*, “**identify and critically assess, against the status quo, the feasibility and costs and benefits of a southern rocklobster sub-program**”.

The FRDC project 2001/072 report “Improved Management of Southern Rocklobster Research and Development” was prepared by Dr Gary Morgan and presented to the FRDC sponsored 2nd National Rocklobster Congress, Geelong September 20-21, 2001. Following release of the report the industry initiated a project with FRDC which included the following objectives to:

1. **Establish a Southern Rock Lobster Industry Research and Development plan; and**
2. **Design a Southern Rock Lobster Industry Development sub program with appropriate make up, structure and industry linkages.**

As a result the ASR Strategic Plan (FRDC 2002/313) was released in September 2003 providing for the first time a cohesive strategic direction for the next 20 years, aimed at building the value and strengthening the industry. The plan highlighted the high priority for new market development to better manage market downturns from key Chinese markets including Taiwan, China and Hong Kong.

As part of the planning process, data was gathered from both the national and international market place and through the supply chain and collated into the strategic plan. The plan described the supply chain from catching to consumers, presented the strengths and weaknesses of the industry, and the key drivers for change in the food and beverage industry, with potential impact on the Australian Southern Rocklobster industry. The plan threw down the challenge to the industry as follows:

“remain disorganised and become victims of globalisation of the food industry and price takers offering a generic product to buyers who control the market, or “become organised and develop markets and new value added products thereby creating upward price pressure and further growth for our industry..”

A key priority area identified under the ASR Strategic Plan is to increase price per kg of lobster through market development and supply chain management. It highlighted the need to broaden the existing market base, better engage and understand customer needs, and identify opportunities to increase margins through identifying new niche markets and more cost effective distribution channels.

In response to the planning process the industry initiated a FRDC (Project 2004/251) funded project with the following objectives:

- 1. Identify new markets for ASR which will spread the existing market base, create added value, and better insulate against market downturns;**
- 2. Identify new niches within existing markets through a better understanding of pricing, competitors, seasonality windows, and changing supply channels; and**
- 3. Gain a better understanding of foreign consumer and customer needs and identify opportunities for value added lobster products.**

This market development program is directly based on the key results and strategies identified in that project and considerable amounts of information provided are direct extracts from the research report.





3. Market Strategy

3.1 Positioning

The market research has assessed that currently, most importers and distributors view ASR as no different to other lobster and rocklobster species, thus subjecting the industry to a **commodity trading structure** where the buying process is purely driven on price. Feedback from most importers and distributors is that the premium demanded by ASR makes it difficult to sell especially when Maine and Canadian lobsters are selling for significantly less (usually for about half price of ASR).¹⁶

The foodservice industry is diverse and spread across multiple tiers of distribution and retailing. The structure of the industry can be best illustrated by Figure 1 which shows the different levels in which foodservice operates.

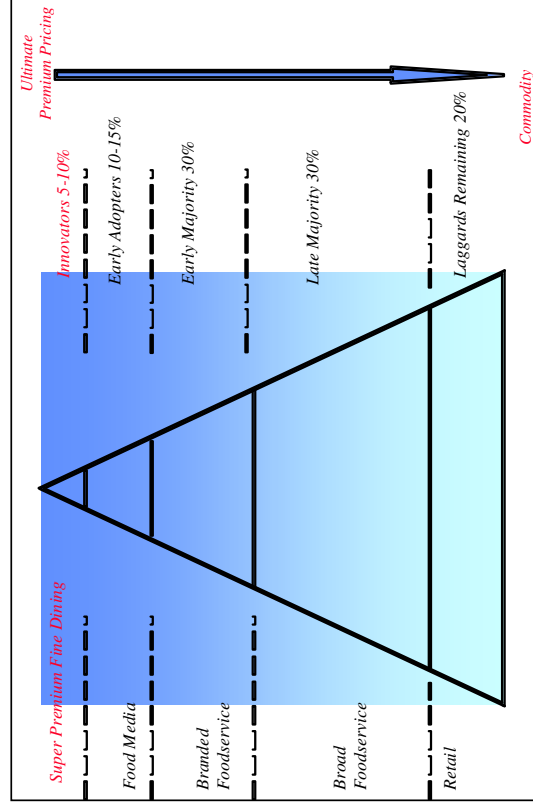


Figure 1: The Foodservice Pyramid

¹⁶ FRDC 2004/215



1) Super-Premium-Fine-Dining

Refers to the Top 5% of restaurants where spending per head is highest and where food attracts the highest premium. These restaurants are usually multi-award winning and headed by a world renowned executive chef. The chefs in this sector are often seen as industry innovators because they set the benchmark for service and menu creation that is subsequently followed by the rest of the foodservice sector.

Examples of such restaurants in Australia include Tetsuya, Rockpool, Aqua Luna, Boathouse, Longrain, MG Garage etc. The chefs in these restaurants are highly respected and opinion forming critics followed by the food media.

2) Food media

Food media plays an important role in the communication process through the release of lifestyle and leisure articles (including recipes) in magazines and newspapers, often commenting on the latest development in food and wine. Ideas and influences for articles generally come from the innovators. The review and recommendation by these columnists are highly influential often drawing significant consumer interest. For example, a good review on the Sydney Morning Herald - Good Living section every Tuesday can draw months of full bookings for restaurants.

Examples of influential food media include the Michelin Guide (Europe), Zagat (US), Sydney Morning Herald Good Food Guide, Health and Fitness, Nature and Health, Womens Day, Vogue, Gourmet etc.

3) Branded foodservice

Branded foodservice refers to the top 30% of restaurant trade where there is still heavy emphasis on quality but the menu price point is more affordable for the general public. It refers to wider restaurant, hotels, upmarket café trade. A good example would be the local upmarket Thai, Japanese or Italian restaurant where families would visit once or twice a month.

This sector is known as the Early Majority as they closely follow the development of the SPFD and Food Media, and implement the latest industry fashion and trend.



4) Broad foodservice

In this sector, the emphasis is on bargain dining. Examples of such outlets include fast food outlets, cafes, takeaways, sushi bars etc. The focus of this sector is on achieving profit through high volume turnover.

5) Retail

Refers to food found in supermarkets and other retail stores. Examples include fish fingers, meal in a box, frozen garlic bread etc. The retail level offers the smallest margin for manufacturers in return for the highest volume turnover.

The premium demanded by ASR essentially limits supply opportunities to the Super-Premium-Fine-Dining (SPFD) sector or the top 5% of restaurants. Assessment of seven high wealth countries shows potential for ASR to be positioned in non-Chinese markets however, significant effort is needed to differentiate it from other species such as those originating from Western Australia, Maine, Cuba, Canada and South Africa.

3.2 Niche Marketing

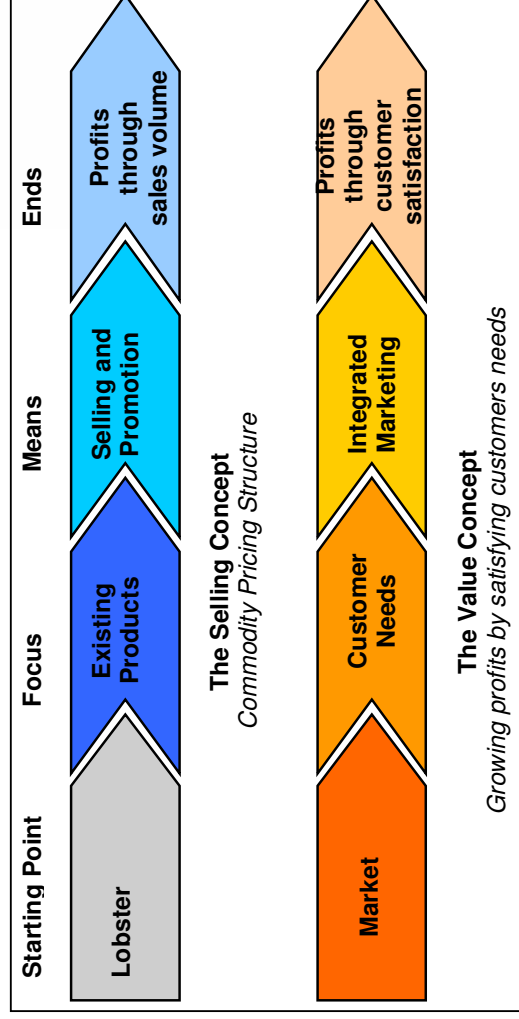
In order to change the paradigm away from a “commodity selling” to “niche marketing” to achieve price premiums, industry involvement and investment in developing the supply chain and market is required. There is a need to **elevate and position** ASR from its current commodity status to super premium category where pricing is determined not by its intrinsic value but rather on intangible attributes such as uniqueness, prestige, limited harvest, exoticness and exclusivity.

In essence, ASR needs to be the Maserati or Ferrari of the rocklobster world.



As shown in Figure 2, a better understanding of, and engagement with markets, consumers, supply chains and competitors through market development (including product differentiation and branding) will allow industry to move away from its current commodity trading status.

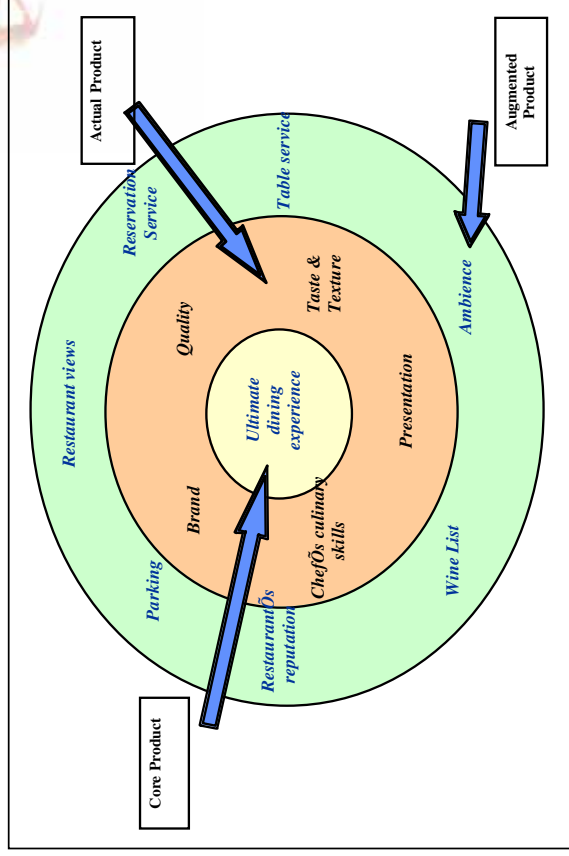
Figure 2: The Selling vs Value Concept



In the foodservice sector, how a customer defines value can be attributed to a range of factors. Within the SFPD sector, most customers are essentially after the ultimate dining experience. As shown in Figure 3, a range of attributes contribute to supporting and delivering this enhanced experience to customer.



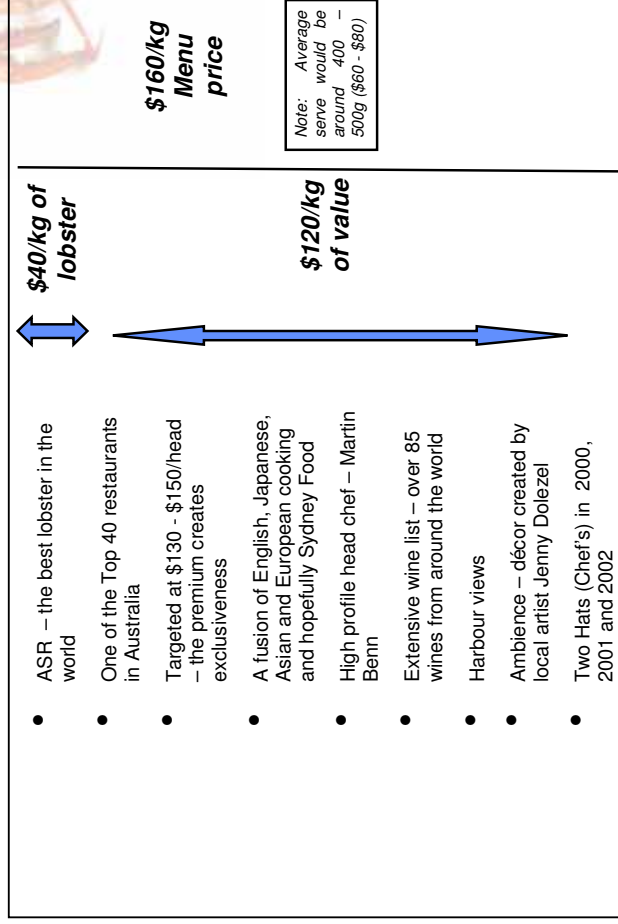
Figure 3: Defining Value in Super-Premium-Fine-Dining



Critical to delivering the ultimate dining experience is the food (actual product). Good food in a restaurant is dependant on the brand (quality guarantee), quality, chef's culinary skills, taste and texture of the protein and presentation. For example, when a customer pays \$60-\$80 for a serve of lobster, they expect the meal to consist of live ASR or Eastern rocklobster cooked to absolute perfection by a well known chef like Neil Perry, David Thompson or Guillaume Brahimi.

Supporting the fine food experience is a range of secondary or augmented attributes including views (harbour, city, ocean, lake), décor, ambience, wine list, table service, dessert and reservation. It is a combination of these factors that ultimately create customer satisfaction or value. Figure 4 shows the value a leading Sydney restaurant creates by serving ASR at \$160/kg. Based on a wholesale price of \$40/kg, the restaurant needs to create \$120 worth of actual and augment products in order to deliver value and satisfaction to the customer.

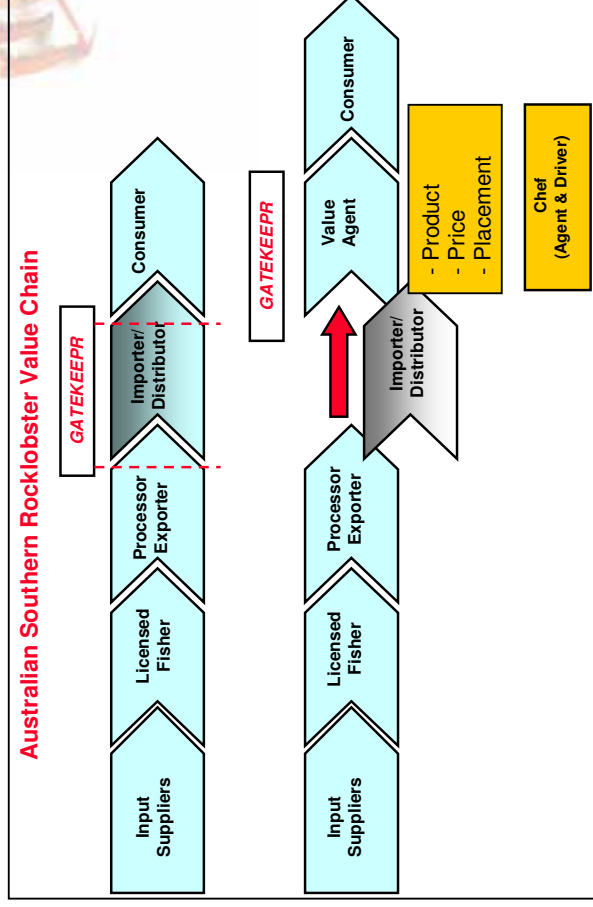
Figure 4: Delivering Value in SPFD Restaurants



The market development program needs to support the restaurants in building an ASR brand presence and positioning with end customers. The current key influencer (gatekeeper) within the supply chain lies with the importer/distributor. However there is little opportunity for importer/distributor to create value as their primary role is to import and distribute products.

To position ASR as a premium product, the industry needs to understand the restaurant trade including plate cost, value proposition, culinary trends, new menu creation and chef needs. It is the understanding and meeting of these needs that will allow the industry to achieve premiums. As shown in Figure 5, the industry needs to identify key influencers and drivers within the foodservice sector capable of positioning ASR to the super premium category. **Chefs play the most critical role in creating value** as they are able to influence the core marketing fundamentals - product, price, placement and promotion.

Figure 5: Identifying the Value Agent



The current trend within the premium foodservice or fine dining sector is the increasing emphasis on “New World” or “Fusion” cooking where chefs are encouraged to test their culinary creativity by creating new dishes often using a combination of French, African, Chinese, Japanese and Thai influences. As chefs in this market segment are constantly experimenting and trying out new food ingredients, it offers ASR greater prospect of market penetration. In addition, the characteristics of “New World” restaurants is the same around the world regardless whether it is in Sydney, New York, San Francisco, London or Madrid, thus allowing one business model to be replicated to many markets.

3.3 Niche Distribution

Specialty seafood distributors are making a renaissance; a number of these operations are an extension of the general wholesale seafood distribution businesses. These “new generation” specialty seafood distributors have well informed, enthusiastic, professional Product Category Managers who are service focussed, often working closely with chefs to introduce new, high quality niche products into restaurants, leveraging on quality values.

Pricing is less sensitive with these specialty distributors than in traditional wholesale and distribution businesses. They are instrumental in generating interest and brand equity for “new” seafood through their direct access with the SPFD sector.

These specialty seafood distributors recognise and reward quality in the same manner as the premium restaurateur; they view ASR as “different” and agree with their clients (restaurants) on the culinary quality and potential for use in the super-premium-fine-dining sector. Based on their feedback, there is good potential for ASR to be developed into a branded product to suit the SPFD sector.

Restaurants in the premium and SPFD category are well serviced by specialty suppliers providing the highest quality seafood from global sources.

Selecting suitable distributors will be crucial to the success of the market development program, with the recommendation being to create a hub and spoke network of certified handlers. These distributors/handlers should be trained by ASR to:

- Handle and hold product correctly;
- Manage stock and grade;
- Understand our product differences;
- Deliver product expediently; and
- Assess product and refresh or repack if required.

These distributors would be scored by restaurants to ensure that they maintain ASR standards. If required ASR industry should fund holding facilities and monitor distributors independently.

3.4 Communication

Communication regarding the premium product, ASR, will be based on the following principles:

- The need to generate a message that differentiates ASR to other competing products internationally;
- Define ASR position including brand values, positioning and proposition;
- Investment in materials such as packaging, websites and other marketing collateral that can be used by distributors;
- Engagement of distributors, restaurants and chefs whenever and wherever possible;
- In market communication programs concentrating on influencers;
- Chefs should be supplied with “development product” to provide menu creation; and
- A range of branded market development materials is also needed to build the brand.

It will be crucial to build brand promises based on product quality and superiority. To this end the industry “Clean Green” product certification program will be central to the positioning strategy and “building the promise”. ASR will be branded Clean Green thereby creating differentiation and traceability while ensuring brand (quality) values are maintained.

The supply chain from “pot (catcher) to plate (restaurant)” will be assisted to meet the Clean Green certification standards.



3.5 Target Markets

In terms of fish consumption, in 1995, Asia was the largest consuming 61 million tonnes, followed by Europe with 12 million tonnes, North America and Oceania consuming 8 million tonnes, and Latin America and the Caribbean consuming 5 million tonnes each¹⁷.

It is forecasted by 2015 consumption per capita will be highest in Japan (70.9kg), followed by the Nordic countries (38.8kg), high-income East Asian countries (35.2kg), North America (30kg), Australia and New Zealand (28kg), Western Europe (26.7kg), low income East Asian countries (26.5kg) and China-Mongolia (26kg).

The Asia-Pacific region accounts for around two-thirds of the world's fisheries products used for human consumption and this will continue to grow due to increasing population (1%pa) and increasing consumption per capita (7.5%pa).

Table 3 lists the top 20 seafood import countries with their purchasing power parity. Using Australia's purchasing power parity as the benchmark, it would appear all the countries could be potential export markets for ASR with the exception of China, Korea, Thailand, and Portugal. Despite its low purchase power, China remains a key focus of the industry given their preference for the *Jasus* spp. genus and willingness to pay the highest price in the international market.

A major objective of the market research project (FRDC 2004/215) was to identify new market opportunities and hence all the premium western oriented markets were considered. The selection of potential new target markets was based on the follow criteria:

- Strong demand for seafood;
- Willingness by consumers to pay a premium for high quality seafood;
- High purchasing power;
- Access to transport and logistics (especially in the for "live" trade); and
- Access to appropriate distribution channels.

¹⁷FRDC 2004/215- all information in this section is sourced from this reference

Table 3: Top 20 Seafood Import Countries

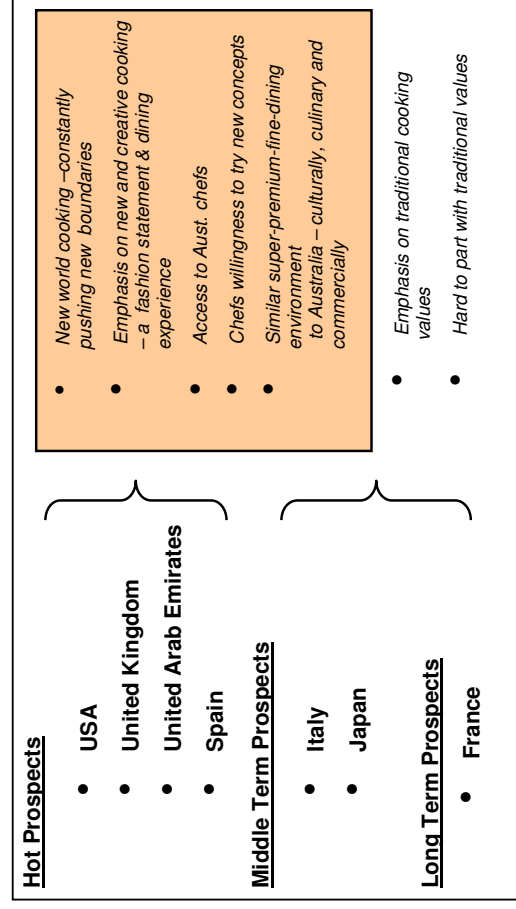
No.	Top 20 Countries	Seafood Import (US\$'000)	Seafood Import (US\$'000)	Purchasing Parity 2003 – US\$	Power	Population (million)
1	Japan	13,453,375	28,000	28,000	127	
2	USA	10,291,344	37,800	37,800	293	
3	Spain	3,723,590	22,000	22,000	40.3	
4	France	3,062,660	27,500	27,500	60.4	
5	Italy	2,722,414	26,800	26,800	58	
6	Germany	2,354,306	27,600	27,600	82.4	
7	UK	2,241,908	27,700	27,700	60.2	
8	China	1,787,242	5,000	5,000	1,300	
9	China, Hong Kong SAR	1,768,439	28,700	28,700	6.8	
10	Denmark	1,737,396	31,200	31,200	5.4	
11	Korea Rep.	6,626,906	17,700	17,700	48.6	
12	Canada	1,371,517	29,700	29,700	32.5	
13	Netherlands	1,233,831	28,600	28,600	16.3	
14	Thailand	1,019,176	7,400	7,400	64.8	
15	Belgium	1,002,522	29,000	29,000	10.3	
16	Portugal	936,993	18,000	18,000	10.5	
17	Sweden	733,199	26,800	26,800	8.9	
18	Norway	653,927	37,700	37,700	4.5	
19	Taiwan	530,618	25,000	25,000	22.5	
20	Australia	518,809	28,900	28,900	19.9	

Source: FAO

As shown in Figure 6, the best new prospect for ASR is to target premium “New World” restaurants in the US, UK and UAE. In the US, cities like New York, Los Angeles, San Francisco, Napa Valley, Miami and Chicago are considered to be highly exciting markets which are currently demanding quality from their seafood suppliers. Similarly, the UK – London, Manchester, Bristol and Glasgow are being recognised as fine food destinations. According to local restaurateurs, chefs, distributors and associated suppliers (wine, cheese, meat) is enjoying strong growth in sales and yield.

These markets are the culinary opinion forming capitals of the “New World” dining market. Trends like super premium raw fish through to sushi and sashimi are currently sweeping through the broader contemporary food markets, originating in London and New York markets.

Figure 6: Prioritising Identified Markets



When interviewed, SPFD Chefs from these markets placed quality and culinary suitability of the seafood they purchase as the most important driver in their purchasing criteria. Both Premium and Super Premium restaurants receive lobster live, exclusively.


Background as to the history of the fishery and supply is an important issue in the selection and merchandising of lobster in this market sector. Ideally, premium lobsters should be coming from well managed fisheries known for their clean environment and sustainable practices. Customers in developed countries are continuously pressuring industry to adopt best practices to increase quality, sustainability and ecological best practice. For example, consumers in the US recently pressured restaurants to boycott the much sought after and highly prized “Chilean Sea Bass” when news emerged that the fishery was at the point of collapse. Most premium restaurants in the US now no longer serve Chilean Sea Bass on their menu.

Most restaurants also mentioned that marketing support from suppliers (such as point of sale and promotion materials) is reserved for value-added retail and low-end foodservice products. In premium foods and wines, the marketing support is in the form of staff training, tastings, menu creation and on going product education.

The SPFD market in Napa and London, according to restaurateurs and chefs, is increasingly demanding a higher level of professional engagement from suppliers – it is no longer appropriate to provide only the product. An informed and educated appreciation for all aspects of growing, harvesting, processing and shipping is essential information for the chef.

A significant trend identified in both Napa and London is the desire from consumers for produce to be presented in its most natural form - simply prepared and cooked.

All chefs unanimously agreed on the culinary capability of ASR - the flavour and texture profile is suited to the SPFD sector. All interview recipients confirmed they would only purchase ASR (live) if the product was made available locally. When evaluated against available local lobster species in the Napa Valley and London, preliminary results present the cost of ASR (on current market value) within the top 5% of available ingredients. Such pricing will elevate it to the level of a super-premium ingredient (in the same category as Iranian Caviar, Foie Gras and Truffle) and position it as one of the most expensive crustaceans in the world.



Most restaurants also confirmed a target protein spend of around 30% of the dish selling price, which would place ASR, on current market value, in the top 3% of all menu items sold in the SPFD category. The trials to Napa and London highlighted the potential for ASR to be positioned within the global SPFD sector. However, the servicing of this niche sector requires the industry to address the following market drivers:

1. **Quality** – guaranteeing product condition, packaging and presentation;
2. **Availability** – guaranteeing supply consistency within a prescribed season;
3. **Suitability** – for suitable use in the cuisine of the individual operation i.e. “New World” or “Fusion” cooking;
4. **Value** – the price to quality relationship and not price alone; and
5. **Branding** – including provenance, sustainability and the character of the fishery.

Accordingly after consideration of price points and logistical considerations, the priority markets as determined by the SRL Board are the USA – Napa Valley, Europe – London/France and Beijing, China. As well subject to resources Dubai and Sydney are viewed as priorities.

3.6 Strategy Summary

Based on the market research the SRL Board has built the Australian Southern Rocklobster Market Development Program in which its philosophy relies on 4 fundamental planks as follows:

1. Positioning in the super fine dining segment to attract price premiums through communication, product development and relationships with key influencers – chefs in the SPFD segment;
2. Replacing the gate keepers – large importer distributors with ASL industry managed limited niche distributors to guarantee service;
3. Guaranteeing the supply and quality offer through facilitating the supply chain – catchers will maintain product ownership and therefore commitment through to the customer; and
4. Implementing the Clean Green product certification, branding and traceability program through the supply chain.

3.7 Timeframe

The program will commence in July 2005 and run as a pilot for 3-5 years subject to funding and results.

4. Program Objectives

This Market Development Program aims to:

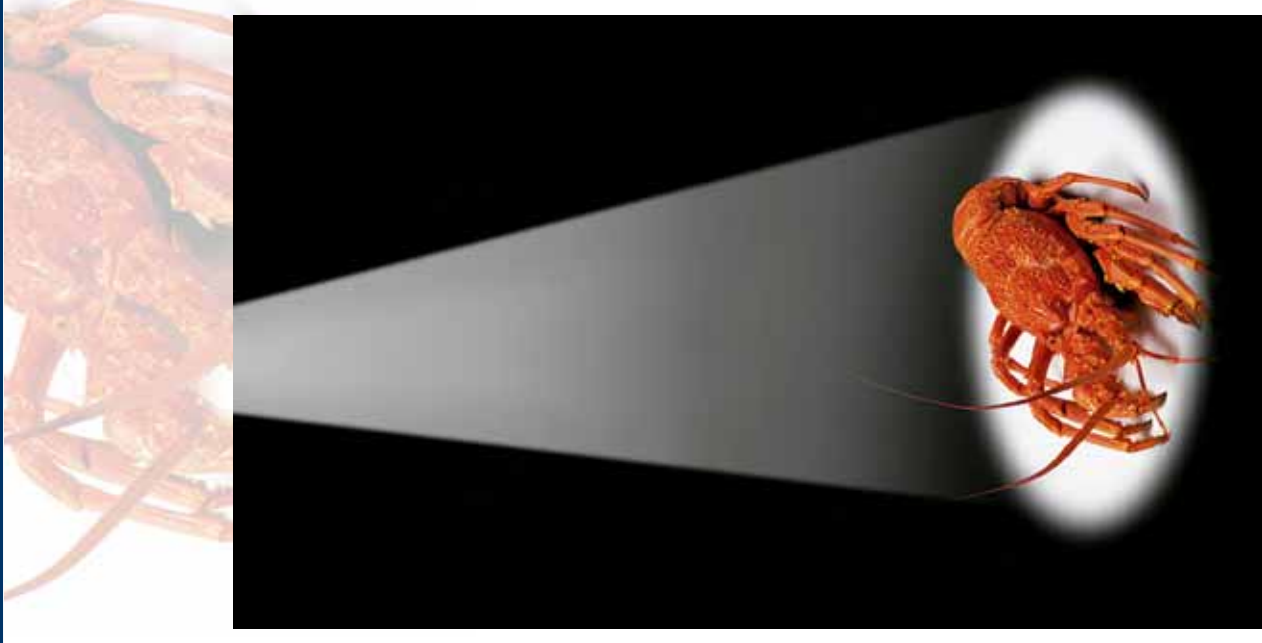
1. Create relevant support structures readily accessible to industry to develop markets;
2. Develop a whole-of-chain approach to market development;
3. Establish product standards through the supply chain and support these with an accreditation program;
4. Position Australian Southern Rocklobster to attract premiums in new markets; and
5. Establish mechanisms to ensure commitment to supply to market specifications.

The program objectives for industry growth are initially aimed at recovering lost value (\$45 million) to the industry over the past three fishing seasons, then increasing returns by a further \$45 million in 10 years. Hence generating an extra \$90 million in industry value from exports by increasing beach price by \$20/kg within 10 years, resulting in:

- \$250 million in regional economic activity; and
- 900 regional jobs.

Targets have been set at:

1. New market outlets and new customers:
 - Target @ 3 years: 15% of total production*
 - Target @ 5 years: 25%
 - Target @ 10 years: 50%





2. Jobs created:
 - Target @ 3 years: 120**
 - Target @ 5 years: 480
 - Target @ 10 years: 900
3. Growth in beach and export value:
 - a. Target @ 3 years: current beach price*** + \$5 per kg* total catch ****
 - b. Target @ 5 years: current beach price + \$10 per kg* total catch****
 - c. Target @ 10 years: current beach price + \$20 per kg* total catch****
4. Regional business activities generated
 - a. Target @ 3 years: \$25m pa export value which converts to \$62.5m regional business
 - b. Target @ 5 years: \$45m pa export value which converts to \$125m regional business
 - c. Target @ 10 years: \$90m pa export value which converts to \$150m regional business

Source: EconSearch 2004¹⁸

* Total production of Southern Rocklobster is 4500 tonnes.

** Calculated on estimates for South Australian Rocklobster Industry.

*** 2004/2005 average beach price was approximately \$30/kg.

**** 90% of the total catch is exported and all additional value will translate into additional exports.

Targeted returns displayed, represented by growth in beach price, as a result of the program and the current returns are shown in Table 4 and Chart 4. Progress will be monitored via current economic indicators which are collected annually.

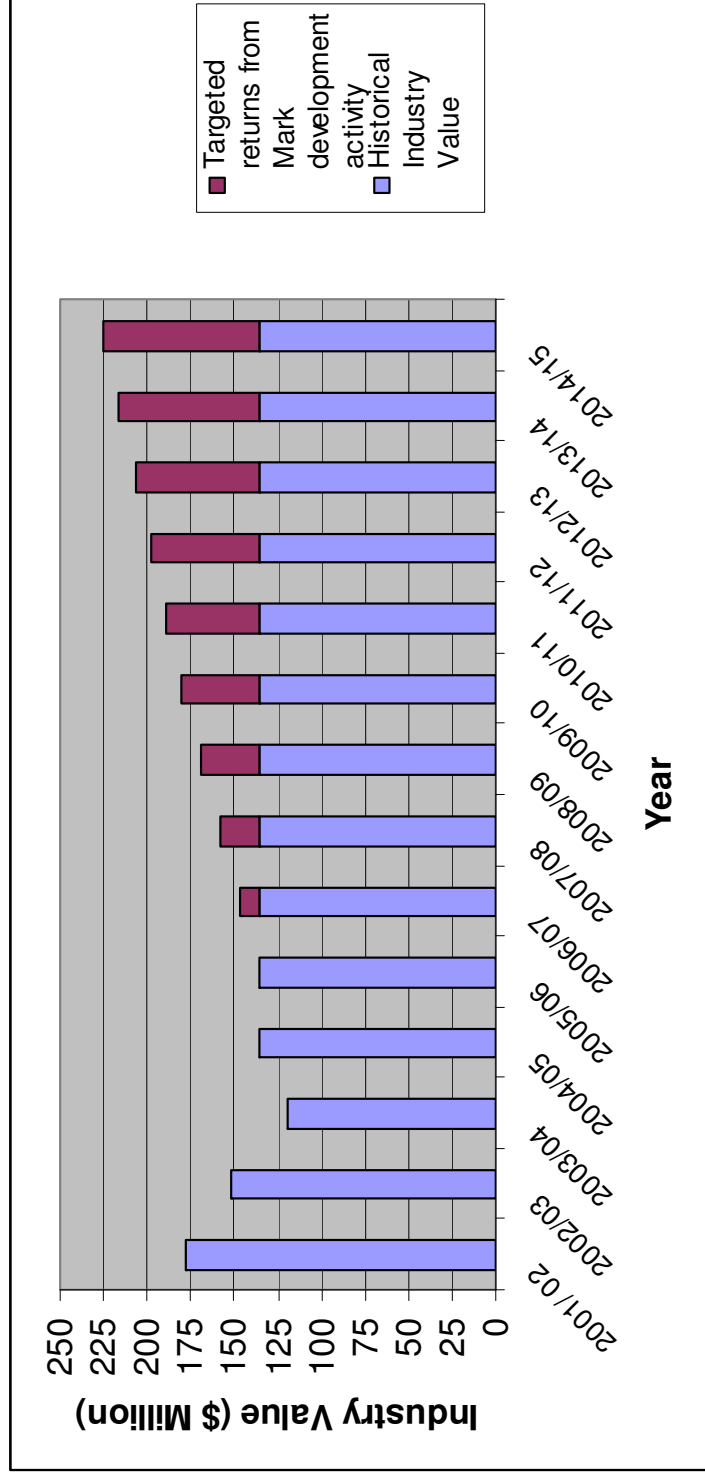
¹⁸ REFERENCE: EconSearch 2005, Qualifying the Economic Contribution of Regional South Australia, report prepared for Regional Association of SA and Regional Development SA, May. Communities Consultative Council, Local Government



Table 4: Targeted returns

	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$0	\$11,250,000	\$22,500,000	\$33,750,000	\$45,000,000	\$54,000,000	\$63,000,000	\$72,000,000	\$81,000,000	\$90,000,000

Chart 4: Targeted returns





5. Program Outline

The Southern Rocklobster Limited (SRL) Board will oversee the delivery of projects identified in this market development program. The program will be conducted as a **non-commercial pilot** for 5 years. **Southern Rocklobster Limited (SRL) will not trade in southern rocklobster** but will design, establish and then manage supply chain structures/assets, distribution processes, accreditation and projects that allow development of the market to a position where commercial businesses can trade.

Given that underpinning this market development plan is a requirement for high quality through the adoption of whole-of-chain 'pot to plate' standards, the plan also requires these to be linked to the Clean Green product certification mark which can be differentiated in the market place and clearly recognised by the consumer. The Clean Green 'mark' can be used in conjunction with existing industry and company brands, if the product conforms to the Clean Green standards.

The program of activity is based on targeting key markets identified through the market research. The program will concentrate its activities in three markets, these being:

- United States of America - initially focusing efforts in the Napa Valley;
- London/France (note: this program aims to develop synergies with the SA Seafood Plan); and
- China - initially focusing efforts in Northern China (Beijing).

The program aims to develop synergies with the South Australian Seafood Plan to concentrate on a further two markets, these being;

- Sydney; and
- Dubai.

The Napa Valley, USA, has been identified by the Board as the priority market for Southern Rocklobster mainly due to logistics. It is anticipated that the Southern Rocklobster Market Development program will link with other seafood & non-seafood market development programs to develop synergies to value add the limited funding available.

Detailed activities for the market development program are attached (**APPENDIX 1**). The program will commence in July 2005 with work in the export market focussing on the Napa Valley, USA.

The focus of SRL's market development program is to diversify the markets for Southern Rocklobster in order to spread the risk to industry by shifting away from a single market/single product paradigm.

Southern Rocklobster under the 'Clean Green mark' will be launched in each of these markets and this will be followed by support for industry pilot research & development activity.

This market development plan and the programs that follow provide the detail for the first five years of activity which will set the scene for on-going industry development beyond the life of this plan. For these reasons, the activities outlined below focus on market development and associated projects which offer the best opportunities for short term growth and results for the industry.





Australian Southern Rocklobster Industry Market Development Program

5.1 Year 1:

The first year involves start-up operations and development of generic market development assets. Investment will commence early in the year in establishing market requirements and turning these into standards for Australian Southern Rocklobster. Resources funded through the program will assist businesses and individuals through the supply chain to conform to the Clean Green standards developed. This work will initially focus on the SPFD sector in the Napa Valley, USA.

SPFD contacts, supply chains and distribution logistics will be established and ground tested for the USA, as well as auditing the standards and certifying enterprises throughout the supply chain 'pot to plate' as 'Clean Green'. ASR will be launched under the Clean Green mark in the Napa Valley, USA towards the end of the first year.

In recognition of the limited market intelligence that is currently available to the industry, an on-going program of seeking market and economic information and trends will be established and all these activities will utilise synergies with other seafood sectors.

It is expected that a national entity will be established under the ASIC banner with a charter to position Australia as a seafood producing nation. SRL anticipates becoming involved and investing in this program and will influence its activities. SRL will seek to link to relevant national, state (South Australian, Tasmanian & Victorian) and regional seafood and cross sectorial market development initiatives to develop synergies and value add to its limited funding available.

SRL will also undertake preliminary market intelligence activities in China during the year with a delegation supported under Australia- China Agricultural Cooperation Agreement (ACACA) program. The delegation will investigate the potential for a "single import desk" in China and pilot cross sector, Australian wine & tourism, partnerships through the Sauchin wine and tourism strategy to develop the market for Southern rocklobster in China.

5.2 Year 2:

The focus of Year 2 will be developing the USA supply chain model and trialling a pilot scale to test the underlying philosophy of fisher owning the product from 'pot to plate'. The long term commitment to the USA market will be established by the commencement of supply chain logistics and distribution systems trials of Clean Green product to the USA market.

Development activities in the USA market will be supported by the creation and implementation of an appropriate and innovative communications program to the supply chain, aimed at SPFD chefs and niche distributors.



The market development project for London/France will commence with the focus of developing the relationship with the SPFD sector and confirming further the culinary capability of the Southern Rocklobster in the marketplace.

5.3 Years 3 and 4:

These years will focus on further developing and refining the standards, supply chain and distribution programs with work commencing in another two export markets. The further two markets identified at this stage are London/France & Dubai. Synergies will be developed with the South Australian Seafood Plan and other market development strategies to successfully implement the model in these markets. In-market expertise will be established in the key markets and testing will be carried out around trial shipments.

A China market development project focusing efforts in Northern China (Beijing) will be designed and implemented prior and post the Beijing Olympics to develop the market further. This strategy will be in part guided by the market intelligence gathered through SRL's study tour to investigate a "single desk" concept in China in September, 2005.

Development activities in each of these markets will be supported by the creation and implementation of an appropriate and innovative in market communications program along the supply chain.

Expansion of the supply chain model is a requirement for success of the SRL market development program. Further markets will be scoped to identify additional marketplace opportunities for Australian Southern Rocklobster. A development plan will be prepared to extend the model into the new markets.

5.4 Year 5:

Trials in each of the four markets (USA, London/France, Dubai & Sydney) will be completed in Year 5, development plans for expansion of the model established and an overview of the success of the program made. At this stage, assessment will be made of the future directions, structure and funding model beyond the life of the program.



6. Projects

Achieving industry growth targets hinges on seven linked projects being:

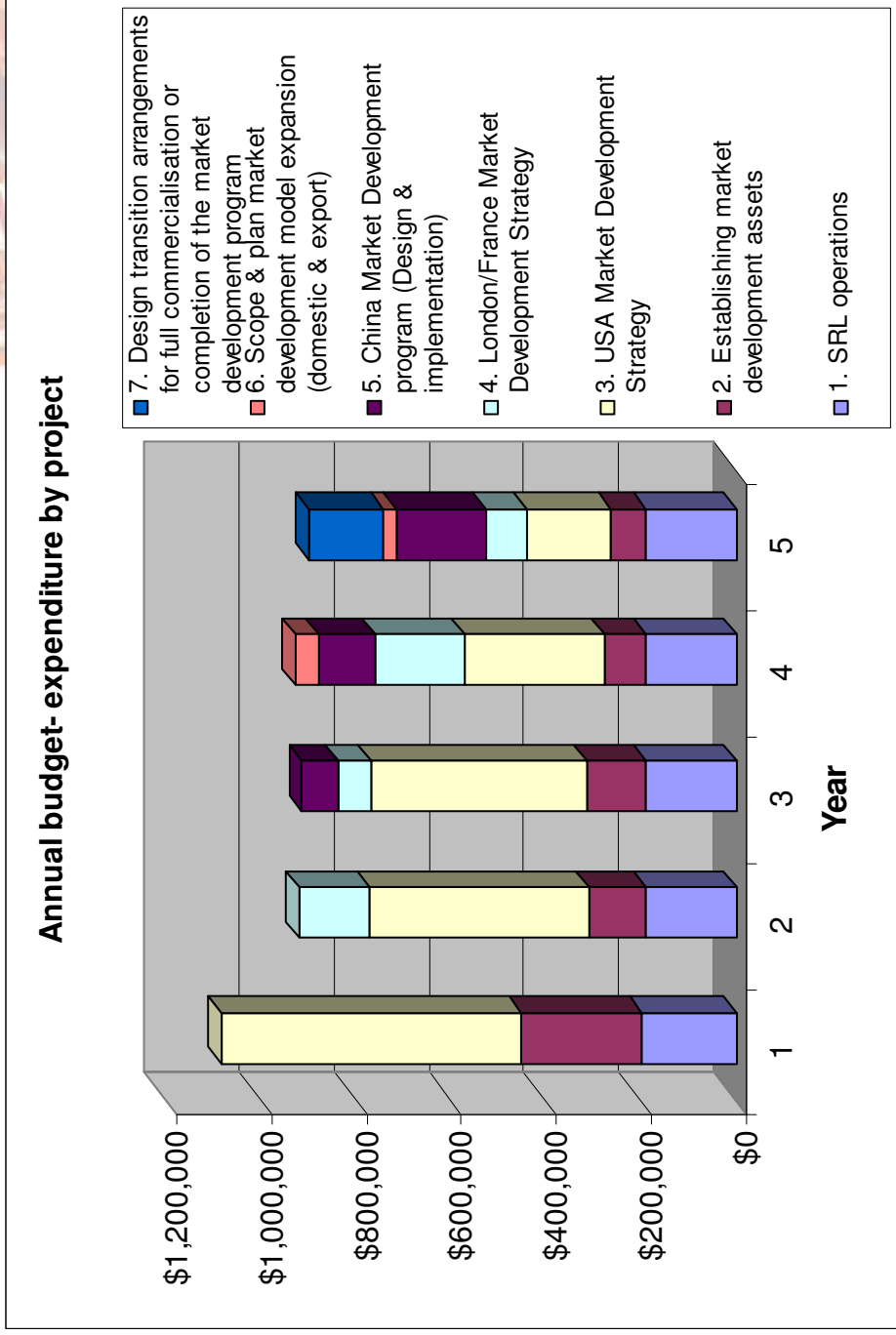
- Project 1 – Start up / Operations/Project Management.
- Project 2 - Establishing and Maintaining Market Development Assets.
- Project 3 - USA Market Development Strategy.
- Project 4 - London/France & Dubai Market Development Strategy.
- Project 5 - China Market Development Strategy.
- Project 6 - Scope and Plan Market Development Model Expansion (Domestic & Export).
- Project 7 - Design transition arrangements for full commercialisation or completion of the Market Development program.

Each project has discreet strategies, outcomes, tasks, budgets and funding sources which contribute to the broad overall aims of the program, the full details of the projects can be seen in APPENDIX 1. The projects are described below and the budgeted costs for each project over the life of the program are detailed below and in Chart 5.

Project budget – 5 years

- Project 1: \$954,273
- Project 2: \$664,582
- Project 3: \$2,027,469
- Project 4: \$493,003
- Project 5: \$385,295
- Project 6: \$73,955
- Project 7: \$157,955

Chart 5: Annual project funding



6.1 Project 1 - Start-up / Operations / Project Management

This project involves establishing and maintaining capacity within SRL capable of overseeing the implementation of the program and providing the support infrastructure, project management and reporting. SRL must be well resourced to ensure the aims of the project are met.

6.2 Project 2 – Establishing and Maintaining Market Development Assets

The aim of this project is to create and maintain market development assets to underpin all market development activities in the three target markets being USA, London/France and China and a further two markets (Sydney and Dubai) in partnership with the SA Seafood plan. The project has four key strategies being:

- Establish an ongoing monitoring program of the lobster market;
- Confirming & re-confirming target markets;
- Confirming and reviewing the Clean Green mark applications; and
- Developing & establishing capacity/materials for supply chain communication and education programs.

6.3 Project 3 & 4 - USA, London/France & Dubai Market Development Strategy

These projects create a market development environment in which SRL can operate to contribute to a higher level of profitability. As part of these projects SRL will develop synergies with the South Australian Food Plan to complete market development activities in London/France, Dubai and Sydney. The projects have four activities areas being:

- Standards / Accreditation;
- Supply Chain Logistics;
- Distribution; and
- Communication.



Australian Southern Rocklobster Industry Market Development Program

This program is based around three target markets, being USA, London/France and Dubai. Activities will develop capacity to establish commercial activity by members of the industry through provision of support in each of the areas identified above. Additional detail is provided below.

Standards / Accreditation

A key element for success identified in the market research is the need to set Australian Southern Rocklobster apart from similar competitor products. This element of the program involves working with the marketplace to identify standards associated with premium products and then working with the sectors of the supply chain to introduce a recognised and certifiable set of standards and a process for certifying them. The standards then underpin the Clean Green mark.

This project will be undertaken by a dedicated Quality Manager (QM) responsible for developing standards based on market information and requirements and then working with the supply chain 'pot to plate' to implement these standards. The QM will also implement and manage the accreditation process for the standards.

The outcome is industry capacity to consistently and demonstrably deliver product to high quality specifications as dictated by the customer.

Important Note:

Southern Rocklobster Limited, through the Clean Green program has already established capacity to accredit the catching sector of the supply chain against best practice standards.

Supply Chain Logistics

Integral to entering new markets with new products is understanding the supply chain and creating or ensuring the most effective and appropriate chain for product. Given that SRL will source product from three states, the chain may vary from state to state. This project aims to understand supply chain logistics from the boat to the factories across the three states and coordinate it. The outcome is a coordinated supply chain across the three states to guarantee supply and quality of ASR to Super Premium Fine Dining sector market specifications.

As well, supply and service contracts will be established as part of this project.

This project will be undertaken by a Supply Coordinator (SC) whose role will include establishing and managing the supply chain for the product from each state to the point of distribution.

Distribution

The Australian Southern Rocklobster industry presently relies on locally owned distribution networks in the key markets. This project will seek to identify alternate, industry-directed (controlled) options for distribution in the markets. The concept is to use small niche wholesalers (category managers) who have the ability to handle and care for premium products and who do not necessarily rely on the high volume/low margin paradigm. It will also investigate management of distribution logistics.

Education and communication (menu creation, product handling, notification of product and supply changes as a result of environmental factors) in the market place will be critical success factors based on the FRDC funded market research. This is not about mass marketing and promotion, but more focused on training and education chefs to build long term relationship within the key markets.

The project will be undertaken by a Distribution Manager (DM), based in-market, who will manage the quality, distribution & product requirements at the market end of the chain. The DM will be closely supported by the Relationship Manager (see below), who will develop the relationships with the SPFD sectors, manage conflict and will be the face behind the mark.

The outcome is industry-managed and “owned”, effective in market distribution, education and communication.

Communication

To support the above, the program requires targeted in-market activities. In particular industry will require development and management of long-term relationships in the key target markets. A longer-term aspect of this project is to use market intelligence to develop new products and markets.

To ensure effective differentiation of the product, the program will also undertake in-market monitoring and feedback assessment from the SPFD sector. This will inform ongoing innovation with in-market communication support for the program. Activities in this project will largely be undertaken by in-market contracted expertise and will differ for each market.

This project will be undertaken by a Relationship Manager (RM) and the outcomes are in-market support communication programs for premium Southern Rocklobster products.

6.4 Project 5 - China Market Development Strategy

The market development strategy for China will have a different focus to the Western markets and Middle East market as 90% of Australian Southern Rocklobster is already exported to this market. It will support current commercial activity and aim to expand the product access into Northern China (Beijing) prior & post the Beijing Olympics. This strategy will be further guided by the outcomes and the market intelligence gathered by SRL Board representatives undertaking a government to government study mission in China in September, 2005. The main purpose of the mission is to investigate and scope the potential of a single import desk in China.

The outcomes are in-market communication programs to assist more efficient market penetration. Differentiation and positioning of Australian Southern Rocklobster products will be introduced to the Chinese market.

6.5 Project 6 - Scope and Plan Market Development Model Expansion (Domestic & Export)

It is anticipated that the long term commercial success of the market development program will require the pilot model to be expanded to a number of markets. This project aims to scope and plan for expansion of the model into alternative markets, assessing potential volumes, costs and risks across additional targets.

The outcome will be a development plan detailing expansion of the model into new markets, which can be continued beyond the life of the pilot program.

6.6 Project 7 – Design transition arrangements for full commercialisation or completion of the market development program

This project will undertake an assessment of the supply chain model and design and communicate arrangements for full commercialisation of the program including ownership, structure and funding model to support on-going activity or completion of the market development program.



7. Project Management

The implementation of the market development program will require the full commitment of the Australian Southern Rocklobster industry. However, it will be the duty of the Southern Rocklobster Limited (SRL) Board to oversee its implementation. The key responsibilities of the Board will be:

- Policy development;
- Provide high level direction and guidance to the project manager;
- Reviewing project outcomes;
- Governance;
- Financial monitoring and control; and
- Reporting to industry and funding agencies.

It is proposed to establish a Project Manager (PM) to implement the market development program. The PM will undertake the following primary functions:

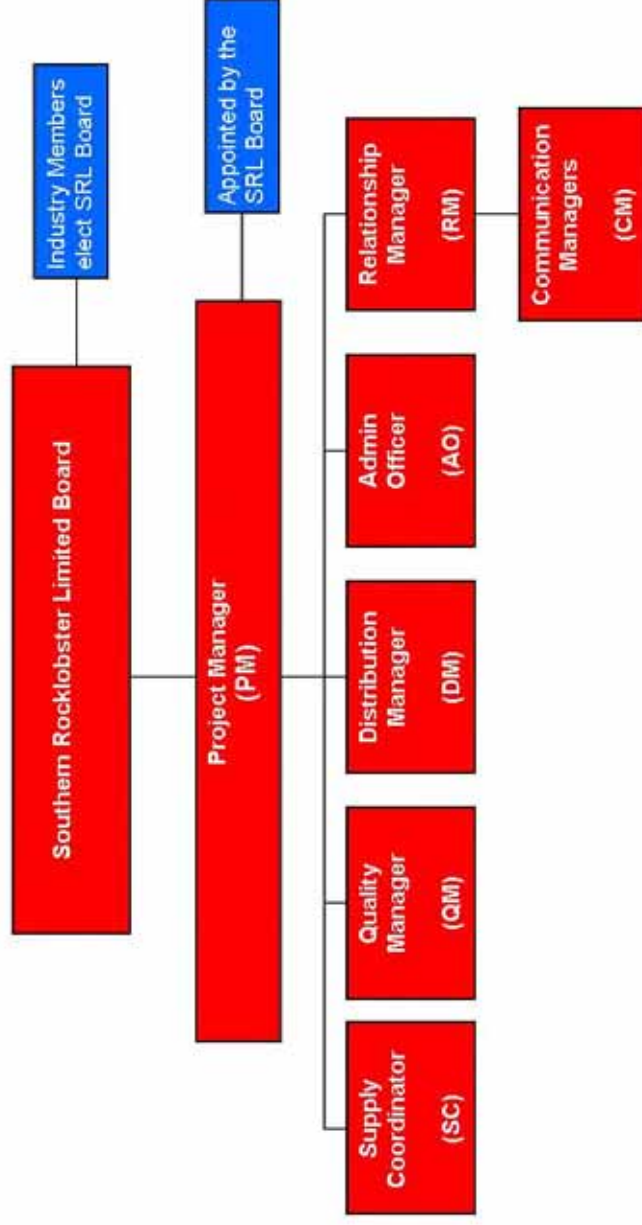
- Organisation management;
- Project management;
- Reporting to the SRL Board;
- Sourcing funding;
- Manage relationships between funding agencies and industry members; and
- Project communications.

Important Note:

Southern Rocklobster Limited will not be involved in the trading of product, but rather as a facilitator and industry supply chain developer.



Figure 7: Management Structure





8. Human Resources

The following human resource skill sets will be applied to the various aspects of the program:

Project Manager (PM):

This position is responsible for the day-to-day management of the program and will require skills and experience in the following areas:

- High level project management;
- High level financial management and control;
- Industry and stakeholder communications;
- Capacity to develop funding proposals;
- Provision of strategic direction;
- Contract, contractor and service provider management;
- Human resource management;
- Managing financial contracts and reporting;
- Management of intellectual property; and
- Preparation of reports to the Board and funding agencies.

Administration Officer (AO):

The administration officer will be responsible for day-to-day administration and support for other positions.





Quality Manager (QM):

This position is based in Australia and is primarily responsible for the following:

- Develop standards in conjunction with the supply chain;
- Work with supply chain partners (e.g. producers or industry sector interface organisations) to implement the quality standard;
- Manage the distribution of the Clean Green mark to certified organisations;
- Maintain a register of certified organisations;
- Manage the quality program (review, dealing with issues and continual improvement);
- Communicate with all in-market resources (i.e. Relationship Manager (RM), Distribution Manager (DM) & Communication Managers (CM)) regarding quality management; and
- Liaise with conformity assessment bodies regarding certification and standards.

Supply Coordinator (SC):

The Supply Coordinator is based in Australian and is primarily responsible for sourcing product in response to the Distribution Manager's pilot trial requirements. The key tasks are:

- Receive requests from Distribution Manager;
- Organise product from producers for pilot trials;
- Contract the packers to deliver product to freight forwarders and then to in-market wholesalers;
- Organise AQIS and other product testing to meet government & quality requirements;
- Maintain a register of Clean Green certified suppliers;
- Provide feedback on product quality to the QM to assist with management of the quality program; and
- Manage in conjunction with the DM managers payment to producers and service providers from the marketplace via a single money interface-bank.

Distribution Manager (DM):

This position is based in-market with the primary purpose to source potential customers and coordinate pilot distribution of product to the marketplace. The key tasks associated with this position include:

- Quantify pilot deliveries to the marketplace;
- Contract in-market wholesalers to receive and distribute product to the marketplace;
- Notify the SC of the requirements of the pilot trial;
- Manage quality in the market;
- Provide feedback from the marketplace to the Quality Manager;
- Ensure IP data is delivered to the Project Manager;
- In conjunction with the SC manage payment to producers and service providers from the marketplace via a single money interface-bank; and
- Provide education and training to the marketplace (i.e. mainly with the SPFD chefs).

Relationship Manager (RM):

Critical to delivering a market development program is in-market representation. To implement the development program, the Board will utilise the services of a RM. The RM is the industry face in the marketplace responsible for building and maintaining relationships with the SPFD sector. Activities will be performed on a consultancy retainer and incentives based on volume of product sold at a value per kilogram. This position is responsible for the following:

- Act as the initial contact and relationship builder with the marketplace;
- Act as the Australian face behind the Clean Green mark;
- Act as a technical specialist to the Distribution Manager and Communication Managers;
- Manage relationships and solve problems between the various human resource groups; and
- Provision of feed-back to the Quality Manager regarding quality in the market place.



Communication Manager(s):

Communication Managers will implement education and training services to support the market development program in-market. These services will include:

- Plan and manage development activities with SPFD restaurants/chefs;
- Generate 'food articles';
- Manage media (news and food);
- Engage new chefs willing to use the product;
- Manage education programs (i.e. menu development, tasting etc); and
- Link with cross sectorial (international, national and state) activities.

Important Notes:

1. **All operation activities detailed within the business plan will be strictly pilot. The sole purpose of the program activity is to thoroughly develop the “new” supply chain paradigm prior to any commercial operations.**
2. **The program budgets are based on all human resources being contracted on a consultancy basis.**
3. **The resources detailed above should be referred to as skill sets and not necessarily the number of people required to implement the market development program.**



9. Supply Chain/Program Relationship

Details regarding the role of supply chain participants are set out below.

Catchers:

Catchers, or producers, are industry members from the three States that are Clean Green accredited. They will be responsible to meet the product requirements in terms of quality, quantity and delivery time frames.

Packer / Processor:

These organisations will provide processing and packing services.

Freight Forwarders:

Catchers or industry SRL member organisations will contract freight forwarders.

Market Place:

The market place consists of Small Wholesalers and the Super Premium Fine Dining Sectors.

Small Wholesalers

Small wholesalers are required in-market to manage the logistics and distribution of product. These wholesalers will undertake repacking, re-tanking and distribution at a contracted price.

Super premium Fine Dining Sectors

The market place is Super Premium Fine Dining sectors and upper tier restaurants. These customers will be in contact with the Distribution Manager and Relationship Manager.

The following figures (8 - 10) illustrate the supply chain operating and SRL market development program relationships.



Figure 8: Product Relationship

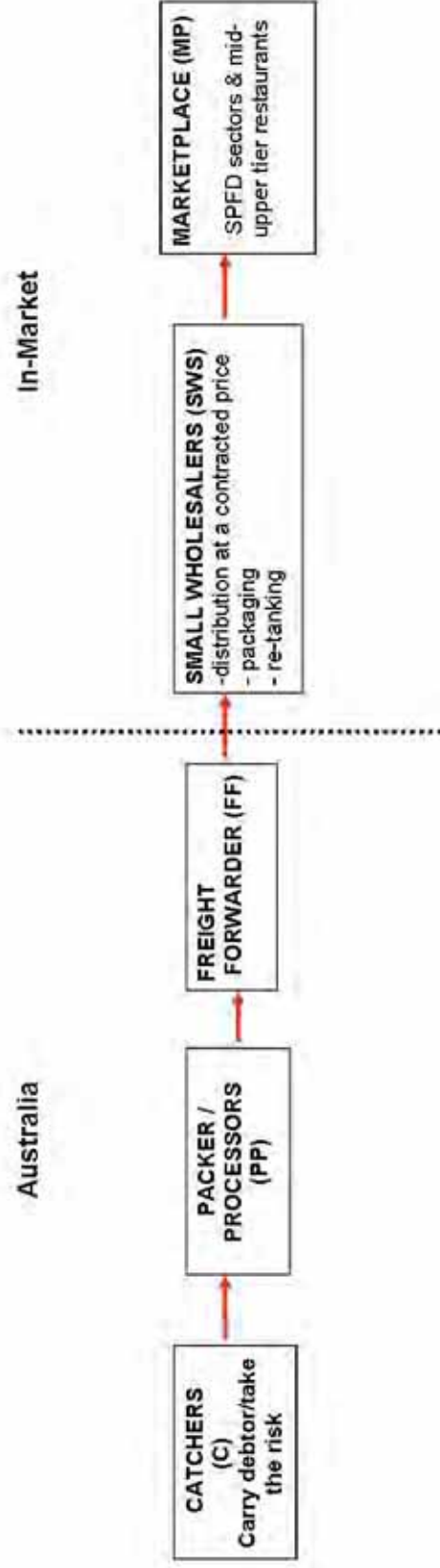




Figure 9: Money Relationship

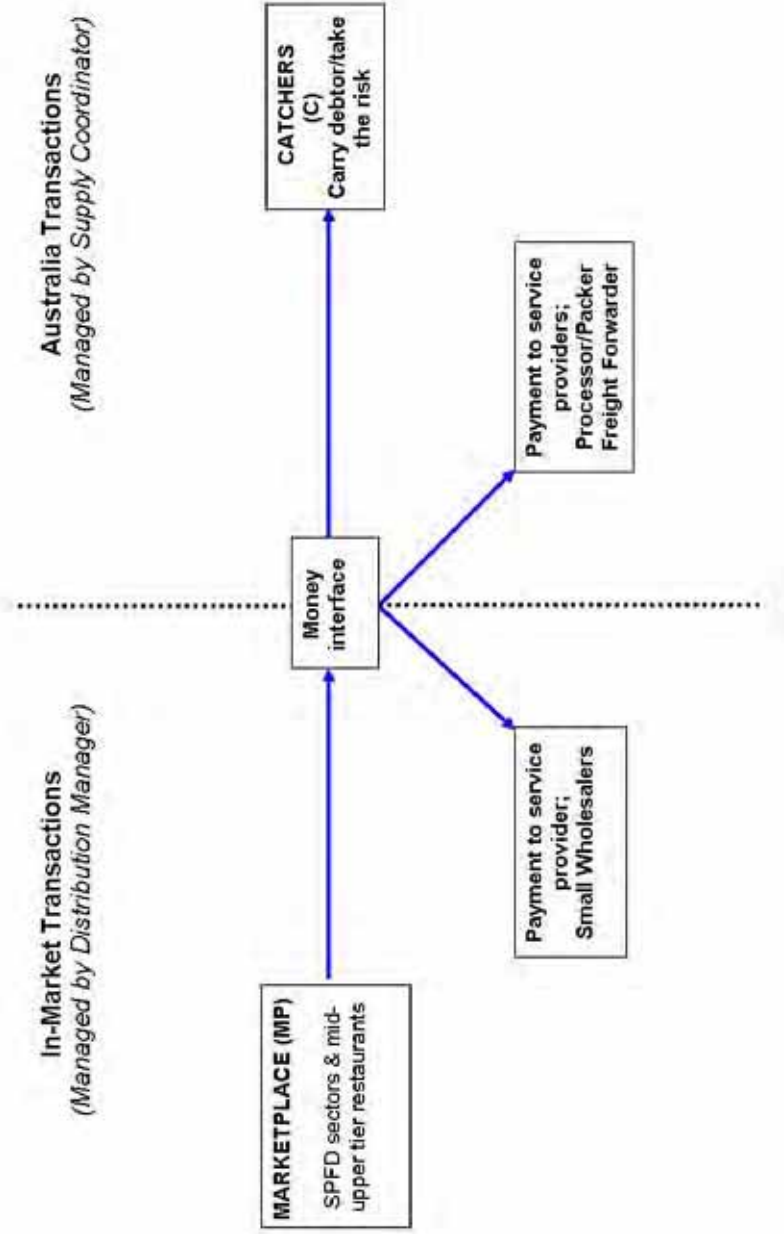
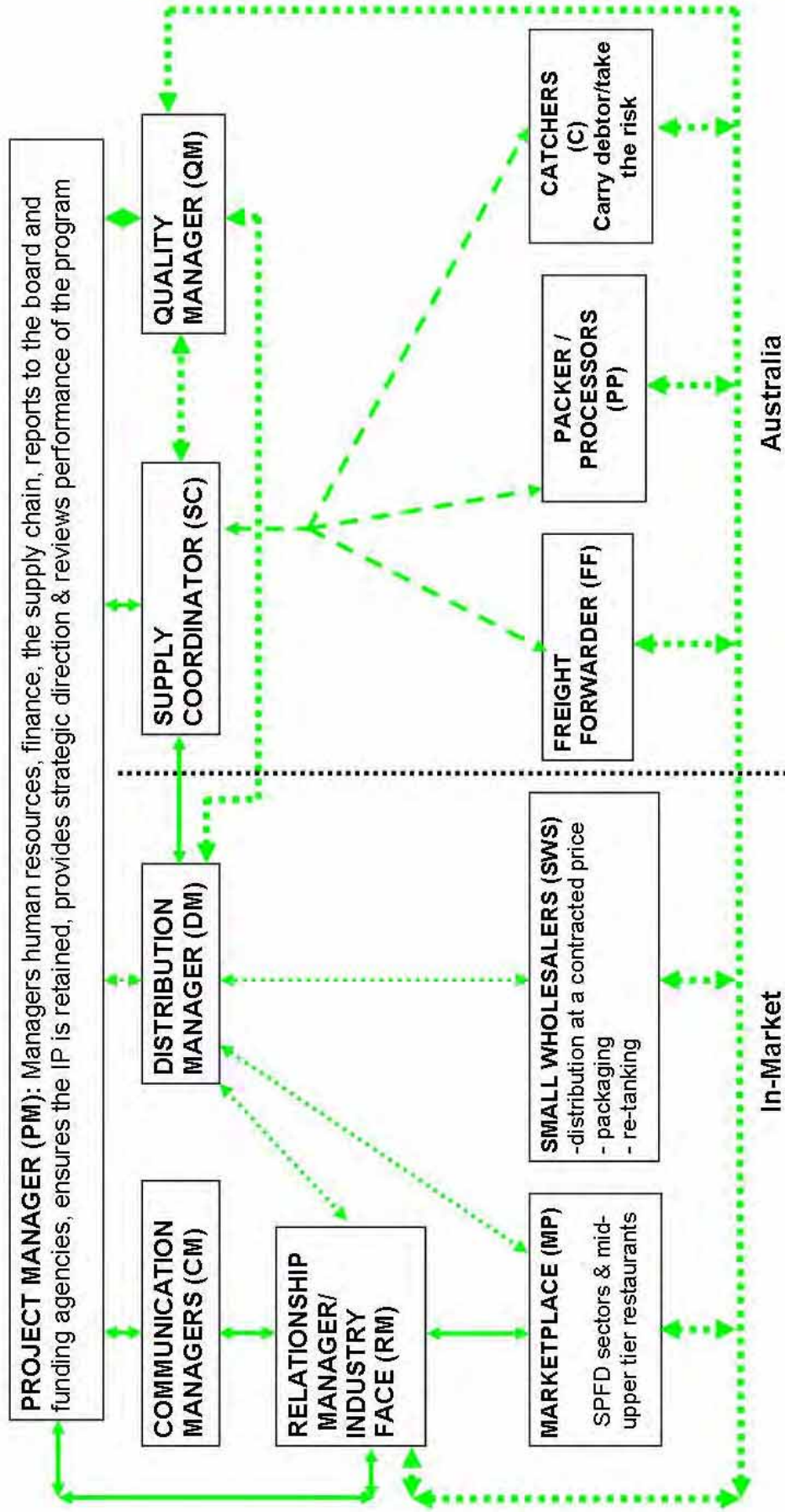




Figure 10: Information Relationship





10. Program Budget

Table 5: Five Year Program Budget

PROGRAM	Year 1	Year 2	Year 3	Year 4	Year 5	TOTAL	%
1. SRL operations	\$197,727	\$189,136	\$189,136	\$189,136	\$189,136	\$954,273	20%
2. Establishing market development assets	\$253,991	\$120,977	\$126,977	\$88,818	\$73,818	\$664,582	14%
3. USA Market Development Strategy	\$635,845	\$462,448	\$453,400	\$296,350	\$179,425	\$2,027,469	43%
4. London/France Market Development Strategy	\$148,273	\$71,307	\$187,749	\$85,675	\$493,003	\$493,003	10%
5. China Market Development Strategy (Design & implementation)	\$75,045	\$120,568	\$189,682	\$385,295	\$385,295	\$385,295	8%
6. Scope & plan market development model expansion (domestic & export)	\$48,091	\$25,864	\$73,955	\$73,955	\$73,955	\$73,955	2%
7. Design transition arrangements for full commercialisation or completion of the market development program		\$157,955	\$157,955	\$157,955	\$157,955	\$157,955	3%
TOTAL	\$1,087,564	\$920,834	\$915,866	\$930,713	\$901,555	\$4,756,531	100%



11. Funding Plan

The funding plan below details contributions from a number of sources including FRDC, Industry cash & in-kind, State & Federal government and regional development organisations. The budget has been established on a 5-year work program – outlined under sections 7 and 8. Please note that funding direct from industry (columns 2 and 3) is secured.

Table 6: Detailed breakdown of funding estimates (\$'000)

	CASH						IN-KIND				Grand Total					
	Direct Industry		Post Harvest Sector		Other				Industry			Sub Total				
	SA	TAS	SA	TAS	VIC	FRDC	SA Dev Boards	SA Industry Seafood Plan	Vic Export Program	FPRAP (DAFF)			Catch	Post Harvest	Government	
Year 1 (2005-06)	\$180	\$60	\$10	\$10	\$10	\$240	\$50	\$0	\$100	\$200	\$860	\$115	\$75	\$50	\$240	\$1,100
Year 2 (2006-07)	\$180	\$60	\$10	\$10	\$10	\$240	\$50	\$100	\$0	\$0	\$660	\$115	\$75	\$50	\$240	\$900
Year 3 (2007-08)	\$180	\$60	\$10	\$10	\$10	\$240	\$50	\$100	\$0	\$0	\$660	\$115	\$75	\$50	\$240	\$900
Year 4 (2008-09)	\$180	\$60	\$10	\$10	\$10	\$240	\$50	\$100	\$0	\$0	\$660	\$115	\$75	\$50	\$240	\$900
Year 5 (2009-10)	\$180	\$60	\$10	\$10	\$10	\$240	\$50	\$100	\$0	\$0	\$660	\$115	\$75	\$50	\$240	\$900
TOTAL											\$3,500				\$1,200	\$4,700



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Australian Southern Rocklobster Industry
Market Development Program

Appendix 1 - Detailed, 5-Year, Program Activities and Budgets





Year 1: Funding Summary

YEAR 1	Project	Budget (people)	Budget (operating)	Travel	Materials	In-kind	FUNDING BODY (CASH)				Project Manager (PM)	Distribution Manager (DM)	Supply Coordinator (SC)	Quality Manager (QM)	Relationship Manager (RM)	TOTAL
							SRL	FRDC	OTHER	FPRAP						
	1. SRL operations (start-up)	\$32,727	\$90,300	\$29,200	\$0	\$55,000	\$71,114	\$71,114	\$0	\$0	\$32,727	\$0	\$0	\$0	\$0	
	2. Establishing market development assets	\$73,091	\$120,000	\$0	\$50,000	\$10,000	\$37,541	\$38,859	\$108,000	\$199,091	\$22,727	\$21,273	\$0	\$0	\$29,091	
	3. USA Market Development Strategy (standards & accreditation)	\$141,455	\$104,050	\$5,000	\$70,000	\$65,750	\$73,162	\$156,164	\$91,159	\$70,000	\$24,545	\$4,000	\$105,455	\$6,545		
	3.1 Establishing the pilot distribution system	\$32,545	\$45,250	\$5,000	\$20,000	\$47,250	\$102,795	\$0	\$0	\$20,000	\$3,636	\$3,818	\$5,455	\$16,000	\$3,636	
	3.2 Testing the supply chain logistics & distribution	\$15,545	\$20,000	\$2,500	\$0	\$31,500	\$32,955	\$5,091	\$0	\$0	\$1,818	\$4,000	\$2,273	\$0,545	\$0	
		\$295,364	\$370,500	\$41,700	\$140,000	\$240,000	\$317,566	\$271,227	\$199,659	\$199,091	\$85,455	\$34,009	\$17,727	\$128,000	\$39,273	\$847,564

Australian Southern Rocklobster Industry
Market Development Program

Year 1: Detailed Operational Plan (1/3)

Project	Strategy	Outcome	Task Description	Resources (No. of people)	Resource code	Compliance rate	Task Est Duration (days)	Budget (people)	Budget (spending)	Travel	Materials	FUNDS BODY (CASH)				Project Manager (PM)	Distribution Manager (DM)	Supply Coordinator (SC)	Quality Manager (QM)	Relationship Manager (RM)	TOTAL																												
												SKL	FRDC	OTHER	FFR&P																																		
1. SRL operations (start-up)	1. Develop a business plan for the start-up operations and provide strategic advice to the business plan.	1. Develop a business plan for the start-up operations and provide strategic advice to the business plan.	1. Develop a business plan for the start-up operations and provide strategic advice to the business plan.	1	PM	80%	8	\$2,273	\$43,200	\$17,200						\$2,273	\$0	\$0				\$14,773																											
																							2. Confirm 3 year funding stream																										
																							3. Develop job descriptions and recruitment																										
																							4. Link with a national code (SA, TAS & VIC) market development program																										
																							5. Establish local telephone number & website																										
2. Establishing an agency operating program of the world lobster market	3. Establish an agency operating program of the world lobster market	3. Establish an agency operating program of the world lobster market	3. Establish an agency operating program of the world lobster market	1	PM	80%	6	\$4,245	\$13,000							\$4,245	\$0						\$10,545																										
																								4. Review target markets																									
																								5. Target markets																									
																								6. Agreement by SRL Board																									
																								7. Identify the team																									
4. Review target markets	4. Review target markets	4. Review target markets	4. Review target markets	1	PM	80%	1	\$800																																									
																								8. Review target markets																									
																								9. Review target markets																									
																								10. Review target markets																									
																								11. Review target markets																									
6. Developing a supply chain	6. Developing a supply chain	6. Developing a supply chain	6. Developing a supply chain	1	DM	80%	6	\$3,227	\$0																																								
																								12. Developing a supply chain																									
																								13. Developing a supply chain																									
																								14. Developing a supply chain																									
																								15. Developing a supply chain																									

Australian Southern Rocklobster Industry
Market Development Program

Year 1: Detailed Operational Plan (2/3)

Projects	Strategy	Outcome	Task Description	Resources (No. of people)	Resource code	Complexity rate	Task Est. Duration (Months)	Budget (gross)	Budget (operating)			Materials	FINANCING BODY (CASH)			Project Manager (PM)	Distribution Manager (DM)	Supply Coordinator (SC)	Quality Manager (QM)	Relationship Manager (RM)	TOTAL				
									GM	PM	DM		FRDC	OTHER	FFP&P										
3. USA Market Development Strategy (standards & accreditation)	1. Conduct a market research to determine volume & quality of product from part of the pilot trials	Establish contracts to supply the product from stakeholders that are part of the pilot trials	Establish contracts to supply the product from stakeholders that are part of the pilot trials	1	PM	50%	4	\$3,626	\$10,000		\$12,626											\$15,658			
				1	PM	50%	2	\$1,813	\$15,000		\$16,813		\$15,818											\$16,818	
				1	PM	50%	3	\$1,813			\$1,813														\$1,813
				1	PM	50%	3	\$1,813			\$1,813														\$1,813
				1	PM	50%	3	\$1,813			\$1,813														\$1,813
				1	PM	50%	3	\$1,813			\$1,813														\$1,813
				1	PM	50%	3	\$1,813			\$1,813														\$1,813
				1	PM	50%	3	\$1,813			\$1,813														\$1,813
				1	PM	50%	3	\$1,813			\$1,813														\$1,813
				1	PM	50%	3	\$1,813			\$1,813														\$1,813
MARKET FOR 1/31 September 2022. \$M, \$K, parentheses = estimated, generic market unless stated. USA market revenue is being developed.																									
			Implement the market development program prior to launching the USA market in the USA. Target 100%	1	PM	50%	5	\$4,545	\$35,000		\$39,545											\$39,545			
			Launch the USA market in the USA. Target 100%	1	DM	50%	3	\$3,227	\$3,000		\$6,227											\$6,227			
			Launch the USA market in the USA. Target 100%	1	DM	50%	3	\$3,227	\$3,750		\$6,977											\$6,977			
			Launch the USA market in the USA. Target 100%	1	PM	50%	4	\$3,626	\$35,000		\$38,626											\$38,626			
			Work with all stakeholders to supply chain to develop the USA market. Target 100%	1	DM	50%	122	\$86,727	\$10,000		\$96,727	\$125,727										\$125,727			
			Negotiate with retailers to gain recognition of the standards.	1	DM	50%	3	\$2,142			\$2,142											\$2,142			
			Appointing of auditors, training of processors	1	PM	50%	2	\$1,813			\$1,813											\$1,813			
			Conduct joint audits on 3 processors (beyond the audit @ each level of the supply chain)	1	DM	50%	10	\$7,273	\$4,800		\$12,073	\$17,673										\$17,673			
			Process & Create the supply chain (beyond the audit)	1	DM	50%	5	\$3,626			\$3,626											\$3,626			

Australian Southern Rocklobster Industry
Market Development Program

Year 2: Funding Summary

YEAR 2	Project	Budget (people)	Budget (operating)	Travel	Materials	In-kind	FUNDING BODY (CASH)			Project Manager (PM)	Distribution Manager (DM)	Supply Coordinator (SC)	Quality Manager (QM)	Relationship Manager (RM)	TOTAL
							SRL	FRDC	OTHER						
	1. SRL operations	\$28,636	\$65,300	\$39,700	\$0	\$55,500	\$74,614	\$58,295	\$0	\$24,091	\$318	\$455	\$727	\$727	
	2. Maintain market development assets	\$22,727	\$73,250	\$0	\$15,000	\$10,000	\$18,804	\$74,159	\$17,955	\$11,818	\$0	\$0	\$0	\$10,909	
	3. USA Market Development strategy (Developing a supply chain model)	\$26,727	\$6,000	\$4,000	\$0	\$37,500	\$21,316	\$15,409	\$0	\$12,727	\$3,273	\$2,727	\$8,000	\$0	
	4. London/France Market Development Strategy (Design & Implementation)	\$19,273	\$114,000	\$0	\$0	\$15,000	\$88,009	\$38,977	\$5,388	\$8,182	\$8,182	\$0	\$0	\$2,909	
	5. Trialing supply chain logistics & distribution systems (USA)	\$134,750	\$128,471	\$0	\$0	\$125,000	\$76,381	\$55,229	\$131,610	\$45,833	\$16,500	\$13,700	\$36,667	\$22,000	
		\$232,114	\$387,021	\$43,700	\$15,000	\$243,000	\$286,086	\$242,070	\$154,851	\$102,652	\$28,773	\$16,932	\$45,394	\$36,545	\$677,834

Year 2: Detailed Operational Plan (1/2)

Projects	Strategy	Outcome	Task Description	Resources (No. of people)	Resource code	Consultancy rate (\$)	Task Est Duration	Budget (people)	Budget (operating) (\$)	Travel (\$)	Materials	FUNDING BODY (CASH)				TOTAL CASH
												SRIL	FRDC	OTHER	FFRIPAP	
1. SRIL operations	1. Maintain a Board to provide strategic direction	Ensure that the market development project objectives are delivered in accordance with the business plan	Oversee the program and provide strategic direction	1	PM	\$900	8	\$7,273	\$40,300	\$27,200		\$37,286	\$37,386	\$0	\$0	\$74,773
												\$0	\$0	\$0	\$0	
	2. Maintain supply capacity	Year 2 budget confirmed	Review programs & adjust the business plan accordingly	1	PM	\$900	2	\$1,818				\$900	\$900			\$1,818
												\$0	\$0	\$0	\$0	
	3. Review all positions	Maintain quality human resources	Confirm funding sources & annual budget	1	PM	\$900	1	\$900		\$2,500		\$1,705	\$1,705	\$0	\$0	\$3,409
												\$0	\$0	\$0	\$0	
	4. Maintain an ongoing monitoring program of the world lobster market trends		Liaise with a national, state (SA, TAS & VIC) market development strategists	1	PM	\$900	5	\$4,545	\$28,000			\$14,773	\$14,773	\$0	\$0	\$29,545
												\$0	\$0	\$0	\$0	
	5. Re-confirm target markets	Identify key Super Premium Fine Dining (SPFD) and mid-upper tier restaurants in the marketplace and gather critical information about the marketplace (London/Paris), including product specifications requirements for the marketplace	Undertake annual performance reviews on all positions & contractors	1	PM	\$900	7.5	\$6,818		\$7,500		\$3,523	\$3,523	\$0	\$0	\$7,045
												\$0	\$0	\$0	\$0	
	6. Maintain an ongoing monitoring program of the world lobster market trends	Quarterly reports on domestic & international market trends	Review project	1	PM	\$900	1	\$900	\$15,000			\$14,318	\$14,318	\$0	\$0	\$14,318
												\$0	\$0	\$0	\$0	
	7. Maintain a supply chain communications	Clean Green brand graphics reviewed & updated	Confirm SA, reconfirm to include market development reports	1	PM	\$900	8	\$7,273	\$12,000			\$19,273	\$19,273	\$0	\$0	\$19,273
												\$0	\$0	\$0	\$0	
	8. Develop the model and capacity for regions (not just USA market)	Identify the Super Premium Fine Dining (SPFD) and mid-upper tier restaurants in the marketplace and gather critical information about the marketplace (London/Paris), including product specifications requirements for the marketplace	Agreement by SCL Board	1	PM	\$900	1	\$900				\$300	\$300	\$0	\$0	\$300
												\$0	\$0	\$0	\$0	
	3. USA Market Development (Developing a supply chain model)	Clean Green brand graphics reviewed & updated	Identify key Super Premium Fine Dining (SPFD) and mid-upper tier restaurants in the marketplace and gather critical information about the marketplace (London/Paris), including product specifications requirements for the marketplace	1	PM	\$900	2	\$1,818			\$15,000	\$16,818	\$16,818	\$0	\$0	\$16,818
												\$0	\$0	\$0	\$0	
	8. Develop the model and capacity for regions (not just USA market)	A supply chain communications strategy maintained	Implement supply chain communications	1	PM	\$900	1	\$900	\$35,000			\$17,955	\$17,955	\$0	\$0	\$35,909
												\$0	\$0	\$0	\$0	
	8. Develop the model and capacity for regions (not just USA market)	Establish a model for on-going part transitions	Engage partners through the supply chain	1	PM	\$900	5	\$4,545	\$3,000	\$2,000		\$4,773	\$4,773	\$0	\$0	\$9,545
												\$0	\$0	\$0	\$0	
				1	OM	\$245	3	\$1,036				\$818	\$818	\$0	\$0	\$1,036
												\$0	\$0	\$0	\$0	
				1	SC	\$455	3	\$1,818				\$455	\$455	\$0	\$0	\$1,364
												\$0	\$0	\$0	\$0	
				1	OM	\$727	3	\$2,182				\$1,091	\$1,091	\$0	\$0	\$2,182
												\$0	\$0	\$0	\$0	

Year 2: Detailed Operational Plan (2/2)

Projects	Strategy	Outcome	Task Description	Resources (No. of people)	Resource code	Consultancy rate (\$)	Task Est Duration	Budget (people)		Budget (operating)		Travel (\$)	Materials	IN-HOLD	FUNDING BODY (CASH)				TOTAL CASH	
								(\$)	(\$)	(\$)	(\$)				SRL	FRDC	OTHER	FFRAP		
			Develop a model that takes a whole-of-chain approach to deliver the product to the market place in accordance to the priorities.	1	PM	\$909	5	\$4,545								\$2,273	\$2,273		\$0	\$4,545
				1	DM	\$545	3	\$1,636								\$818	\$818		\$0	\$1,636
				1	SC	\$455	3	\$1,364								\$682	\$682		\$0	\$1,364
			Develop a funded management capacity for the production certification scheme.	1	DM	\$727	3	\$2,182								\$1,091	\$1,091		\$0	\$2,182
			Seek investment from the whole-of-chain to become part of the scheme.	1	PM	\$909	3	\$2,727								\$1,364	\$1,364		\$0	\$2,727
				1	DM	\$727	5	\$3,636								\$1,818	\$1,818		\$0	\$3,636
				1	PM	\$909	1	\$909			\$3,000	\$2,000				\$5,909	\$5,909		\$0	\$5,909
MILESTONE (at 31 December, 2006- Operations & market development assets maintained, USA supply chain model developed)																				
4. London/France Market Development Strategy (Design & Implementation)	9. Establish & implement market development strategy for the SPFD sector in London & France (Southern Rocklobster in London/France)	Established relationships with the SPFD sector in London & France	Develop a market development plan for the Clean Green brand in the London/France based on the outcomes of market feedback.	1	PM	\$909	2	\$1,818			\$7,500					\$4,059	\$4,059		\$0	\$9,318
				1	RM	\$727	2	\$1,455								\$727	\$727		\$0	\$1,455
			Developed tailored Clean Green brand materials for London & France.	1	PM	\$909	2	\$1,818			\$15,000					\$8,409	\$8,409		\$0	\$16,818
			Implement the relationship building program.	1	RM	\$727	2	\$1,455								\$727	\$727		\$0	\$1,455
			Implement trial shipments to determine the culinary capability of Southern Rocklobster in the marketplace (London/France).	1	PM	\$909	5	\$4,545			\$40,000					\$44,545	\$44,545		\$0	\$44,545
				1	DM	\$545	15	\$8,182			\$51,500					\$15,000	\$20,841		\$0	\$59,682
5. Trialing supply chain logistics & distribution systems (USA)	10. Implement 3.5 years of pilot supply chain logistics & distribution system trials in at least 2 export markets	Completed 3.5 years of pilot supply chain logistics & distribution system trials in at least 2 export markets	Implement a 3 year pilot to trial supply chain logistics & distribution systems in the USA. Review the process and continuously improve on a monthly basis.	1	PM	\$909	50	\$45,833			\$91,607					\$34,375	\$34,375		\$0	\$137,500
				1	RM	\$727	30	\$22,000			\$22,688					\$22,344	\$22,344		\$0	\$44,688
				1	DM	\$545	30	\$16,500			\$6,050					\$11,275	\$11,275		\$0	\$22,550
				1	SC	\$455	30	\$13,750			\$3,025					\$8,388	\$8,388		\$0	\$16,775
				1	DM	\$727	50	\$36,667			\$5,942					\$20,854	\$20,854		\$0	\$41,708
MILESTONE (at 30 June, 2007- Operations & market development assets maintained, London/France market development strategy commenced & trialing supply chain logistics & distribution systems in the USA commenced)																				
TOTAL								\$232,114			\$387,021	\$43,700	\$15,000	\$243,000	\$280,086	\$2,020	\$154,951	\$0	\$0	\$677,834

Australian Southern Rocklobster Industry
Market Development Program

Year 3: Funding Summary



YEAR 3	Project	Budget (people)	Budget (operating)	Travel	Materials	In-kind	FUNDING BODY (CASH)				Project Manager (PM)	Distribution Manager (DM)	Supply Coordinator (SC)	Quality Manager (QM)	Relationship Manager (RM)	TOTAL
							SRL	FRDC	OTHER	FPRAP						
	1. SRL operations	\$28,639	\$65,300	\$39,700	\$0	\$55,500	\$65,818	\$0	\$0	\$24,091	\$818	\$455	\$727	\$727		
	2. Establishing market development assets	\$22,727	\$73,250	\$0	\$15,000	\$16,000	\$36,818	\$0	\$0	\$11,818	\$0	\$0	\$0	\$10,969		
	4. London, France & Dubai Market Development synergies developed with the SA Sealfood plan)	\$16,182	\$10,000	\$0	\$0	\$43,125	\$14,091	\$0	\$0	\$18,182	\$0	\$0	\$0	\$0		
	5. Training supply chain logistics & distribution systems (USA)	\$155,000	\$173,400	\$0	\$0	\$125,000	\$97,700	\$164,200	\$0	\$50,000	\$18,000	\$15,000	\$40,000	\$32,000		
	6. China Market Development program (Design & implementation)	\$12,545	\$47,500	\$0	\$15,000	\$0	\$52,841	\$5,398	\$0	\$8,182	\$0	\$0	\$0	\$4,364		
		\$237,091	\$389,450	\$39,700	\$30,000	\$239,625	\$268,268	\$169,586	\$0	\$112,273	\$18,818	\$15,455	\$40,727	\$48,000		\$676,241

Year 3: Detailed Operational Plan (1/2)

Projects	Strategy	Outcome	Task Description	Resource \$ (No. of people)	Resource code	Consultancy rate (\$)	Task Est Duration	Budget (people)	Budget (operating) (\$)	Travel (\$)	Materials	IN-HOND	FUNDING BODY (CASH)				TOTAL CASH	
													SRL	FRDC	OTHER	FPRAP		
1. SRL operations	1. Develop a Board to provide strategic direction	Ensure that project objectives are delivered in accordance with the business plan	Oversee the program and provide strategic direction	1	PM	\$ 900	8	\$ 7,273	\$ 40,300	\$ - 27,200			\$ 55,500	\$ 37,386	\$ 37,386	\$ -	\$ 74,772	
				1	PM	\$ 900	2	\$ 1,818				\$ 000	\$ 900			\$ 1,818		
				1	PM	\$ 900	1	\$ 900	\$ 2,500			\$ 1,700	\$ 1,700			\$ -	\$ 3,400	
				1	PM	\$ 900	5	\$ 4,545	\$ 25,000			\$ 14,773	\$ 14,773			\$ -	\$ 29,545	
				1	PM	\$ 900	5	\$ 4,545	\$ 2,500			\$ 3,523	\$ 3,523			\$ -	\$ 7,045	
				1	PM	\$ 900	7.5	\$ 6,818	\$ 7,500			\$ 7,159	\$ 7,159			\$ -	\$ 14,318	
2. Establishing market development assets	4. Maintain an ongoing monitoring program of the world lobster market trends	Quarry reports on domestic & international market trends	Review project	1	DM	\$ 543	1.5	\$ 818						\$ 409	\$ 409	\$ -	\$ 818	
				1	SC	\$ 455	1	\$ 455					\$ 227	\$ 227	\$ -	\$ 455		
				1	GM	\$ 727	1	\$ 727					\$ 364	\$ 364	\$ -	\$ 727		
				1	RM	\$ 727	1	\$ 727					\$ 364	\$ 364	\$ -	\$ 727		
				1	PM	\$ 900	1	\$ 900	\$ 15,000							\$ 15,000	\$ -	\$ 15,000
				1	PM	\$ 900	8	\$ 7,273	\$ 12,000							\$ 19,273	\$ -	\$ 19,273
3. Reconfirm target markets	5. Re-confirm target markets	Target markets confirmed	Agreement by SRL Board	1	PM	\$ 900	1	\$ 900							\$ 900	\$ -	\$ 900	
				1	PM	\$ 900	15	\$ 10,900	\$ 11,250					\$ 6,000	\$ 22,159	\$ -	\$ 22,159	
				1	PM	\$ 900	1	\$ 900									\$ -	\$ 900
				1	PM	\$ 900	2	\$ 1,818				\$ 15,000				\$ 16,818	\$ -	\$ 16,818
				1	PM	\$ 900	2	\$ 1,818								\$ -	\$ -	\$ 3,636
				1	PM	\$ 900	2	\$ 1,818								\$ -	\$ -	\$ 3,636

Year 3: Detailed Operational Plan (2/2)

Projects	Strategy	Outcome	Task Description	Resource # (No. of people)	Resource code	Consultancy rate (\$)	Task Est Duration	Budget (people)	Budget (operating) (\$)	Travel (\$)	Materials	IN-KIND	FUNDING BODY (CASH)			TOTAL CASH	
													SRL	FRDC	OTHER		
	7. Maintain a supply chain communication strategy maintained	A supply chain communication strategy maintained	Implement supply chain communications	1	PM	\$ 900	1	\$ 900	\$ 35,000			\$ 10,000	\$ 35,000		\$ -	\$ 35,000	
	8. Develop synergies with South Australian market development activities	A market development strategy for London, France & Dubai establish in conjunction with the SA Seafood plan	Synergies developed with the SA State Seafood plan	1	PM	\$ 900	20	\$ 18,182		\$ 10,000		\$ 43,125	\$ 14,091		\$ -	\$ 28,182	
MILESTONE (5) 31 December, 2007: Operations & market development activities maintained, London, France & Dubai market development activities synergies developed with the SA Seafood plan																	
5. Trialing supply chain logistics & distribution systems (USA)	10. Implement 3.5 years of pilot trials into at least 2 export markets	Completed 3.5 years of pilot supply chain logistics & distribution systems in the USA. Review the process and continually improve on a monthly basis	Implement a 3 year pilot trial supply chain logistics & distribution systems in the USA. Review the process and continually improve on a monthly basis	1	PM	\$ 900	55	\$ 50,000	\$ 125,000			\$ 125,000	\$ 43,750	\$ 87,500		\$ -	\$ 175,000
				1	RM	\$ 727	44	\$ 32,000	\$ 33,000			\$ 32,000	\$ 32,500		\$ -	\$ 65,000	
				1	DM	\$ 545	33	\$ 18,000	\$ 6,600			\$ 12,000	\$ 12,000		\$ -	\$ 24,000	
				1	SC	\$ 455	33	\$ 15,000	\$ 3,300			\$ 9,150	\$ 9,150		\$ -	\$ 18,300	
				1	OM	\$ 727	55	\$ 40,000	\$ 5,500			\$ 22,750	\$ 22,750		\$ -	\$ 43,500	
6. China Market Development program (Design & Implementation)	9. Establish & implement market development strategy for Southern Rocklobster in China	Established relationships with the SPFD Southern Rocklobster in China	Develop a market development plan for the Clean Green brand in China based on the outcomes of market feedback	1	PM	\$ 900	2	\$ 1,818	\$ 7,500			\$ 4,659	\$ 4,659		\$ -	\$ 9,318	
			Developed tailored Clean Green brand materials for China	1	RM	\$ 727	2	\$ 1,455				\$ 727	\$ 727		\$ -	\$ 1,455	
			Implement the relationship building program and awareness strategy prior to the Beijing Olympics	1	PM	\$ 900	5	\$ 4,545	\$ 40,000		\$ 15,000	\$ 16,818	\$ 16,818		\$ -	\$ 16,818	
				1	RM	\$ 727	2	\$ 1,455				\$ 1,455	\$ 1,455		\$ -	\$ 1,455	
MILESTONE (6) 30 June, 2008: Operations & market development assets maintained, London/France/Dubai market development strategy, training supply chain logistics & distribution systems in the USA continued & China market development strategy commenced																	
TOTAL								\$ 237,091	\$ 359,450	\$ 49,700	\$ 30,000	\$ 239,625	\$ 268,368	\$ 238,398	\$ 109,586	\$ -	\$ 675,241



Year 4: Funding Summary

YEAR 4	Project	Budget (people)	Budget (operating)	Travel	Materials	In-kind	FUNDING BODY (CASH)				Project Manager (PM)	Distribution Manager (DM)	Supply Coordinator (SC)	Quality Manager (QM)	Relationship Manager (RM)	TOTAL
							SRL	FRDC	OTHER	FPRAP						
	1. SRL operations	\$28,636	\$65,300	\$30,700	\$0	\$55,500	\$75,341	\$58,295	\$0	\$0	\$24,091	\$818	\$435	\$727	\$727	
	2. Establishing market development assets	\$11,818	\$62,000	\$0	\$15,000	\$0	\$36,818	\$32,000	\$0	\$0	\$11,818	\$0	\$0	\$0	\$0	
	4. London/France Market Development (develop synergies with the SA Sealood plant)	\$57,136	\$46,238	\$10,000	\$0	\$74,375	\$40,062	\$28,443	\$56,067	\$0	\$26,136	\$6,000	\$5,000	\$10,000	\$10,000	
	5. Trailng supply chain logistics & distribution (USA, London & Dubai)	\$83,000	\$88,350	\$0	\$0	\$125,000	\$30,530	\$11,375	\$41,825	\$0	\$25,000	\$13,000	\$10,000	\$20,000	\$16,000	
	6. Development program (Design & commercialisation)	\$33,818	\$61,750	\$0	\$25,000	\$0	\$66,148	\$32,420	\$0	\$0	\$10,909	\$0	\$0	\$0	\$10,182	
	7. Scope & plan market development model expansion (domestic & export)	\$29,091	\$19,000	\$0	\$0	\$0	\$0	\$33,318	\$14,773	\$0	\$3,636	\$10,000	\$0	\$0	\$14,545	
		\$243,500	\$342,638	\$49,700	\$40,000	\$254,675	\$270,919	\$215,852	\$113,385	\$0	\$101,981	\$29,727	\$15,655	\$30,727	\$51,655	\$675,838

Australian Southern Rocklobster Industry
Market Development Program

Year 4: Detailed Operational Plan (1/2)

Projects	Strategy	Outcomes	Task Description	Resources (No. of people)	Resource code	Cannulla my rate (\$)	Task Est Duration	Budget (people)	Budget (operating)	Travel (\$)	Materials	MIXING	FUNDING BODY (CASH)			TOTAL Total CASH Budget		
													SRL	FRDC	OTHER			
1. SRL operations	1. Develop a project team to provide strategic direction with the business plan	Ensure that project outcomes delivered in accordance with the business plan	Oversee the program and provide strategic direction	1	PM	\$909	8	\$7,273	\$40,300	\$27,200				\$17,386	\$37,386	\$14,773		
				1	PM	\$909	2	\$1,818						\$909	\$909	\$1,818		
				1	PM	\$909	1	\$909		\$2,000					\$1,705	\$1,705	\$3,409	
				1	PM	\$909	5	\$4,545	\$25,000						\$14,773	\$14,773	\$29,545	
			Establish cross industry synergies (food & non-food)	1	PM	\$909	5	\$4,545		\$2,000					\$3,523	\$3,523	\$7,045	
				1	PM	\$909	7.5	\$6,818		\$7,000						\$14,218	\$14,218	\$14,218
				1	GM	\$545	1.5	\$718								\$718	\$718	\$718
				1	SC	\$405	1	\$405									\$405	\$405
2. Establishing market development assets	4. Establish an ongoing reporting program of the world market	Quarterly reports on the international market trends	Review project	1	PM	\$909	1	\$909	\$15,000						\$15,000	\$15,000	\$15,000	
				1	PM	\$909	8	\$7,273	\$12,000							\$19,273	\$19,273	\$19,273
				1	PM	\$909	1	\$909								\$909	\$909	\$909
				1	PM	\$909	2	\$1,818					\$15,000				\$16,818	\$16,818
3. Trailing supply chain logistics & distribution (USA, London & Dubai)	5. Re-confirm target markets	Target markets identified	Implement supply chain communications	1	PM	\$909	1	\$909	\$35,000						\$35,000	\$35,000	\$35,000	
				1	PM	\$909	27.5	\$25,000	\$62,500							\$21,875	\$43,750	\$67,500
				1	GM	\$727	22	\$16,000	\$18,500							\$16,250	\$16,250	\$16,250
				1	SC	\$455	22	\$10,000	\$4,400							\$4,400	\$4,400	\$4,400
	6. Review Clean Green brand graphics	Brand graphics updated	Review & update Clean Green brand graphics	1	PM	\$909	2	\$1,818				\$15,000				\$16,818	\$16,818	\$16,818
				1	PM	\$909	1	\$909								\$909	\$909	\$909
				1	PM	\$909	1	\$909								\$909	\$909	\$909
				1	PM	\$909	1	\$909								\$909	\$909	\$909
	7. Maintain a supply chain communications	Supply chain communications maintained	Implement supply chain communications	1	PM	\$909	1	\$909	\$35,000						\$35,000	\$35,000	\$35,000	
				1	PM	\$909	27.5	\$25,000	\$62,500							\$21,875	\$43,750	\$67,500
				1	GM	\$727	22	\$16,000	\$18,500							\$16,250	\$16,250	\$16,250
				1	SC	\$455	22	\$10,000	\$4,400							\$4,400	\$4,400	\$4,400
	8. Implement 3.5 years of supply chain logistics & distribution	Supply chain logistics & distribution maintained	Implement a 3 year pilot to test supply chain logistics & distribution systems in the USA, London & Dubai	1	PM	\$909	1	\$909	\$35,000						\$35,000	\$35,000	\$35,000	
				1	PM	\$909	27.5	\$25,000	\$62,500							\$21,875	\$43,750	\$67,500
				1	GM	\$727	22	\$16,000	\$18,500							\$16,250	\$16,250	\$16,250
				1	SC	\$455	22	\$10,000	\$4,400							\$4,400	\$4,400	\$4,400
	9. Review supply chain communications	Supply chain communications maintained	Review the project and conduct a post-mortem on a supply chain	1	PM	\$909	1	\$909	\$35,000						\$35,000	\$35,000	\$35,000	
				1	PM	\$909	27.5	\$25,000	\$62,500							\$21,875	\$43,750	\$67,500
				1	GM	\$727	22	\$16,000	\$18,500							\$16,250	\$16,250	\$16,250
				1	SC	\$455	22	\$10,000	\$4,400							\$4,400	\$4,400	\$4,400

Australian Southern Rocklobster Industry
Market Development Program

Year 4: Detailed Operational Plan (2/2)

Projects	Strategy	Outcome	Task Description	Resources (No. of people)	Resource code	Consulting fee rate (\$)	Task Est Duration	Budget (people)	Budget (operating)	Travel	Materials	IH-EMD	FUNDING BODY (CASH)			TOTAL Total CASH Budget
													SRL	FRDC	OTHER	
			Link with South Australian market development strategy into London & Dubai to implement a 1.5 year pilot to trial supply chain logistics & distribution systems in the USA. Review the process and continually improve on a monthly basis	1	SC	\$455	11	\$5,000	\$1,100					\$3,050	\$3,050	\$6,100
				1	GM	\$727	13.75	\$10,000	\$1,375					\$5,688	\$5,688	\$11,375
MILESTONE (7) 31 December, 2008: Operations & market development assets maintained, trialing supply chain logistics & distribution commenced in London/France & Dubai.																
4. London/France Market Development (synergies with the SA Seafood plan)		A market development strategy for London, France & Dubai established in conjunction with the SA Seafood plan	Synergies developed with the SA State Seafood plan	1	PM	\$600	15	\$15,000		\$10,000		\$43,125		\$11,818	\$11,818	\$23,006
6. China Market Development (Design & Implementation)		Established relationships with the SFFD sector in China	Develop a market development plan for the SFFD sector in China based on the outcomes of market feedback	1	PM	\$600	5	\$4,545	\$7,500					\$12,045		\$12,045
				1	RM	\$727	10	\$7,273	\$7,000					\$14,773		\$14,773
				1	PM	\$600	5	\$4,545	\$3,750					\$4,148	\$4,148	\$5,205
			Review & update tailored Clean Ocean brand materials for China	1	GM	\$545	13	\$8,182	\$3,000		\$25,000			\$11,182	\$28,818	\$11,182
			Implement the relationship building	1	RM	\$727	2	\$1,455						\$3,455	\$3,455	\$1,455
			Undertake investigations to identify domestic & export marketplaces where the market development model can be expanded	2	PM	\$600	2	\$3,636						\$3,636	\$3,636	\$3,636
				1	GM	\$545	10	\$5,455	\$4,000					\$14,900	\$14,900	\$14,900
				1	RM	\$727	20	\$14,545	\$12,000					\$14,773	\$12,773	\$29,545
MILESTONE (8) 30 June, 2008: Operations & market development assets maintained, London/France & Dubai continued, China market development strategy continued, trialing supply chain logistics & distribution commenced in London/France & Dubai, trialing supply chain logistics & distribution commenced in London/France & Dubai continued.																
TOTAL								\$243,900	\$342,838	\$48,700	\$40,000	\$254,875	\$237,727	\$157,155	\$0	\$475,838

Australian Southern Rocklobster Industry
Market Development Program

Year 5: Funding Summary



YEAR 5	Project	Budget (people)	Budget (operating)	Travel	Materials	In-kind	FUNDING BODY (CASH)				Project Manager (PM)	Distribution Manager (DM)	Supply Coordinator (SC)	Quality Manager (QM)	Relationship Manager (RM)		TOTAL
							SRL	FROC	OTHER	FPRAP					DM	RM	
	1. SRL operations	\$28,636	\$63,300	\$39,700	\$0	\$55,500	\$75,341	\$58,295	\$0	\$24,091	\$0	\$455	\$0	\$0	\$727	\$0	
	2. Establishing market development assets	\$11,818	\$54,500	\$0	\$7,500	\$0	\$38,818	\$37,000	\$0	\$11,818	\$0	\$0	\$0	\$0	\$0	\$0	
	4. London/France Market Development (syncrizing with the state food plan)	\$41,500	\$44,175	\$0	\$0	\$0	\$21,875	\$30,000	\$0	\$12,500	\$0,000	\$5,000	\$10,000	\$8,000	\$0	\$0	
	5. Training supply chain logistics & distribution (USA, London & Dubai)	\$41,500	\$75,425	\$0	\$0	\$62,500	\$48,288	\$10,175	\$0	\$12,500	\$0,000	\$5,000	\$10,000	\$8,000	\$0	\$0	
	Development program (design & implementation)	\$25,182	\$57,000	\$0	\$25,000	\$82,500	\$68,545	\$19,045	\$0	\$13,182	\$5,455	\$0	\$0	\$6,545	\$0	\$0	
	Development model expansion (domestic & international)	\$16,364	\$9,500	\$0	\$0	\$0	\$0	\$18,477	\$0	\$3,038	\$5,455	\$0	\$0	\$7,273	\$0	\$0	
	8. Design & implement a transition arrangements for full Commercialisation or completion of the Market Development program	\$70,435	\$2,000	\$3,000	\$0	\$82,500	\$28,636	\$26,138	\$0	\$35,364	\$16,364	\$6,818	\$10,999	\$0	\$0	\$0	
	TOTAL PROJECT COST	\$238,455	\$307,960	\$42,700	\$32,500	\$283,000	\$279,303	\$174,235	\$0	\$114,091	\$40,091	\$17,273	\$31,836	\$30,545	\$618,555	\$3,486,031	

Year 5: Detailed Operational Plan (1/2)

Project	Strategy	Outcome	Task Description	Resources (No. of people)	Resource/ Cost/yr rate	Task Est. Duration	Budget (person/yr)	Budget	Travel	Materials	in USD	FFM&P	OTHER	FFM&P	Project Manager (PM)	Distribution Manager (DM)	Supply Chain Manager (SC)	Quality Manager (QM)	Relationship Manager (RM)	TOTAL				
1. S&L operations	1. Develop a project plan for the 1st year of the market development program with the division	Review and update the project plan for the 1st year of the market development program with the division	Develop the program and provide strategic direction	1	PM	9/09	6	\$7,273	\$4,500	\$27,260	\$33,800	\$27,260	\$37,260	\$27,260	\$2,273	\$0	\$0	\$0	\$0	\$0	\$34,773			
				1	PM	9/09	2	\$1,318	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,318	
				1	PM	9/09	1	\$600	\$2,000	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,400
				1	PM	9/09	5	\$4,545	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,545
2. Review all market performance	2. Review all market performance	Monitor supply chain performance	Establish cross functional strategic initiatives & meet	1	PM	9/09	5	\$4,545	\$0	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000		
				1	PM	9/09	2.5	\$8,878	\$7,000	\$7,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,318	
				1	DM	9/09	1.5	\$473	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$473
				1	DM	9/09	1	\$717	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$717
3. Establishing market monitoring program	4. Establish market monitoring program	Establish market monitoring program	Review project	1	PM	9/09	1	\$600	\$7,000	\$7,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,000		
				1	PM	9/09	8	\$7,273	\$12,000	\$12,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,273	
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
				1	PM	9/09	2	\$1,818	\$7,000	\$7,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,818
5. Reviewing target markets	6. Review target markets	Review target markets	Review target markets	1	PM	9/09	1	\$600	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,600	
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
7. Marketing	8. Marketing	Marketing	Marketing	1	PM	9/09	1	\$600	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,600	
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
9. Training	10. Training	Training	Training	1	PM	9/09	1	\$600	\$20,000	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,600	
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
				1	PM	9/09	1	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600

Australian Southern Rocklobster Industry
Market Development Program

Year 5: Detailed Operational Plan (2/2)



Project	Strategy	Outcome	Task Description	Resource # (No. of people)	Resource code	Commence date	Task Est Duration	Budget (prepaid)		Budget (remaining)	Travel	Materials	HH/HD	FUNDING BODY (CA\$1k)				TOTAL				
								(B)	(R)					PM	PP&P	DM	SC		CM	RM	CA\$1k	
MILESTONE (B) 21 December, 2019: Operations & market development assets maintained, timing supply chain logistics & distribution confirmed in USA, Canada/France & Dubai																						
6. China Market Development Program (Design & Implementation)	1	Established relationships with the Chinese market for the first time in China	Develop a market development plan for the China market. Conduct a SWOT analysis of market conditions in China.	1	PM	B009	3	\$4,345	\$7,300	\$7,300					\$12,048	\$0	\$0	\$0	\$12,048			
				1	PM	B009	5	\$4,545	\$1,750							\$4,295	\$0	\$0	\$0	\$4,295		
				1	QA	B045	12	\$1,435	\$5,000								\$1,705	\$0	\$0	\$0	\$1,705	
				1	PM	B009	2	\$1,818						\$21,000				\$26,818	\$0	\$0	\$0	\$26,818
				1	RM	B177	2	\$1,455								\$52,500		\$54	\$0	\$0	\$52,554	
7. Europe & Japan Market Development Program (Identificaiton & Import)	2	Identify all market opportunities for Green brand in Europe & Japan. Identify import markets where the market conditions are favourable for Green brand. Identify all market opportunities for Green brand in Europe & Japan.	Understand market opportunities for Green brand in Europe & Japan. Identify import markets where the market conditions are favourable for Green brand. Identify all market opportunities for Green brand in Europe & Japan.	1	PM	B009	2	\$3,636	\$45,000							\$21,136	\$0	\$0	\$0	\$21,136		
				1	PM	B009	2.5	\$2,273	\$45,000								\$2,273	\$0	\$0	\$0	\$2,273	
				1	RM	B177	2	\$1,455										\$27	\$0	\$0	\$27	
				1	QA	B045	3	\$1,455	\$2,000									\$1,455	\$0	\$0	\$1,455	
				1	RM	B177	12	\$1,273	\$7,300									\$1,273	\$0	\$0	\$1,273	
8. Europe & Japan Market Development Program (Transition & Completion)	1	Establish a transition arrangement for full completion of the market development program.	Design a transition arrangement for full completion of the market development program. Coordinate with the market development program.	1	PM	B009	42	\$36,304	\$2,000			\$3,000				\$30,662	\$0	\$0	\$0	\$30,662		
				2	QA	B045	15	\$13,204									\$13,204	\$0	\$0	\$0	\$13,204	
				1	SC	B018	15	\$5,818										\$5,818	\$0	\$0	\$5,818	
				1	CM	B029	15	\$12,828										\$12,828	\$0	\$0	\$12,828	
				1	RM	B177	15	\$12,828										\$12,828	\$0	\$0	\$12,828	
MILESTONE (R) 30 June, 2020: Market development activities completed & a transition arrangement for full completion of the market development program is in place. Final report completed for the Market Development Program.																						
TOTAL								\$235,458	\$397,900	\$42,300	\$12,000	\$21,700	\$279,893	\$114,255	\$128,422	\$0	\$114,081	\$45,091	\$17,273	\$31,626	\$30,545	\$818,555



Australian Southern Rocklobster Industry
Market Development Program

Appendix 2 - Australian Southern Rocklobster Industry Strategic Plan – Summary Booklet



APPENDIX 7: IMPORT PLATFORM HUMAN RESOURCE SKILLS SETS

The following human resource skill sets have been established as the Import Platform Resources at implementation

- Project Manager
- Account Management
- Supply Management
- Quality Management
- Transactional & Administration Management

The following describes the various roles and skills involved in each position

Project Manager (PM):

The project manager position is responsible for the day-to-day management of the program and requires skills and experience in the following areas:

- High level project management
- High level financial management and control
- Industry and stakeholder communications
- Capacity to develop funding proposals
- Provision of strategic direction
- Contract, contractor and service provider management
- Human resource management
- Managing financial contracts and reporting
- Management of intellectual property
- Preparation of reports to the Board and funding agencies.

As well, the project manager manages the communication and education program in-market.

These services include:

- Management of education programs such as menu development, tasting, chef training and focus groups
- Generation of 'food articles'
- Management and development activities with SPFD restaurants/chefs

- Management of media, with focus on news and food
- Linkage with cross-sectoral activities at international, national and state levels.

Account Manager (AM):

This position is based in-market with the primary purpose to source potential customers, coordinate distribution of product to the marketplace, and manage the client's complaints. This position works in conjunction with the Importer/Distributor to manage the client's requirements.

The key tasks associated with this position include:

- Quantify pilot deliveries to the marketplace
- Contract in-market importer to receive and distribute product to the marketplace
- Review the performance of the importer/distributor
- Notify the SC of the product requirements one to two weeks in advance
- Manage quality in the market
- Provide feedback from the marketplace to the Quality Manager
- Ensure IP data is delivered to the Project Manager
- In conjunction with the SC, manage payment to producers and service providers from the marketplace via a single money interface-bank
- Provide education and training to the marketplace and primarily with the SPFD chefs
- Act as the initial contact and relationship builder with the marketplace
- Act as the Australian face behind the Clean Green mark
- Act as a technical specialist to the Distribution Manager and Communication Managers
- Manage relationships and solve problems between the various human resource groups
- Provision of feed-back to the Quality Manager regarding quality in the market place.

Supply Coordinator (SC):

The Supply Coordinator is based in Australia and is primarily responsible for sourcing product in response to the Account Manager's requirements.

The key tasks are:

- Receive requests from Account Manager
- Contract supply from fishers
- Contract the packers to deliver product to freight forwarders and then to the in-market importer
- Organise AQIS and other product testing to meet government and quality requirements
- Maintain a register of Clean Green certified suppliers
- Provide feedback on product quality to the QM to assist with management of the quality program
- Manage in conjunction with the AM, payment to the fishers and service providers from the marketplace via a single money interface-bank.

Quality Manager (QM):

This position is based in Australia and is primarily responsible for the following:

- Develop standards in conjunction with the supply chain
- Work with supply chain partners such as fishers, regional receivers, consolidator and USA importer/distributor organisations to implement the quality standards and ensure conformance to the product specification
- Manage the distribution of the Clean Green mark to certified organisations
- Manage the Clean Green program including standards, audit protocol, initial & surveillance audits, and conformity assessment bodies
- Maintain a register of certified organisations
- Manage the quality program including a review, dealing with issues at the individual level or for a section of the supply chain, and monitor continual improvement
- Communicate with all in-market resources regarding quality management
- Liaise with conformity assessment bodies regarding certification and standards.

Transaction and Administration Manager:

The administration officer is responsible for day-to-day financial transactions, administration and support for other positions.

APPENDIX 8: FRDC PROJECT 2006/216 - ABL COMPONENT



US Market Development Project
FRDC 216
Southern Rocklobster Limited (SRL)
Final Report
30 June 2006

Submitted by:
Sam Gittins
International Growth Specialist
Australian Business Limited
140 Arthur Street, North Sydney, NSW
Tel: 02 9458 7443
Email: sam.gittins@australianbusiness.com.au

Executive Summary

A continued reliance on key Asian markets prompted the Australian Southern Rocklobster (ASR) industry to initiate alternate market development activities. These activities included Fisheries Research and Development Corporation (FRDC) project No 2004/251 which identified specific opportunities for ASR in key US West Coast markets. The next step was to develop the appropriate delivery infrastructure to capitalise on these opportunities.

The previous research determined there were three key elements that needed to be addressed to access market opportunities in the US. The aim of this project was to address these by determining market requirements.

Product – In-market trials and testing indicate a ready culinary acceptance of the ASR however it will be essential to have product with consistent and appropriate quality, delivered every time. Southern Rocklobster Limited (SRL)'s *Clean & Green* programme will ensure that the lobsters are of consistently high quality that meets market requirements – requirements as confirmed throughout the investigation.

Communication – A robust communications and educational campaign will be crucial for market penetration. This is not about mass marketing or promotion; it is about educating the end users (chefs) and other key influencers about the qualities of the product. Existing, high quality communication tools such as the educational DVD are being dovetailed with new and exciting programmes such as the track and trace system. These will reinforce to the market that the ASR industry is in the US “for the long run”.

Distribution – Working with partners that understand ASR industry needs will be crucial for success in the US market. Designing a distribution system utilising these partners is another thing. The ASR industry needs to think “outside of the square” and consider an implementation programme that gives control of the supply chain back to its members. By using existing resources within the industry and working with qualified, enthusiastic partners an ultimate guarantee can be made to the US market, “from pot to plate”.

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Introduction

Southern Rocklobster Limited (SRL) is the national industry body for the Australian Southern Rocklobster (ASR) industry. The fishery is approximately 4,500 metric tonnes of which 90% is exported live to world markets, predominately Hong Kong. SRL's objective is to build the value of the industry over time.

In 2005, SRL concluded market research (FRDC Project No: 2004/251) which showed that to develop new niche markets, the industry needs to invest in the appropriate systems to effectively deliver a product that "guarantees the offer". The research recommended that investment is made to establish systems that provide:

- Grading to allow industry to create levels within their own brand, driving even higher prices for the marquee product. The research identified top chefs in the Napa Valley and San Francisco that want the best produce and were willing to pay for it.
- Logging into a centralized online system that tracks the provenance of each lobster to the level of time of catch, fishery, processor and dispatch time (currently being pursued through FRDC Project No: 2004/412)
- Handling guidelines on how to store, package and transport product
- Packaging in a form that maintains product quality and reinforces the premium position and brand.
- Branding and traceability to create the means by which chefs are reassured of quality and are provided information on provenance (currently being pursued through Project No: 2004/412)

The market research provided the broad outline of the market requirements, but didn't identify the systematic steps to develop the market opportunity.

The market development strategy identified by the research involves SRL addressing product differentiation, positioning and communication above other lobster brands and luxury food products available to chefs in the SPFD sector. To position ASR the industry needs to know the market specifications (the product), distribution and communication strategies.

Project 2004/251 recommended that for the industry to further develop its presence in the Super Premium Fine Dining sector it needed to identify and establish the supply chain partners and tools to maintain relationships (with the chefs) in the market using SRL appointed resources.

This project is part of a broader market development program and focuses on establishing the detailed market requirements.

Objectives

- 1 To develop a new supply chain system which guarantees consistent supply and quality of Australian Southern Rocklobster (ASR) to the Super-Premium-Fine-Dinning (SPFD) sector specifications in the USA.
- 2 To develop a niche distribution system for ASR that services the SPFD sector in the USA.
- 3 To develop the most effective communication system to support entry of ASR to the SPFD sector in the USA.
- 4 Undertake demonstration trials to confirm the suitability and effectiveness of the supply chain, distribution and communication systems developed for the SPFD sector in the USA.

STAGE 1 MARKET OVERVIEW

SECTION 1: MARKET OVERVIEW

Background

In 2005, SRL concluded market research which identified opportunities to create new markets for ASR within the global western fine dining market. This research included holding a sensory evaluation focus group in the Napa Valley with leading chefs from the San Francisco and Napa areas. The trial confirmed the culinary capabilities of ASR to be positioned within the SPFD sector.

Establishing the culinary and commercial capability of the ASR and gaining acceptance within this market will require a commitment to a comprehensive campaign, which includes production and logistics issues. Underpinning this will need to be an aggressive and well defined communication and education strategy.

In August 2005 SRL Board approved its Market Development Program - V8 (MDP) which established the USA as the priority market. A key deciding factor in establishing the USA as the priority was the distance to market relative to Europe and other potential destinations.

The logical first step to implement the MDP was to follow up the initial research with a focus of not only San Francisco & Napa but also the other main economic centres in the Western United States, Los Angeles and Las Vegas. These centres represent not only the economic and demographic focus of the West Coast but they also represent the majority of exclusive fine dining establishments in that area.

Another key factor is the logistics of shipping product into the USA. Los Angeles is the main entrance for West Coast importation and acts as a hub for the other target markets as selected in this project.

Part A: Market Opportunities for ASR in the USA

Market Profiling

	San Francisco	Los Angeles	Las Vegas	Napa Valley
Key Demographics				
Population	724,538 (U.S. Census Bureau 2004)	9,935,475 (U.S. Census Bureau 2004)	536,119 (U.S. Census Bureau 2004)	124,279 (U.S. Census Bureau 2000)
Population growth rate (2000-2003)	3.29%	3.4%	7.8%	4.8%
Education (Tertiary qualifications)	181,914	458,106	38,773	22,150
Sex ratio	Male- 365,951 Female- 358,587	Male- 1,862,721 Female- 1,883,021	Male- 269,150 Female- 266,969	Male- 62,016 Female- 62,263
Age Structure	18 years+	18 years+	18 years+	18 years+ 94,281

US Market Development – June 2006

		615,895 65 years+ 104,063	2,757,954 65 years+ 361,880	400,015 65 years+ 67,576	65 years+ 19,086
Economy	GDP per capita (USD)	\$39,929	\$22,466	\$24,787	\$26,395
	Median Household Income (USD)	\$60,031	\$40,682	\$44,737	\$51,738
Seafood Market	SPFD Establishments	140	120	220	20
	Est. no. of seafood importers / distributors with live lobster facilities	8	12	8	3

Market Analysis

Overall Market

Super Premium Fine Dining Restaurants in Los Angeles, Las Vegas and San Francisco/Napa currently serve lobster products such as both entrée and main courses. These products command a premium price due to taste and reputation. ASR is well suited to this market because of its culinary capability, sustainability and quality.

There are currently over 450 SPFD, Premium Steakhouse and Premium Gaming restaurants (* per the pre-qualification process) in the target market region, with a further 770 in the Chicago/Mid-West and over 1,200 in New York/Philadelphia/Boston areas. Many of these sell lobsters. Initial product research has indicated there is a keen anticipation for the ASR in the SPFD, Gaming and Steakhouse markets.

Whilst initial focus will be on the SPFD & Steakhouse markets, there is a large potential for other areas of the gaming restaurant market.

Market Segment Targeted

SRL's target market selected is the Super Premium Fine Dining sector and Gaming and Steakhouse markets. This is a similar target segment to US producers and other imports. This sector was selected following on from previous research and has been confirmed through the process of tele-marketing and in market assessment.

Considerations for this market include – the culinary aspirations of the operators, the price tolerance of both the operators and their customers; and the unique aspirations of both the operators and customers for a unique experience.

Initially, because of the production capacity available and the volumes required to develop the supply chain, the Steakhouse and Gaming markets should be considered for their capacity to underpin the volumes necessary to support the SPFD in LA, San Fran and Napa. These SPFD markets will be integral in the development of the brand positioning of ASR as premium seafood, but will not on their own deliver the necessary volume.

The Gaming and Steakhouse markets are already well-established for lobsters and are currently experiencing supply inconsistencies for ASR.

Market Trends

Market trials in both the SPFD and Steakhouse/Gaming markets have demonstrated a strong interest within the restaurant trade for large ASR. We believe that the Steakhouse/Gaming market in particular will develop rapidly in response to this novel new product. SPFD markets are well developed and suffering from a contraction of available local and New Zealand spiny lobster, although it is felt that a longer lead time will be required to develop this market sector.

The SPFD and Steakhouse/Gaming markets share a trend for increased knowledge and provenance about the produce they are using. The issues of sustainability, fair trade and environmentally appropriate have become significant drivers in the purchasing decisions of these establishments. Factors which SRL need to address in the market communication and education programs.

PART B: Competitor Analysis

Species

Maine (*Homarus americanus*)

Market Share ⁽¹⁾

We were unable to obtain official data on the market share of Maine Lobster in the USA however anecdotal evidence from the supply chain and end users to indicates that Maine Lobsters hold approximately 80% of market share in the target markets.

Product Characteristics

Weight: usually 1-3lbs or 0.5-1.5/kg.

Whole to meat hard shell 35-40%; whole to meat new shell 30-35%

Positioning & Promotional Strategies

The Maine lobster trades on the sentiment of “back East” and New England as being a region regarded for its historical supply of lobster. Whilst there is no formal marketing by any industry association, the nostalgia related with this product gives it a particular position in the minds of the consumers of “safe, secure and special”.

Seasonal Supply Gaps

Available year-round in both retail & service markets

Closed periods:

Summer (Jun 1- Oct 31st) from ½ hour after sunset until ½ hour before sunrise,

Weekends from 4:00pm Saturday to ½ hour before sunrise the following Monday morning from Jun 1st to Aug 31st, both days inclusive

Recent News

There have been recent reports of a disease infecting Maine lobsters. The lobsters are infected with shell disease, a poorly understood sickness that since its outbreak in the 1990s has crippled the lobster industry in Rhode Island and contributed to a 77 percent decline in lobstering in waters south of Cape Cod. This may create further opportunities for ASR in the US market.

Species

Canadian (*Homarus americanus*)

Market Share⁽¹⁾

Current production >150K tonne per annum, making this the largest lobster supply into the US premium and SPFD markets.

Product Characteristics

Texture: pleasantly firm and dense with a rich, savoury flavour.

Body, tail, & claw are hard-shelled.

Colour: brownish-rust to greenish-brown

Weight: 1-5lbs.

Positioning & Promotional Strategies

East coast Canada currently provides more than half of the world's supply of live and processed American lobster (Homarus americanus), with landings generally exceeding 50,000 tonnes.

Sold into fresh/live markets where they command premium prices.

U.S, France, Belgium, Germany, Italy, Japan, & Hong Kong are key export markets for this fishery.

Seasonal Supply Gaps

Landings peak twice a year, once from April-June and then in December after fishery opens

720 tonne quota for licensed lobster fishers

Recent News

A significant issue for the Canadians is the ongoing effect that Hurricane Katrina will have on the industry, as the many casinos in New Orleans and surrounding area were important customers for Canadian lobster processors.

Species

South African (*Jasus lalandii*)

Market Share⁽¹⁾

Approximately 500 tonne per annum imported into the US, predominantly in frozen tail form

Product Characteristics

Tails: most tasty, sweet flavour & firm texture.

Positioning & Promotional Strategies

Exported to U.S, Europe, & Far East.

Seasonal Supply Gaps

Year-round Oct 1st- Sept 30th.

Recent News

Recent industry focus has been directed at supplying a lucrative overseas market with increasing demand. Supply is unlikely to increase and stock projections are generally pessimistic with a steadily declining Total Allowable Catch (TAC).

Species

California Spiny (*Panulirus interruptus*)

Market Share⁽¹⁾

Total production 500 tonne per annum – exclusive and small market share

Product Characteristics

Weight- 1-5 pounds or 0.5- 2.5kg

Min size for commercial- 3 1/4"

Texture- more coarse compared to Maine lobster

Flavour- sweet & delicious

Body: lack claws, sharp spines, large antennae, & powerful tail

Positioning & Promotional Strategies

Most catch has been marketed in Asia & France.

\$6.75-\$8.00/lbs. from foreign markets.

2% of total U.S. spiny lobster market.

Seasonal Supply Gaps

Seasons opens on the first Wednesday in October for commercial and first Saturday before that for recreational take.

Season runs through mid-March

Recent News

There has been a recent suggestion that the California Spiny Lobster fishery might be further reduced through the removal of quota from the Northern California area.

Species

Western Rocklobster (*Panulirus cygnus*)

Market Share ⁽¹⁾

8,000 tonne per annum imported into the US from Australia.

The USA was once the sole market for WA lobster but the focus shifted dramatically to the Asian region in the 1990s. However, with the very large catches in 1998 - 1999 and 1999 - 2000, the US tail market again became important as processors sought to distribute product to maintain returns.

Product Characteristics

Small – single serve tails (300-400gm) flesh regarded as courser texture than ASR and not as sweet

Positioning & Promotional Strategies

A number of West Australian companies have undertaken promotional activities but typically this product is marketed on price in the commodity trading environment.

Seasonal Supply Gaps

Open season between 15 November and 30 June.

Recent News

Earlier this year, the Marine Stewardship Council certified the Western Australia Spiny lobster fishery as one of the first ecologically sustainable fisheries.

Species

New Zealand (*Jasus edwardsii*)

Market Share ⁽¹⁾

Approximately 200 tonne per annum imported into the US, primarily live and tails

Product Characteristics

This is the same species as ASR

Positioning & Promotional Strategies

NZ Rock Lobster Industry Council which is part of the New Zealand Seafood Industry Council represents the needs of New Zealand's nine regional commercial rock lobster fisheries however there does not see to be any formal market development strategies.

Seasonal Supply Gaps

Caught year round.

High seasons are October - January and June - August

Recent News

Like Australia, the recent SARS crisis forced New Zealand to look towards other markets, particularly the USA.

Species

Floridian Lobster (Panulirus argus)

Market Share⁽¹⁾

Almost all of the U.S. commercial catch of spiny lobster comes from the Florida Keys, where levels appear to be steady and

management has been effective in maintaining the population.

Product Characteristics

Weight: 1-3 pounds or 0.5-1.2kg

This species inhabits tropical and subtropical waters of the Atlantic Ocean, Caribbean Sea, and Gulf of Mexico. Much like its Californian namesake it is known to be sweet and delicious with much of the meat contained in the tail.

Seasonal Supply Gaps

Season runs August 6 – March 31

Recent News

The effect of the 2005/06 Cyclone season has had a dramatic impact on the supply of lobster out of the Floridian fishery. Early indications are that it is some 40% down on recent seasons. This has resulted in driving the price of other spiny lobsters up.

(1) Note: Market share data obtained from numerous sources including US customs, market reports and anecdotal evidence

Lobster fishing seasons for key lobster producing countries												
Lobster producing country and species fished.	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Lobster fishing season by month											
Western Australia (<i>Penaeus cygnus</i>)												
Northern Australia (<i>P. ornatus</i>)												
Southern Australia (<i>Jasus edwardsii</i>)												
Victoria (<i>J. edwardsii</i>)												
Tasmania (<i>J. edwardsii</i>)												
New South Wales (<i>J. verreauxi</i>)*												
New Zealand (<i>J. edwardsii</i>)												
New Zealand (<i>J. verreauxi</i>)*												
South Africa (<i>J. landii</i>)												
South Africa (<i>Palaeurus gilchristi</i>)												
Cuba (<i>P. argus</i>)												
Mexico (<i>P. argus</i>)												
Mexico (<i>P. interruptus</i>)												
Mexico (<i>P. infatus</i>)												
Mexico (<i>P. gracilis</i>)												
United States (<i>P. argus</i>)												
United States (<i>Homarus americanus</i>)												
Canada (<i>H. americanus</i>)												

* *Jasus verreauxi* has now become *Sagmatiasus verreauxi*.

Alice Hurlbett – Western Rocklobster Council, 2006

Competitor supply gap analysis

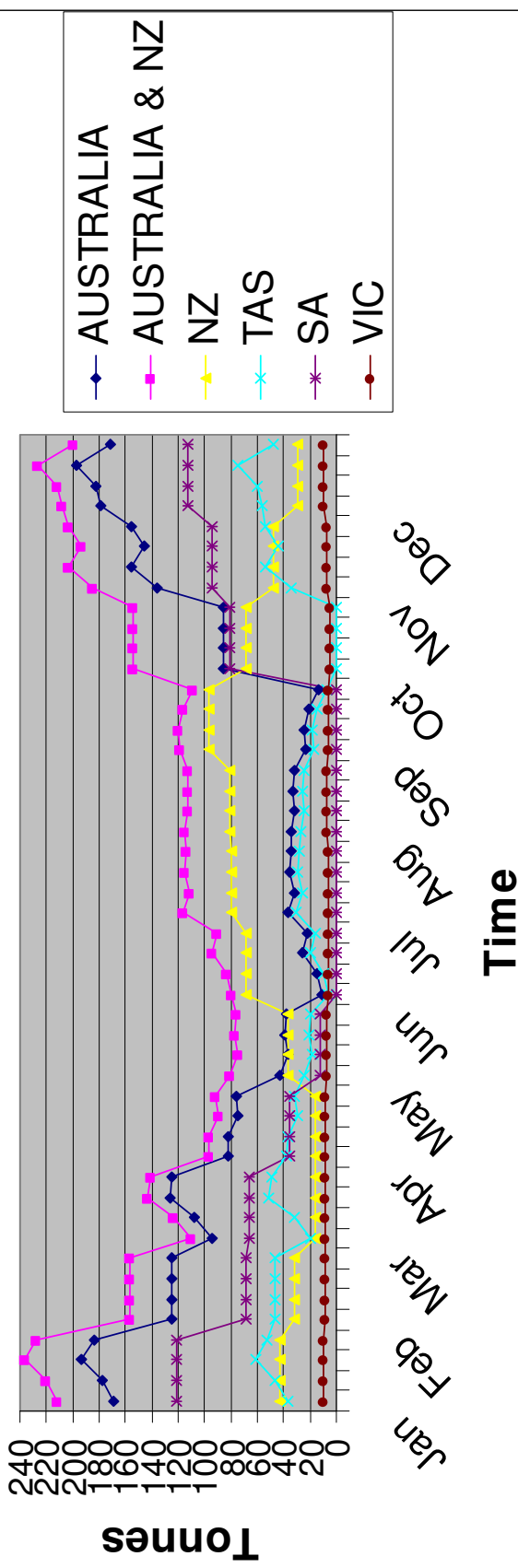
MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
South Australia (NZ) (J. edwardsii)	H	H	H	L	L						H	L
South Australia (SZ) (J. edwardsii)	H	H	H	H	H					H	L	L
Victoria (WZ) (J. edwardsii)	H	H	L	L	L	L	L	L	L			H
Victoria (EZ) (J. edwardsii)	H	H	L	L	L	L	L	H	H			H
Tasmania (J. edwardsii)	H	L	L	L	L	L	L	H	H			H
New Zealand (J. edwardsii)	H	L	L	L	L	H	H	H	L	H	H	H
United States (Panulirus interruptus)	L	L	L							H	H	H
Mexico (P.interruptus)	L	L	L							H	H	H
United States (Homarus americanus)	H	H	H							H	H	H
Canada (H. americanus)												

Notes: H = Majority of the lobster is being harvested
 L = Minimal or no lobster is being harvested

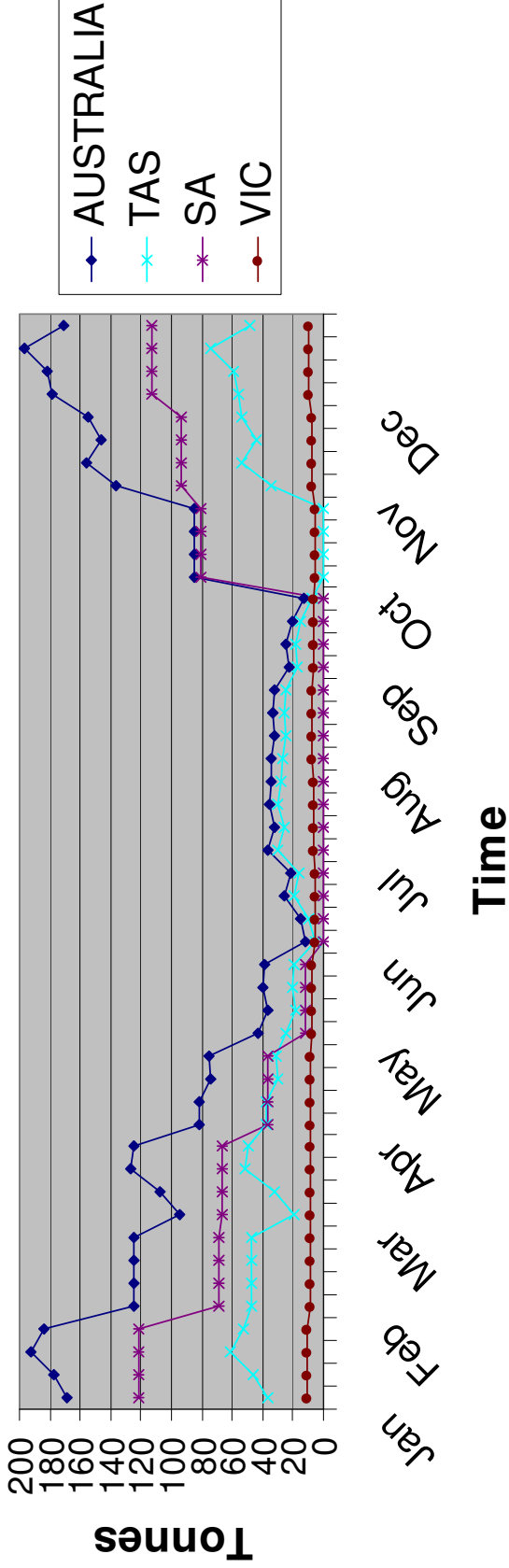
ASR Supply Issues

As the following graphs illustrate, there is a significant decline in the volume of ASR being caught during the winter months (June – October). This is an issue which needs to be addressed as these months are during the peak summer season in the US. A US market implementation program must include planning to cover for this drop in supply.

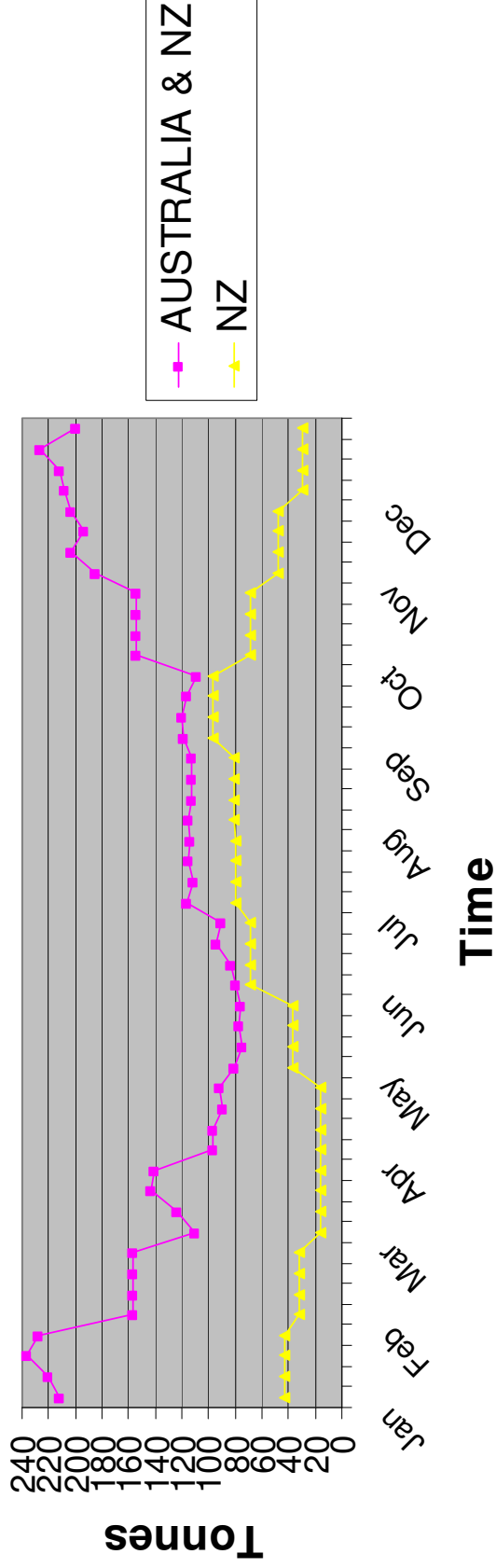
**Average Weekly
Southern Rocklobster (Jasus Edwardsii) Landings
between (2002 - 2005)**



Average Weekly Southern Rocklobster (*Jasus Edwardsii*) Landings between (2002 - 2005)



Average Weekly Southern Rocklobster (Jasus Edwardsii) Landings between (2002 - 2005)



Competitive Environment Summary

It is important to acknowledge from the start that ASR will not be competing in the US on price. Indicative information obtained during our investigation reveals that ASR will be demanding a wholesale price point ranging from 10-120% higher than many of the traditional rivals within the US market. Whereas many of the competitors compete on a commodity basis in this market, ASR must position itself as the unique and culinary superior product it is.

The Maine lobster from the East Coast of the US captures the nostalgic appreciation of most chefs operating in the SPFD market, however, when directly compared with the ASR it is not culinary competitive.

The Canadian Lobster is viewed as a consistent and high quality yet somewhat of a commodity offer. Whilst it is frequently used in the SPFD market, it is regarded in a similar vein to farmed salmon, being, that it doesn't carry any special characteristics that set it menued on its provenance, brand or "image" alone, more-often as an ingredient in a special dish than a hero *centre of plate* dish in its own right. The SPFD market in the US is currently experiencing a growth in the hero *centre of products*. Canadian lobster is the mainstay of value added lobster products - meat, tails and raw extracted meat are currently being presented to the market as Canadian producers try to improve their yield through value adding. As described through this investigation, the further the lobster is value added, the further down the food chain the products end (i.e. broader based foodservice as against SPFD) as the chef in the SPFD sector seeks his lobsters in as natural state as possible.

The Floridian & Cuban Lobsters whilst readily available and inexpensive are not viewed by the SPFD sector to be competitive with ASR lacking both the culinary and cultural qualities this sector seeks. Used as the mainstay of the mid-low end market, these lobsters remain the predominant player in the family restaurant and buffet markets.

The Australian Western Rock Lobster as the principal competitor to the Floridian and Cuban lobsters, particularly in the commodity tail market, they are not viewed as direct competition to the ASR. However, confusion over branding and provenance particularly, raises a number of issues for ASR regarding communications and education. Many chefs within the SPFD market have experienced the WRL with few being able to articulate its culinary attributes by comparison to the ASR.

The South African Rock Lobster whilst it is principally sold into the frozen tail market, with similar visual and culinary qualities to the ASR the SARL could potentially be a competitor. A sub-species, known as the "Tristram Islands Rock Lobster" in particular

is favourably regarded by chefs in the SPFD, displaying similar culinary characteristics to the ASR. This similarity confirms the requirement to be presenting the ASR in live, large animal, form to ensure differentiation, as preliminary investigation suggests that this lobster would not have consistency of supply or quality in a live form and are rarely caught at >2.5kg per.

The Californian and Mexican Spiny Lobster - the Californian Spiny is viewed especially highly by the SPFD market - having the benefit of being regional, seasonal and from a small, highly controlled fishery, the Californian Spiny has a unique market positioning which must be considered in the ASR brand strategy. The Mexican, which is the same species, does not carry the cachet of the Californian and is regarded with a mixed opinion, based on years of inconsistent quality being sent to market. Whilst the Californian fishery is relatively small (<500tonne pa) the Mexican fishery has capacity to increase and will need to be considered in the future. Both the Californian and Mexican Spiny Lobsters are closer culinary to the Australian Western Rock Lobster and thus pose more direct competition to that product than the ASR.

The New Zealand Southern Rock Lobster is a direct competitor to the large ASR. With existing market presence, a high quality reputation, enhanced by the basket of other high quality seafood imported into the USA and capacity at the target pricing to readily re-direct product away from their principal market in China, the NZRL must be considered as a danger to the ASR campaign. ASR must create a point of difference from NZRL, primarily through the exploitation of the *Clean & Green* programme and the strategic brand positioning of ASR's education and communication campaigns.

Part C: Trade Impediments	
Impediment	Issues Analysis
<p>Regulations, legislation, approval / licensing requirements</p>	<p>The U.S. national regulatory authority for public protection and seafood regulation is vested in the Food and Drug Administration (FDA). The FDA operates an oversight compliance program for fishery products under which responsibility for the product's safety, wholesomeness, identity and economic integrity rests with the processor or importer, who must comply with regulations promulgated under the Federal Food, Drug and Cosmetic (FD&C) Act, as amended, and the Fair Packaging and Labelling Act (FPLA).</p> <p>The FDA has the authority to detain or temporarily hold food being imported into the U.S. while it determines if the product is misbranded or adulterated. The FDA receives notice of every seafood entry and at its option, conducts wharf examinations, collects and analyses samples, and where appropriate, detains individual shipments or invokes "Automatic Detention," requiring private or source country analysis of every shipment of product when recurring problems are found, before the product is allowed entry.</p> <p>FDA has the authority to take legal action against adulterated and misbranded seafood and to recommend criminal prosecution or injunction of responsible firms and individuals.</p> <p>FDA conducts both mandatory surveillance and enforcement inspections of domestic seafood harvesters, growers, wholesalers, warehouses, carriers and processors under the authority of the FD&C Act. The frequency of inspection is at the agency's discretion, and firms are required to submit to these inspections which are backed by federal statutes containing both criminal and civil penalties.</p> <p>FDA provides financial support by contract to state regulatory agencies for the inspection of food plants, including seafood. Additionally, FDA provides technical assistance and training to the states through its State training and Information Branch. To provide a sound, scientific approach for its inspections, FDA conducts training through its Education and Training Staff.</p> <p>The FDA conducts research in support of its seafood program. This research is directed to understanding the</p>

	<p>nature and degree of severity posed by various safety hazards, and other defects which may affect quality and economic integrity. Research also finds means to detect and to control these identified hazards. The FDA laboratories specializing exclusively in seafood research are located on the Atlantic, Gulf, and Pacific coasts in order to better address unique, regionally associated problems of toxins, contaminants, decomposition, and unsafe or deceptive harvest and processing practices.</p>
<p>Tariff rates</p>	<p>Harmonised codes:</p> <p>Lobster, frozen – 0306.19.00 = Duty Free</p> <p>Rock lobster and other sea crawfish (Palinurus spp., Panulirus spp., Jasus spp.) – 0306.21.00= Duty Free</p> <p>Lobster (Homarus), live, fresh, chilled, dried, salted or in brine – 0306.22.10 (live) = Duty Free - 0306 .22.90 (other) = Duty Free</p> <p>Lobster, Products containing fish meat, prepared meals – 1605.30.05 = Duty Free (Note these products normally attract a 10% duty, however this has been removed under the AUSFTA,);</p> <ul style="list-style-type: none"> ➤ Tariff charged at the point of entry ➤ Calculated on FOB value ➤ Many tariffs have been eliminated or are being reduced under the AUSFTA
<p>Import regulations</p>	<p>The movement worldwide in recent years has been toward more free trade. This means that barriers to trade created by tariffs have been reduced. An example is the recent Uruguay Round of the General Agreement on Tariffs and World Trade/World Trade Organization (GATT/WHO) which reduced tariff levels on agri-food products and initiated tariffication of some non-tariff barriers to trade (Caswell and Hooker 1996). This agreement and the Agreement on Sanitary and Phytosanitary Measures form the overall legal basis for any further legally-binding and international agreements in this area and the instruments to be adopted on a voluntary basis, such as the Code of conduct for Responsible Fisheries. The prediction is that trading blocs will</p>

	<p>create other types of non-tariff barriers to trade. An example is safety and quality regulations with respect to food. Country level regulations are under formal scrutiny as potential non-tariff barriers to international trade. This means that the economics of reducing health risk for food (and thus seafood) will be more complicated and the benefit-cost calculations more difficult in order to judge the worthiness of food safety regulations. One reason that food safety standards can be an issue is that it is very easy to make them different, ambivalent or difficult to understand or meet. To prohibit these types of barriers from being created, agreements are being made to ensure that national regulations and trading agreements must be based on science and be applied evenly to both domestic and imported products. An example is the recent seafood HACCP programme in the United States which stipulates that importers of seafood to the United States must meet the same HACCP standards as United States processors of seafood (United States Food and Drug Administration 1995). The intent is to achieve equivalent standards regarding the effect of regulations, not to make the regulations themselves identical. However, there is still tremendous room for mischief among trading blocs to create ways to affect trade among them to achieve self-interest goals</p>
<p>Compliance and industry standards</p>	<p>US FDA Seafood HACCP Program</p> <p>In 1995 the Clinton Administration moved to increase the safety of the U.S. food supply by requiring that seafood processors use preventive controls to keep unsafe products from reaching consumers. The Food and Drug Administration regulations represented a revolution in the way food was protected. The regulations -- based on Hazard Analysis Critical Control Point (HACCP) principles replaced the approach adopted in the early 1900s that addressed safety problems after the fact with new procedures under which food processors took greater responsibility for preparing safe food, and government and industry work more closely together to protect public health.</p> <p>The Fish and Fishery Products regulations, which became effective on December 18, 1997, require that an importer have and implement written verification procedures to verify that their foreign suppliers have implemented a preventive system of food safety controls known as a Hazard Analysis Critical Control Point (HACCP) plan in accordance with U.S. requirements. Failure of a processor, foreign or domestic, to have and implement a HACCP plan that complies with the requirements 21 CFR 123, renders the fishery products</p>

	<p>adulterated.</p> <p>Although the responsibility for compliance with this program ultimately lies with the US importer, it is essential that SRL undertake to ensure that all their Australian processors are HACCP accredited and have clear HACCP food seafood handling procedures in place.</p> <p>Further information about this program can be found at the following website: http://www.cfsan.fda.gov/~comm/haccpsea.html</p>
<p>FDA Requirements – the Bio-terrorism Act</p>	<p>Nearly 20% of all imports into the U.S. are food and food products. In 2002 Congress passed the Bioterrorism Act as a part of its ongoing effort to combat terrorism - in this instance, by reducing the ability for international terrorists to carry out terrorist attacks in the U.S. by contaminating imported foods.</p> <p>The Act requires that FDA receive prior notice before food is imported or offered for import into the United States. Advance notice of import shipments allows FDA, with the support of the Bureau of Customs and Border Protection (CBP), to target import inspections more effectively and help protect the nation's food supply against terrorist acts and other public health emergencies.</p> <p>Under the prior notice regulation issued, prior notice must be provided for food products entering the United States beginning December 12, 2003. Prior notice can be provided in one of two ways:</p> <ul style="list-style-type: none"> • The Bureau of Customs and Border Protection (CBP, formerly the U.S. Customs Service) is modifying the Automated Broker Interface of the Automated Commercial System (ABI/ACS) to allow prior notice to be submitted to FDA through the existing interface between CBP and FDA. • The Prior Notice System Interface (PNSI) is available through the login button to individuals or companies who cannot, or choose not to, file through CBP. PNSI submissions are expected to include prior notice for shipments through international mail; In-Bond entries or admissions into FTZ by carriers or others who do not need to make a full CBP entry at the time of filing the prior notice; filers or brokers who need to file CBP entries at a time the ACS/OASIS interface is not available, and others who simply prefer to use an interactive system.

	<p>Registration of Food Facilities</p> <p>The Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (the Bioterrorism Act) requires domestic and foreign facilities that manufacture, process, pack, or hold food for human or animal consumption in the United States to register with the FDA by December 12, 2003.</p> <p>SRL should ensure that any Australian based exporters that are exporting product directly to the US are registered with the USFDA and have a clear understanding of the prior notification system detailed above.</p> <p>The standard live holding tank for lobsters runs at 44f – the requirements for ASR are approximately 53F. This lower temperature can create mortalities of live ASR.</p>
<p>Live holding facilities</p>	
<p>Commercial requirements</p>	<p>Exchange/ currency risk</p> <p>ASR suppliers will need to evaluate any foreign exchange risks related to buying and supplying product to the US. The risk arises due to variations in exchange rates for the currencies concerned and the delay between the time of entering into the contract and making or receiving the payment. Prices will need to be quoted in US dollars, therefore the management of foreign exchange lies with the Australian exporter.</p> <p>Depending on the model that is used SRL should investigate methods of reducing risk for currency risk while trading with the US</p> <p>Credit Risk</p> <p>The creditworthiness of the buyer is of paramount importance. ASR suppliers may want to seek credit references or undertake a credit check prior to offering credit. It would be valuable to use the assistance of a recognised credit agency Seafood Credit Corporation. (PO Box 810) 291 West John Street, Hicksville, New York, NY 11802. Telephone: 516 822 4300 Telefax: 516 822 4327.</p>

Product Liability and Insurance

The U.S. legal system is fairly similar to Australia's. The duty of care that a manufacturer / supplier is held to, with respect to a product's design or performance, is comparable. The major difference between the two country's systems is the use of punitive damages. It is important that SRL ensures adequate insurance coverage for the USA.

Austrade offers the following information on product liability.

- Insurance for product liability is not difficult to obtain in the United States but can be expensive
- Most insurers use a standard commercial general liability (CGL) policy for products and completed operations (P&CO) coverage, adding their own specialised conditions. P&CO coverage is offered on a claims-made or occurrence basis.
- Insurers can tailor the policy to the industry, the product, and even the market. Self-insurance is very common. Group insurance may also be possible.
- Major retail distributors have their own vendor insurance requirements.
- Companies should also obtain directors & officers (D&O) insurance to protect themselves against personal liability.
- If punitive damages are capped, insurers may offer coverage.
- Pro-active support organisations for manufacturers can provide practical information on all aspects of product liability, from eliminating potential defects to tracking the product's performance.

Reducing the Risks of Product Liability Lawsuits

- Ensure careful design, and testing before sale.
- Avoid making false, misleading or exaggerated claims about a product's safety, and provide adequate warnings of potential problems to consumers.

- Check and comply with any statutory standards prior to marketing.
- Track the product along the chain of distribution all the way to the consumer. Inspect the safety practices of anyone involved in the distribution of the product and any claims they make regarding the product's features.
- Keep abreast of state of the art developments. Keep an eye on competitors, on their marketing practices, on relevant legal issues.
- Document any problem and complaint relating to the product.
- Respond promptly and reasonably to consumers. Maintain good relations with the public at all times.
- Report any problems or complaints immediately to your insurer, lawyer, accountant.

It may be worthwhile for SRL to speak with a US based insurance company regarding coverage. We can recommend the following companies:

Eric Marrs

HT&R Insurance Associates

Anaheim, California

Tel: 1-800-432-7515

ericm@hrtinsure.com

Shorepoint Insurance Services

1120 Bristol Street

Costa Mesa, CA 92626

714-430-0035

800-350-5647

Fax 714-430-0036

<http://www.shorepointinsurance.com/seafood>

USI – Insurance Brokers

Eileen Parnes

Los Angeles Based

Tel: 818-971-5346
Fax: 818-728-5646
Eileen.Parnes@usi.biz

SECTION 2: IDENTIFICATION OF KEY SPFD SECTOR MEMBERS

Background

The Database of SPFD candidates was collated through a combination of industry contacts and networks, media resources and trade associations. This included the *American Restaurant Association*; *The International Association of Culinary Professionals*, *The Zagat Restaurant Guide*, the food editor of *The Los Angeles Times* “living” section, the head restaurant reviewer of the *San Francisco Chronicle* “*Good Food*” guide, the lifestyle editor of the *Las Vegas Review Journal*.. A network of SPFD chefs from associated Australian restaurants was also utilised and direct contacts throughout the restaurant and catering industry were developed from the contact and connection within the industry.

From the initial list developed, further filtration was undertaken through a process utilising industry contacts and associates.

A high level of culinary due diligence was undertaken across the entire process.

A database of SPFD restaurants and key supply chain members for each market can be found in Appendix 1

STAGE 2 CONFIRMATION OF US MARKET REQUIREMENTS FOR ASR

Background

After confirming the target markets in the US and development of key supply chain partner and end user databases were complete, ABL then undertook a series of extensive investigations to confirm the market requirements for ASR in the USA.

The methodologies used within these investigations included:

- initial telephone interviews
- in-market face to face interviews
- meetings organised during SRL board visit with pre-qualified end users and supply chain members
- high level focus group activities
- post board visit follow up

The aim of this exercise was to determine and confirm the specifications that the market require both from a product and service perspective.

SECTION 1: CONFIRMATION OF CULINARY REQUIREMENTS FOR ASR

The first hurdle facing the industry is getting the market (chefs and consumers) to recognise the culinary capability of the lobster, given the limited exposure the US industry has had to ASR. Convincing key users and influencers that the product is culinarily above other lobsters required specific exposure of the product to these groups. Our investigations were focussed on giving the product this exposure and detailing the market feedback.

End User Culinary Requirements Summary

The following table is a summary of all interviews conducted with end users. Details of each interview can be found in Appendix 3.

End User Culinary Requirements	
Product Specification	Market Feedback
Perception of the ASR	<ul style="list-style-type: none"> ➤ Initial apprehension at the size – required usage demonstration ➤ Australian origin seen as having uniqueness, some question of the capacity for the Lobsters to arrive live ➤ Culinary – highly regarded, all end-users interviewed agreed ➤ The “Clean and Green” programme seen as a significant benefit – would like to see it certified by an agency known to them (Sea Web, Seafood Choices Alliance) ➤ Supply consistency not a major concern, menu flexibility allows for seasonal promotion
Flavour	<ul style="list-style-type: none"> ➤ Delicious, sweet, rich and consistent taste. The flavour of the leg/horn and body different

	from the tail meat viewed positively
Texture	<ul style="list-style-type: none"> ➤ All participants impressed with the firmness – particularly after cooking
Colour	<ul style="list-style-type: none"> ➤ The clarity/translucency of the flesh highly regarded in raw state and the clean bright white colour of the cooked meat viewed positively.
Size	<ul style="list-style-type: none"> ➤ Initial apprehensions at the large size were overcome with a demonstration of the yield capacity of the product – requires significant education
X-Factor	<ul style="list-style-type: none"> ➤ It comes from the land down-under and it culinary uniqueness are the key x-factors
Other	<ul style="list-style-type: none"> ➤ Communication of the “culinary” uses and ‘X’

Input from Potential Customers During Design

Although relatively unknown in the US, ASR is well-recognised as a delicacy in several overseas countries. It is well suited to the SPFD market, given the culinary recognition it has in various premium food markets, especially Asia. As a result of the in-market testing and trialling undertaken as part of this project, several restaurants have expressed a keen desire for the product. The operators of several Steakhouse/Gaming and fine dining restaurants are looking to commence purchasing as soon as the logistics and commercial supply issues are resolved.

The in-market taste-testing and educational events confirmed that the appealing taste and quality of the product would drive consistent demand.

Concept/Product Testing

Whilst the in-market trials indicate a ready acceptance of the ASR, it will be essential to have product with consistent and appropriate quality, delivered every time. SRL’s *Clean & Green* programme will ensure that the lobsters are of consistently high quality.

The appeal to the restaurant patron will also be impacted by the preparation techniques used by chefs. The size of the ASR is ideally suited to several different meals being prepared from one animal, although the Gaming / Steakhouse market offers a unique “single serve” opportunity.

In developing the market in Gaming/Steakhouse market, it will be possible to significantly leverage off the reputation and experience which will be developed in the SPFD sector.

Customer Needs Analysis

Restaurant operators have indicated that both the appetiser and entrée market is most suited to the product. In-market testing and trialling confirmed that the 2.5kg+ animal has the capacity to produce multiple dishes if the entire animal is utilised. A users guide developed by SRL prior to the in-market mission was especially useful in articulating this concept.

The Gaming/Steakhouse and SPFD markets share many similar needs whilst also having some separate requirements. Customers in the Gaming/Steakhouse sector will require reliable, consistent and live lobsters, delivered once or twice week in volumes of #30-50 pieces per delivery. Customers in the SPFD sector will require less numbers of animals per delivery but will still require a similar delivery cycle.

Most customers in the Gaming/Steakhouse sector will have live storage facilities for ASR, whilst the customers in the SPFD sector will typically have no capacity to accommodate the live animals and will thus require specialist packaging to ensure the integrity of the live animal is retained in-house.

Consumer Profile

The primary end-consumer for ASR will be the food aficionado or gourmet. The chefs will play a significant role in the development of this product, as their method of preparation will greatly impact uptake by the end user.

Initially “premium” restaurants may utilise the reputation of their chef’s cuisine and the experience of their wait staff to promote the uptake of ASR. Later expansion of the market may be developed around the lobster itself as its culinary reputation increases throughout the trade, the consumers and the food media.

High Level Educational Activities

As part of the in-market aspect of the investigation ABL conducted a number of high level educational events in each of the target markets. These took the form of round table discussions about the product.

Key aims of the exercise were to

- Reinforce culinary capability of the ASR through tasting and preparation workshops
- Introduce fishers to the chefs thereby allowing the industry to be part of the educational and investigative process

Summaries can be found below

IN MARKET HIGH LEVEL EDUCATIONAL ACTIVITIES

1. Napa Valley

A function was held at Martini House in the Napa Valley, where Chef Todd Humphries presented a range of dishes prepared with Local Californian Spiny Lobster and Canadian Lobster. The primary purpose of this function was to inform the opinion leaders and formers of the SPFD market in the Napa Valley of the ASR and to draw a culinary comparison with the local product. The SRL Board in attendance were able to provide the gathered chefs and media with background on ASR and to create awareness for the provenance, sustainability and availability of ASR.

A follow up sample of ASR was sent to all of the participants (refer feedback in Appendix 3).

2. San Francisco

An educational luncheon was held at Aqua restaurant in San Francisco, attended by some of the Bay areas leading chefs, food writers and media. Aqua Chef, Peter Arminillo, prepared a 5 course presentation of ASR, utilising all parts of the animal, including the Leg and Horn Meat, Head meat, Tomalley and tail meat. A range of dishes were prepared to highlight the culinary

aspects of each part. The gathered chefs and media also had the opportunity to engage directly with the board that provided background in regards to the ASR, its provenance, sustainability and consistency.

Peter Arminillo presented his interpretation of the products capability to the gathering, speaking highly of the culinary aspects of the ASR

3. Los Angeles – Mondrian Hotel, May 3 2006

High profile Australian Chef, Luke Mangan assisted by his executive chef from the Sydney Hilton Glass restaurant, Joe Pavlich, prepared and presented a range of dishes highlighting the ASR in raw, poached and roasted forms. 30 guests attended, including a group of high profile Los Angeles based Chefs and restaurateurs, food media, PR and opinion formers. The event was featured on the Today Show, where Chef Mangan discussed the SRL programme and the features of its sustainability and culinary qualities.

Guests were provided with an information kit, prepared by SRL, including a DVD containing information on all aspects of the ASR from “pot to plate” .

Follow up interviews with the guests confirmed that this educational presentation programme provided a significant insight to ASR and encouraged them to menu it in the future.

4. Las Vegas – n9ne Steakhouse, May 5 2006

The N9ne steakhouse, located in the Palms resort in Las Vegas is one of the most highly regarded premium steakhouses in the US. An educational presentation was made to the Owner, management and chefs at a function held in the restaurant.

As a direct result of this educational, the N9ne group participated in the in-market trial and are now committed to carrying ASR ongoing.

SECTION 2: COLLECT INFORMATION ON THE SUPPLY CHAIN

Background

Working with the right supply chain partners is crucial for any Australian company wishing to do business with the United States however it is even more crucial for the ASR industry given the unique requirements for shipping and processing of an extremely delicate animal. Ensuring the partners that are taking the product to market meet the service requirements and product handling standards set by SRL will be vitally important.

US Supply Chain Service Providers

The following is a summary of all the supply chain partners in the proposed market platform with their key responsibilities and tasks explored.

Domestic Processor

- Consolidation of supply from various fishers
- May include a logistics service which can collect/transport live animals from the Port of arrival.
- Provide live storage, grading and packing to agreed specifications.
- Manage in-coming orders and pack and ship accordingly
- AQIS certified facilities and a culture of compliance with 3rd party specifications will be essential.

This stakeholder could also potentially provide the trading mechanism (i.e. raising invoices, managing and remitting accounts, currency exchange and forward orders) on a service only basis also.

Importer, customs clearance

- Clear consignments through customs and air carriers
- Logist to the in-market processor.

This may/may not be part of a service provider operating in other sectors of the supply chain. They would need to be registered and have a demonstrated capacity and capability in this area.

In-market processor/packer

- Contractor who has capacity and capability to manage the receipt, storage and re-packing of ASR
- Would need to be experienced or capable of training for the management of the ASR, with a close focus on the quality assurance programme.
- They would ideally be capable of managing the mortalities (i.e. utilised via another channel of business - cooked, tails etc) to minimise loss and could operate the SRL business independent of any other live lobsters.

In Market Logistics

- Delivery of the re-packed ASR to end-user across the US. It may be a combination of direct and contract freighting, a demonstrated capability would be vital.

In Market sales

- Work in co-ordination with the SRL sales team, would be required to sell against a pre-determined volume forecast and utilise both outbound and inbound telesales and direct sales where appropriate. Would also conduct account management services.

Supply Chain Partner Qualification

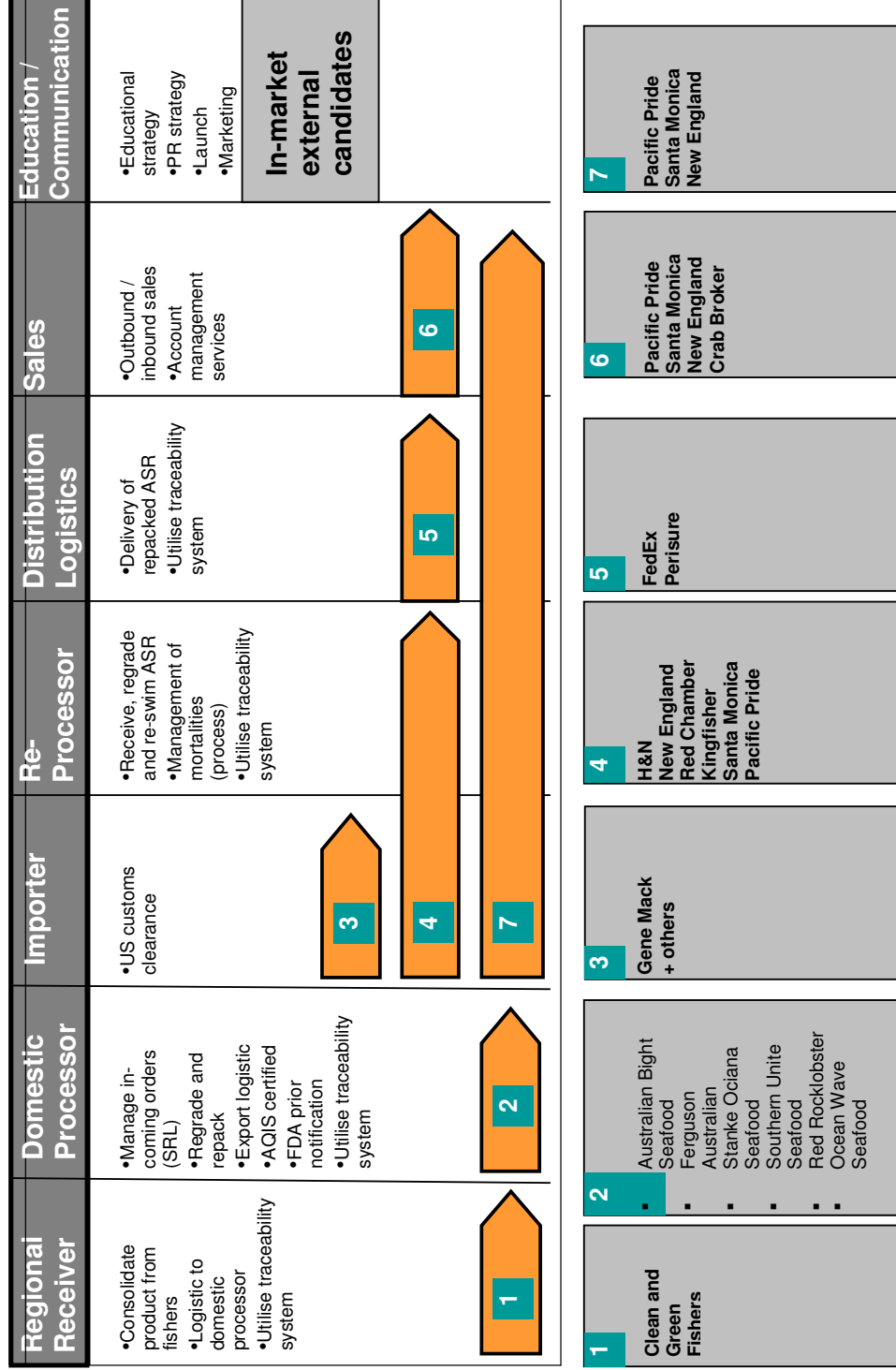
ABL developed an initial database of supply chain partners (see Stage 1). These included importers, distributor and brokers. These were then reviewed; pre-qualified and initial recommendations were made for SRL review during the in-market visit by SRL board members in early May. These partners were pre-qualified against the US partner selection criteria in Appendix 9.

Key potential (in-market) supply chain members included:

Importers	Distributors	Brokers
➤ Gene Mack Customs Brokers	➤ Santa Monica Seafoods	➤ Amende & Schultz
➤ Kingfisher Trading	➤ Fresh Fish	➤ Crab Broker
➤ Red Chamber	➤ Pacific Pride	➤ Ocean Jewels
➤ IMP	➤ New England Seafoods	
➤ H&N	➤ Monterey Seafoods	

The figure below shows the supply chain model for ASR to the US market, supply chain partner responsibilities and potential partners along the chain. Two supply chain model options that were presented for SRL review can be seen on pages 46 and 47.

Southern Rocklobster Limited – US Supply Chain Partners



SECTION 3: KEY FINDINGS AND RECOMMENDATIONS

The following table contains a summary of supply chain requirements and standards collated from interviews with supply chain partners and end users. Copies of each supply chain interview can be found in Appendix 4.

Market Requirement Recommendations
<p>End User Product Specifications</p> <p>The Research and Development activity identified the opportunity for Large Live Porcelain Australian Southern Rocklobster. The research conducted through tele-conference, face/face interviews and focus sessions confirmed that the following product specification was required by the SPFD sector in the USA.</p> <p>As a result of these investigations SRL have been able to develop a draft product specifications tool for the US. This can be found in Appendix 11.</p>
<p>Supply Chain Product Specifications</p> <p>Delivery specifications: Delivery frequency: daily / every 2 or 3 day if operating live holding tanks Delivery time: am (lunch) / pm (dinner) Amount: varies on requirements Guaranteed supply meeting quality specifications (see section 1)</p> <p>Traceability Full banding / traceability required for a price premium in the marketplace Each lobster is tagged with the Clean Green brand and barcode. The barcode is scanned along the chain to track the product from point of landing to point of capture. This provides the customer with a differentiated product and known origin.</p> <p>This system not only provides differentiation, but allows data to be collected along the chain and the identification of shortfalls along the chain. The customer, wait staff or chef can provide direct feed-back into the website regarding his/her thoughts and</p>

comments on the product.

The website can be visited clicking on the following link: www.southernrocklobster.com

Purchasing requirements:

Telephone or electronic sales (fax)

Relevant standards:

The Clean Green Standard has been updated to include operating practices throughout the chain to support entry of Clean Green Australian Southern Rocklobster in the marketplace. The draft Clean Green standard for US ASR marketplace operating practices can be found in Appendix 11. These standards were to be updated following feedback from the demonstration trial.

Supply Chain handling and operating practices:

Below is an example of operating standards for a factory packing Live Southern Rocklobster for export to the USA.

Packaging and Handling – Australia (the details handling specification is attached)

Receival depot (e.g. Stanke Oceania Seafood in the Southeast of South Australia):

Correct live storage:

- Temp: 11-12 °C
 - Oxygen: > 80%
 - Ammonia: <0.5mg/l
 - pH: 7.8 – 8.2
 - Salinity – 35 – 38ppt
- ✓ Maintaining the cold supply chain during transportation: (9°C -12°C)
✓ Correct handling practices
✓ Packaging lobsters comfortably into transportation bins

Further details on these specifications can be found in Appendix 11.

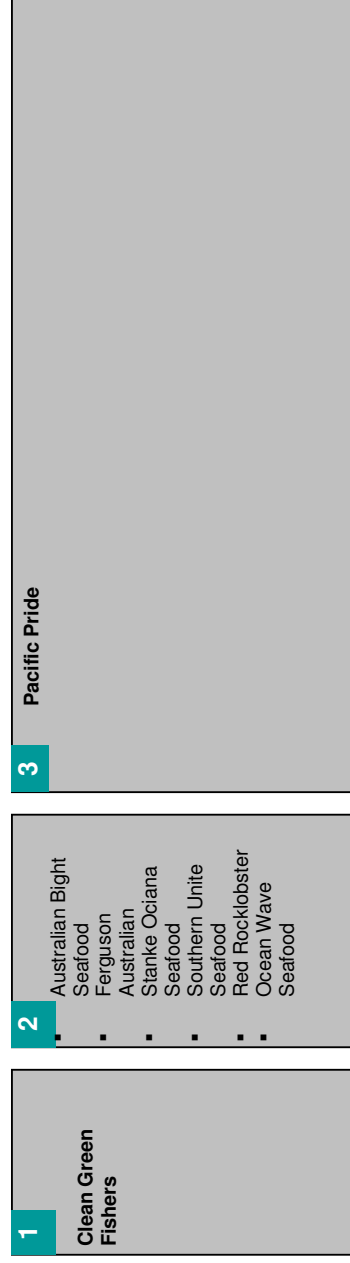
Southern Rocklobster Limited – Supply Chain Option 1

Regional Receiver	Domestic Processor	Importer	Re-Processor	Distribution Logistics	Sales	Education / Communication
<ul style="list-style-type: none"> •Consolidate product from fishers •Logist to domestic processor •Utilise traceability system 	<ul style="list-style-type: none"> •Manage in-coming orders (SRL) •Regrade and repack •Export logist •AQIS certified •FDA prior notification •Utilise traceability system 	<ul style="list-style-type: none"> •US customs clearance 	<ul style="list-style-type: none"> •Receive, regrade and re-swim ASR •Management of mortalities (process) •Utilise traceability system 	<ul style="list-style-type: none"> •Delivery of repacked ASR •Utilise traceability system 	<ul style="list-style-type: none"> •Outbound / inbound sales •Account management services 	<ul style="list-style-type: none"> •Educational strategy •PR strategy •Launch •Marketing
1	2	3	3	4		In-market external candidates

1 Clean Green Fishers	2 <ul style="list-style-type: none"> ▪ Australian Bight Seafood ▪ Ferguson Australian ▪ Stanke Ociana Seafood ▪ Southern Unite Seafood ▪ Red Rocklobster Ocean Wave Seafood 	3 Kingfisher Trading or Red Chamber	4 Pacific Pride
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Southern Rocklobster Limited – Supply Chain Option 2

Regional Receiver	Domestic Processor	Importer	Re-Processor	Distribution Logistics	Sales	Education / Communication
<ul style="list-style-type: none"> • Consolidate product from fishers • Logist to domestic processor • Utilise traceability system 	<ul style="list-style-type: none"> • Manage in-coming orders (SRL) • Regrade and repack • Export logist • AQIS certified • FDA prior notification • Utilise traceability system 	<ul style="list-style-type: none"> • US customs clearance 	<ul style="list-style-type: none"> • Receive, regrade and re-swim ASR • Management of mortalities (process) • Utilise traceability system 	<ul style="list-style-type: none"> • Delivery of repacked ASR • Utilise traceability system 	<ul style="list-style-type: none"> • Outbound / inbound sales • Account management services 	<ul style="list-style-type: none"> • Educational strategy • PR strategy • Launch
1	2	3	3			In-market external candidates



**STAGE 3
SRL BOARD
IN MARKET VISIT
APRIL 30 – MAY 7 2006**

Background

As part of this project, ABL were engaged to co-ordinate an in-market visit by the Board of the Southern Rocklobster Limited to review project progress, develop a greater understanding of the market and ultimately, to confirm which in-market partners were to be used for a demonstration trial of the supply chain in late May – early June.

With a key focus on giving the Board a greater understanding of the market potential and requirements, meetings were arranged with a cross section of Seafood Industry stakeholders. These included:

- Key SPFD restaurants and chefs in each of the target markets
- Pre-qualified supply chain members (importers, distributors and brokers)
- Seafood certification bodies and other influencers such as industry associations
- Potential in-market communication partners
- Regulatory organisations and Australian government agencies

This was a significant activity which required a large amount of co-ordination to accommodate a group of nine across the three target markets in the space of one week.

Market Visit Participants

Andrew & Debra Ferguson	Adelaide	SA
Kym & Liz Redman	Southend	SA
David & Liz Johnston	Port MacDonnell	SA
Kim Skeer	Beachport	SA
Dawn Jordan	King Island`	SA
Matthew Muggleton	Adelaide	SA

Market Visit Itinerary

Sunday, 30 April 2006	
10.15 am	Arrivals San Francisco Sydney – San Francisco 13.55 (10:15am) Qantas Airways, Flight QF73
11.15 am	Pick up two Mini Vans (Avis) 11:45 am Travel to Monterey
3.00 pm	Arrival Monterey (approx)
4.00 pm	Meeting with Seafood Choices Alliance, Communications Associate, Joey Brookhart @ Monterey Marriott 350 Calle Principal Monterey, California 93940 USA Cell: 831.277.0271 Note: Joey will meet the group in the lobby of the Marriott.
6.00 pm	Meet with Monterey chef (Ted and Cindy Walter – Passionfish) 701 Lighthouse Avenue Pacific Grove, California
6.30 pm	Dinner at SPFD restaurant (Passionfish)
	Accommodation: Monterey Marriott

		<p>350 Calle Principal Monterey, California 93940 USA Phone: 1-831-649-4234 Fax: 1-831-372-2968 Breakfast is included in the accommodation package.</p> <p>Payment Arrangements Please note all transfers, room charges and incidentals are being charged back to the SRL Master Account. You will not need to make payment on check-out, however you will need to sign and approve the charges.</p>
Monday, 1 May 2006		
8.30 – 9.00 am	Monterey California	<p>Meeting with Monterey Bay Aquarium, Seafood Watch Program George Leonard – Science Manager, Seafood Watch Meet @ Center for the Future of the Oceans (CFFO) 886 Cannery Row, Monterey, CA 93940 Tel: (831) 648-4800 Cell: 831-402-7477</p>
10.00 am		Travel, Monterey – Napa
3.30 pm	Napa	<p>Meeting with Napa Chefs & tour of Culinary Institute of America 2555 Main Street, St Helena, CA 94574</p> <ul style="list-style-type: none"> • COPIA – Victor Scargle • Bob Hurley – Hurley’s

			<ul style="list-style-type: none"> CIA Tour with buyer Jim DeJoy
6.00 pm			Dinner @ SPFD Restaurant (Copia Restaurant) 500 1st Street Napa, CA 94559
			Accommodation: Villagio Spa & Inn 6481 Washington Street Yountville Napa Valley, CA 94599 Phone: 001 707 944 8877
Tuesday, 2 May 2006			
6.00 am			Travel Napa to San Francisco
8.30 am	San Francisco		Meeting with San Francisco Distributor – Monterey Fish (Tom Worthington) Pier 33 San Francisco, CA Tel 415.956.1986 Fax 415.956.5851
			Fish Markets Tour
10.00 am			(Split meetings) 1. H&N Seafoods (Henry Cheung & Henry Luu) PIER 45 Shed D-1, San Francisco, CA 94133 Phone: 415-821-6637 Fax: 415-821-7159

		<p>2. The Fresh Fish Company (Tim Port & Chris Barry) 1440 Bancroft Avenue, San Francisco Tel: (415) 593-8080</p>
1.00 pm		<p>Meeting with SPFD Chef – Chef Hiro & Farrallon (Adam Jones) 450 Post Street San Francisco Tel: (415) 956-6969</p>
2.30 pm tbc		<p>Meeting with New England Lobster Company</p>
4.00 pm		<p>IMP Foods (Jerry Yuki) 1021 S Railroad Ave, San Mateo, CA 94402 Tel: (650) 341-0390</p>
5.00 pm		<p>Drop off Cars at Avis at the SF airport</p>
6.40 pm	San Francisco – Los Angeles	<p>San Francisco – Los Angeles 18.40 (19.55) American Airlines, Flight AA2246</p>
		<p>Transportation to Hotel (organized through hotel)</p>
9.00 pm		<p>Meeting with Axel Breidenbruch (SAI – Global), Mondrian</p>
		<p>Accommodation: Mondrian Hotel 8440 Sunset Blvd. West Hollywood, California 90069 Phone: 001 323 650 8999 Fax 323 650 5215</p>

Wednesday, 3 May 2006	
9.00 am	Los Angeles Breakfast meeting with Pacific Pride (Tom Witt) @ The Beverley Wilshire 9500 Wilshire Boulevard, Beverly Hills California 90212, USA
12.00 pm	Hauser Group – Wild American Shrimp (Mondrian)
2.00 pm	Luke Mangan Event (Mondrian Hotel)
4.00 pm	Austrade – Anthony Weymouth, Trade Commissioner (Mondrian) Anthony will be at the Mangan event but will be available for a 1 on 1 afterwards if required.
7.00 pm	Dinner @ Mondrian
	Accommodation: Mondrian Hotel 8440 Sunset Blvd. West Hollywood, California 90069
Thursday, 4 May 2006	
7.15 am	Los Angeles Two Vans delivered to the Mondrian Hotel (Hertz)
9.00 am	Split meetings Group 1:

		<p>Santa Monica Seafoods – Distributor (Logan Kock) 18531 Broadwick Street Rancho Dominguez, CA 90220 Tel: (310) 886-7900</p> <p>Group 2: Pacific Pride (TBC) 1939 STAUNTON AVE, Los Angeles, CA,</p> <p>or</p> <p>Red Chamber (TBC) 1912 E Vernon Ave Vernon USA</p> <p>Split meetings</p>
11.00 am		<p>Group 1: Kingfisher Trading – Importer / distributor (Mike Truong) 2503 Troy Avenue, S El Monte Tel: (626)-448-9222</p> <p>Group 2: International Marine Products (IMP) - Alfred 500 East 7th Street Los Angeles 90014 Tel: (213) 893 6123 Cell: (213) 272 6089</p> <p>Split meetings</p>
1.30 pm		

		<p>Group 1: Amende & Schultz – Importer / Distributor (Terry Schultz) 1017 Fremont Ave. South Pasadena CA 91031-3224, Tel: (323)682-3806 Fax: (626)799-7572</p> <p>Group 2: FDA re: Import requirements (Larry Steven – Imports Director, LA Office) 222 West Sixth St, Suite 700 San Pedro</p>
3:00 pm		<p>Group 2: Customs Broker (Gene Mack) 5330 W. 102 St. Los Angeles, CA 90045 Tel: 310-410-1331 Fax: 310-410-4527</p>
4:00 pm		Vans returned to Airport
5:40 pm		Los Angeles – Las Vegas 17.40 (18.45) America West Airlines, Flight HP 108
	Las Vegas	Transport from Airport to Hotel
		Restaurant Crawl
		Accommodation:

		Luxor Las Vegas 3900 Las Vegas Boulevard South Las Vegas, NV 89119 Phone: 001 702 262 4000
Friday, 5 May 2006		
10.00 am	Las Vegas	Meeting with Crab Broker (Rob George) Location tbc
1.00 pm		Wynns Resort Tour 3131 Las Vegas Blvd South Las Vegas NV
3.00 pm		Meeting with Paul Lagudi – Location tbc
6.00 pm		Dinner SPFD Restaurant (N9ne @ The Palms Casino)
		Accommodation: Luxor Las Vegas 3900 Las Vegas Boulevard South Las Vegas, NV 89119 Phone: 001 702 262 4000
Saturday, 6 May 2006		
10.00 am	Las Vegas	Transport from Hotel to Airport
12.10 pm		Las Vegas – Los Angeles 12.10 (13.24) America West Airlines, Flight HP 104

		Farmers Market: Visit to super premium retail outlets
	Los Angeles	Accommodation: Sheraton Delfina Hotel 530 West Pico Boulevard Santa Monica, CA 90405 Tel: 310 399 9344 Fax: 310 399 2504
Saturday, 7 May 2006		
		Due to different travel plans, Individuals will organize their own arrangements for transport to the airport

Market Visit Review

The itinerary for the SRL Board was designed to give them a comprehensive understanding for every element of the investigation and opportunity as possible. Through the pre-qualification process, a range of potential stake-holder partners, end-users, chefs, educators and service providers were arranged to be met by the mission.

The mission itinerary was set in a sequence that culminated with exposing the opportunities in the Steakhouse and Gaming sector, which had previously not been identified, but which through the pre-qualification process, had been identified as a potentially significant underwriter to the SRL campaign into the US market.

Board members participated in reviewing the pre-qualified potential partners, stakeholders and service providers and were encouraged to engage directly with all parties throughout the mission.

This direct engagement proved to be especially useful in the chef and restaurant meetings where the mission party members experienced first hand the needs, wants and desires of the end-users, in addition to providing them with a direct opportunity to educate the chefs and restaurateurs.

SRL should consider such missions as being an integral part of the ongoing communications and education campaign for ASR in the US market. It may also consider the size of the party and the personnel selection closely as this can have an impact on how effective the mission can be.

A formal review and actions points pertaining to the market visit can be found in Appendix 7.

STAGE 4 DEMONSTRATION TRIAL OF ASR IN THE MARKETPLACE

SECTION 1: IMPLEMENT A DEMONSTRATION OF ASR IN THE US

Background

The original scope of this project called for a trial of ASR in SPFD establishments across each of the target markets.

The purpose of these trials was to test the:

- **The quality assurance system**
- **Distribution system from “pot to plate”**
- **Communications tools in the marketplace**
- **Traceability system (SASTEK & DPI)**

Overall the trial was to assess the supply model (fisher ownership from “pot to plate”) to deliver premium ASR to meet market requirements.

Through our in-market investigations and the SRL board visit in early May, opportunities were identified in 3 venues for a demonstration trial which would provide real opportunities to test the supply chain models, quality assurance systems and communication that were developed earlier in the project.

These opportunities also targeted both market segments – SPFD and Steakhouse and Gaming that were identified earlier through the investigation.

The trial partners were chosen on the basis of their geographic, demographic and market positioning.

Restaurant N9ne in Palms Casino Complex is regarded as one of Las Vegas's leading luxury steakhouses. Identified in the pre-qualifying process as a high quality operation which served simple, large meals at premium prices, further investigation found a willing and excited partner. N9ne is one of 4 restaurants located nationally throughout the USA and could provide potential leverage into other Steakhouse & Gaming markets elsewhere in the US.

Providence restaurant is regarded as the best contemporary specialty seafood restaurant in the US and its chef/owner Mike Cirumusti regarded as one of the rising stars in the US culinary scene. Providence was selected as a trial partner based on the enthusiastic and professional approach taken through the pre-qualifying and in market investigation. With dedicated seafood storage, processing and preparation areas, and a dedicated seafood chef in the brigade, Providence was ideally suited to provide specialist input into the culinary capability of the ASR. A discreet consumer investigation programme was developed in conjunction with the Providence wait staff, who enthusiastically participated in the trial also. The imprimatur provided by the inclusion of providence within the ASR trial cannot be underestimated.

Grace restaurant was the third trial partner to be selected on a similar basis to the Providence with a sophisticated menu and patrons, a chef/patron committed to sourcing "best in class, best in season" produce and the capacity to change dishes daily through the trial, Grace provided the ASR trial with a unique opportunity to get a chef and customers opinion on the capability of ASR. Grace is positioned slightly lower in retail cost than Providence, although attracts an equally committed diner, seeking the best.

The trial partners were offered a week's supply of ASR at no charge. This offer was made on the basis that they would menu the dishes produced at the full retail value if they had paid \$US27.5 lb (which equated to A\$35 kg on the beach for the ASR). The trial partners were also requested to allow the ASR investigation team to present a background briefing to the kitchen and wait staff of each establishment, to ensure that a full understanding of the ASR and its Clean & Green programme was in place before the trial commenced.

Summaries of each aspect of the trial can be found below whilst additional information can be found in Appendix 10.

Part A: Partner Selection

The demonstration trial partners were selected on the basis that they were Clean Green Certified fishers, processors willing to handle and pack to meet specifications, in-market partners that were happy to handle and pack to agreed specifications and chefs/restaurants that were selected on the basis that an future opportunity was present.

Clean Green Fishers:

- Bryan Lawrie – Cape Jaffa
 - Mark Denton – Robe
 - Dave Johnston – Port MacDonnell
 - Rodney Smith – Kangaroo Island
 - Wayne Coombe – King Island
 - Greg Lewis – King Island
 - Peter Watson – King Island
 - Kevin Smith – King Island
- Domestic Processors**
- Stanke Oceania – Robe/Carpenters Rocks
 - Ferguson Australia – Kangaroo Island/Adelaide
 - King Island Seafoods – King Island
 - Southern Unite Seafoods – Melbourne

US Supply Chain Partners

Importer: Kingfisher Trading Inc – (Mike Troung)

Distributor: Pacific Pride Seafood – (Charles Love and Tom Witt)

Restaurants:

Los Angeles:

- Grace – Neal Fraser
- Providence – Michael Cimurusti

Las Vegas:

- N9NE Steak House – Barry, Geno, Patrick, Tony
- The Buffet (WYNN CASINO)

Part B: Implementation

SPFD –

Meals delivered by a 5lb lobster (grace):

- 6 medallions (used in a surf and turf) - \$50 - \$300
- 12-13 sashimi / risotto / soup dishes - \$26 - \$338

Total - \$638 – plate sale costs (not all ingredients is lobster)

Value of the lobster – \$137.5 – \$150

Steakhouse -

N9NE Steak House –

Meals delivered by a 5lb lobster:

- 1 grilled lobster - \$200 – (should sell for \$300)
- Customers advised the lobster is too cheap
- The restaurant did experiment with sashimi / soup

Value of the lobster – \$137.5 – \$150

Quantity required:

Friday Night – used 10 lobsters in 2 hours

Saturday Night – used 8 lobsters in 3 hours (late dining on Saturday)

N9NE estimate that they could use 50 lobsters per week (minimum)

Wynn Casino –

Short meeting with Grant Macpherson and his Sous chefs regarding 5lb lobster:

- Grant has (Regent Hotel) great experience with Australian Southern Rocklobster
- Requested that SRL progress delivering a minimum order of 200 lobsters per week

There would be similar scope in the Bellagio and Caesars Palace

SECTION 2: REVIEW OF DEMONSTRATION TRIAL

Trial feedback:

Chefs' and consumer's comments include:

- Culinary brilliant (adding sauce take away from the natural sweetness of the product) and is category above any other lobster in the marketplace.
- Extremely versatile
- Exceptional yield – 60+% percentage
- Great story – providence and uniqueness
- Doesn't deteriorate like other lobsters – melanosis
- Confirmed they will purchase our lobster
- Customers raved about the product quality (taste, texture, sweet flavour, tenderness) size, branding/story etc

Immediate Opportunities for 2kg ASR:

Wynn Casino – 200 lobsters per week

Bellagio – potentially 200

Caesars Palace – Potentially 200

N9NE Steak House – 50

SFPD – 10 lobsters per week - 120
(Providence, Grace, Aqua, Martini House, The French Laundry, AME, Michael Miner, Josie Restaurant, Farallon, Chez Panisse Restaurant & Café, The Peninsula Beverly Hills, Boulevard)
McCormick & Schmicks (approximately 60 establishments & The Palms (approximately 40 establishments) – 500
Initial – $250 + 60 = 310 = 775\text{kg}$ (1 AV)
Within 12 months = $1270 = 3175\text{kg}$ (4 AV)

Key findings and outcomes of the trial

- Opportunities exists for ASR in the SFPD sector & Las Vegas market in the USA
- A beach price of AUD\$35/kg is achievable immediately
- The supply chain will work but needs ownership, drivers and control (Export Efficiencies Power – appointed importer)
- Having an Australian industry Product Manager in-market is vital – someone working to develop the market (ownership-vertical integration) and train/support in market Partner
- Industry involvement and investment is needed in the entire process from catch-to-plate
- Marketing for SRL means; Product Development, Distribution and Communication
- Branding and selective market positioning is crucial to position ASR as a super premium product – Ferrari, Gucci, Grange etc
- Quality Assurance System trialled: There were gaps in quality product delivered to the marketplace and this still requires further refinement however no animals died at the restaurant and the

- Culinary capability was re-confirmed.
- Communication tools were trialled with success:
 - Track and Trace website
 - Instructional DVD
 - Newsletter
 - High quality packaging materials communicating professionalism

Summary

The demonstration trial served its purpose extremely successfully and provided real opportunities for implementation of a platform in the USA – the system works and the consumers want the product. New demand has been created and the customers would pay a price to cover the proposed Clean Green based system.

STAGE 5 COMMUNICATIONS AND EDUCATION PLAN

COMMUNICATION AND EDUCATION PLAN

Background

SRL needs to set in place a clear communications and education plan prior to platform implementation. This plan should focus on sophisticated education and communication with the key influencers – it should not be about mass marketing and promotion. Defining the ASR position including brand values, positioning and proposition will be key issues.

Activities should focus on telling the ASR story such as the Clean Green program, provenance and traceability. Relationship building will be important in a market that has little understanding of the product. The message needs to differentiate ASR from other competing products internationally – focus on product and quality superiority.

SRL has already made significant investment in a number of communication tools such as the website, product specification handouts and a DVD presentation. Subsequent communication tool development should continue to build on these.

The central elements of the program are outlined below while detailed a timeline and estimated costs matrix can be found in Appendix 2.

The Culinary Capabilities

The most exciting part about the ASR market development program is that the product has the culinary pedigree to be positioned in the long term as the “finest” and most expensive lobster in the world. The in market work has confirmed this.

Hence one of the primary communication and education tools must be focussed around tasting sessions similar to that conducted by the investigation team through the educational and trial phase of the programme. The ongoing development activities should be focussed on getting the trade and consumers conversant with the culinary excellence of ASR.

A number of the trial partners and attendees at the educational functions have expressed a keen desire for the product and should be approached, together with other well regarded restaurants in the SPFD and Gaming/Steakhouse sectors, to participate in this aspect of the program.

The Clean Green Program, Provenance and Traceability

SRL's *Clean & Green* program provides an ideal opportunity to produce consistent high quality lobsters. As a new approach to developing a new market, SRL has an ideal opportunity to develop the Clean Green Australian Southern Rocklobster brand name through exploiting the natural advantage the lobster has both culinary and culturally.

Communication and education activities should be geared to delivering consistent recognition for the *Clean & Green* program and the associated benefits.

Information about the provenance and fishery history (in particular the sustainability) will be additional platforms on which to underpin the brand. The traceability system is a critical and unique feature of the offer which must be implemented as part of the program. It will deliver confidence about the "offer", trust about the product and eventually loyalty to the brand.

The brand, its values, the integrity of the quality promise and the supporting information system must be managed to guarantee the offer every time.

The Clean Green Australian Southern Rocklobster brand supported by the unique market infrastructure are set to become key assets for the industry globally.

The Communication Assets and Activities

Live large ASR is novel in the USA but local market research and overseas experience would indicate that the lobster will be readily accepted by the consumers. ASR is competing with other premium seafood. Once customers have created demand for the product in their restaurants, their buying decision will be simplified.

The communication program must be targeted at these restaurants and not to the general public. Hence the communication and education assets and activities should be information based. The content of the website, carrying the traceability programme and associated information will rely significantly on constant update and management. The word-of-mouth between restaurant owners, their staff and their customers to provide information about the product will be a vital aspect of the communication programme. Demonstrations of the ASR on leading television and gourmet food shows will also leverage off the popularity of the product with chefs.

All ASR sold will be direct from the fisherman with various service providers assisting in the fulfilment of orders. The powerful and real message this delivers to the marketplace cannot be underestimated.

The inclusion of an information flyer informing customers of the history of the lobsters, storage requirements and traceability opportunities of the specific consignment, should be included with each shipment.

Major emphasis will go toward generating repeat custom by delivering lobsters of consistent high quality. Once a restaurant has commenced purchasing, considerable care will be needed to ensure a high level of quality and service is maintained. Product quality and consistency will be the cornerstone of the communications programme.

ASR is a new and exciting culinary product and hence newsworthy. Lifestyle shows, food media outlets and periodicals have already expressed interest in the ASR story. Opportunities for feature articles, in conjunction with restaurant owners such as Providence, Grace and N9ne (the trial partners), should be offered to the media in the different markets.

There are several forms of print media that should also be offered newsworthy releases regarding this new, high quality and culinary excellent product. These are:

- Trade Journals such as “restaurants and institutions”, “American Hospitality”, “American restaurateur”, “Seafood International”, Restaurant and Catering Association magazines and newsletters as well as “The Professional Chefs and Cooks Association” newsletters.
- General public media such as newspapers, “Gourmet”, “Food & Wine Magazine”, “Savuer” and “Esquire Living” which will need to be achieved in conjunction with leading restaurants to ensure appropriate image.

In addition to the above print media there are also several restaurant and food Web sites such as Providence.com that would be a useful medium for education of the ASR to potential customers.

SRL, in conjunction with its restaurant partners, should also demonstrate ASR at relevant food events. The San Francisco Fine Food Show, for example is an annual event patronised by some of the leading chefs and restaurateurs in the US. “The International Association of Culinary Professionals” – the premium food media organization, hold an annual event. The trade fairs component of this gathering is regarded amongst the most prestigious such events in the World. The Food Media Alumni attending this event are legendary. Signature social events, such as celebrity gatherings and functions will also present a good opportunity to promote ASR in a tactile rather than direct way.

Every element of the SRL market communication strategy must be reflective of the luxury market it is in.

Assets

Strategy	What	Comment / Action
Website	SRL should continually review and update its website content to ensure it remains relevant and meets the requirements of the US market development process. Key content issues should include:	As a dynamic education tool, the SRL Web presence should be actively supported throughout all elements of the communications strategy.

	<ul style="list-style-type: none"> ▪ Industry background ▪ The ASR Story ▪ Clean Green ▪ Traceability ▪ Recipes ▪ How to use the animals ▪ Quality Activities ▪ Expressions of interest ▪ High quality photographs ▪ Upcoming events ▪ Success stories 	<p>It will be important for SRL to target the web communications, both inbound and outbound to the particular audience it seeks.</p>
<p>Cross merchandising opportunities</p>	<p>SRL should exploit the successful recognition for other premium Australian products within the SPFD & Gaming/Steakhouse markets.</p> <p>The Ultra-premium Australian wine sector is an ideal partner to SRL for this purpose as many of their messages are synergetic with the requirements of SRL to educate the SPFD operator.</p>	<p>Association with other premium/luxury products is regarded as cost effective means by which to communicate to the target market.</p>
<p>Information guides</p>	<p>The focus of the development of all SRL information guides should be exclusively on the trade (end-users) as the cost and effectiveness of undertaking a consumer campaign is questionable at this time.</p> <p>Thus materials should be simple, relevant and long-life. Concepts such as a suite of kitchen friendly guides which outline the storage, handling and preparation of the ASR in a simple, graphic manner provides both user reminders and brand enhancement of</p>	<p>In recognition that the SRL Web will be the focus of the outbound communications and education, all marketing materials should be providing out-reach only from the information and communications contained in the web</p>

	the ASR	
Newsletter	<p>All information guides should drive the audience to the SRL Web.</p> <p>Australian Southern Rocklobster Industry News will be an effective ongoing communication tool across all levels of the market in the US.</p> <p>It can be used as a mail out or email blast to all contacts in the market keeping them informed of SRL initiatives and news.</p> <p>The current SRL DVD provides a powerful platform from which to further educate the end-user and trade.</p> <p>The addition of an online link to the SRL web could allow this tool to be kept “fresh”, relevant and up-to-date.</p>	<p>Issue: SRL needs to be ensure they do not breach any anti-spam laws in the US through email activities and should aim to be driving in-bound traffic to the SRL Web.</p> <p>SRL should present is a contemporary fishery and the use of contemporary electronic media is a vital component of this message.</p>
Communication tools		

Activities

Strategy	What	Comment / Action
<p>Educational Events</p>	<p>SRL should consider participating in relevant events that can further communicate the fisheries commitment to the US market. Participation will also provide opportunities to further educate both the trade and opinion former population of SRL initiatives in the USA.</p> <p><i>International association of Culinary Professionals annual education forum – a gathering of the key influencers in the media and food trade in North America, held annually, this event is regarded as the leading food education opportunity each year. SRL would ideally have presence at their product showcase.</i></p> <p><i>Seafood Choices Alliance / SeaWeb annual Cooking for Solutions event. The pre-eminent trade and consumer educational event focussed on sustainable seafood and utilising</i></p>	<p>The key aspect of SRL participating in signature educational events, in conjunction with other recognised agencies, is in recognition of the value these events can represent and the powerful association a number of agencies have with both the trade and consumers in the US.</p> <p>The key relationships recommended are the agencies responsible for the promotion of sustainability and those actively participating in the education system.</p> <p>http://www.iacp.com 2007 Annual Conference Chicago Hilton Hotel April 11-14, 2007 Chicago, Illinois</p> <p>www.seafoodchoices.com May 2007 @ The Monterey Bay Aquarium</p>

	<p>celebrity chefs and food media identities to further the recognition for sustainable seafood.</p> <p><i>Environmental Defense Day</i> – operated by the leading East Coast environmental agency for food, the EDD is regarded as a premium vehicle through which to promote the culinary aspects of sustainable seafood</p> <p><i>CIA New Products Forum</i> – held quarterly, this event conducted by the leading US culinary educational institution is seen as a valuable opportunity to communicate the culinary quality of SRL to the key educators of food in the US</p>	<p>www.environmentaldefense.org</p> <p>www.ciachef.edu</p>
<p>Industry Associations</p>	<p>Seafood Choices Alliance Seafood Choices Alliance is a global trade association for the issue of ocean-friendly seafood. Founded in the United States in 2001, the Alliance helps the seafood industry – from fishermen and fish farmers to distributors, wholesalers, retailers and restaurants – to make the seafood marketplace environmentally and economically sustainable.</p> <p>This association with its broad range of constituents offers a number of avenues for SRL to communicate their offering to the US market. This could include participation in their events or obtaining public relations opportunities within their publications. We would recommend that SRL join this organisation as a member and also consider entering their Seafood champions awards for businesses that promote environmentally responsible seafood (see website for further information)</p>	<p>www.seafoodchoices.com</p> <p>SRL must take advantage of its <i>Clean Green</i> programme by co-ordinating its approach and certification programme with other more widely recognised trade and consumer agencies in the US.</p> <p>These agencies, supported by aggressive philanthropy provide excellent leverage and aggregated communications opportunities</p>

Seaweb

SeaWeb is a communications-based non-profit organization that uses social marketing techniques to advance ocean conservation. By raising public awareness, advancing science-based solutions and mobilizing decision-makers around ocean conservation, Seaweb members are leading voices for a healthy ocean.

www.seaweb.org

MSC

The Marine Stewardship Council (MSC) is an independent, global, non-profit organisation with its head office based in London, UK. In a bid to reverse the continued decline in the world's fisheries, the MSC is seeking to harness consumer purchasing power to generate change and promote environmentally responsible stewardship of the world's most important renewable food source.

www.msc.org

The relevance of MSC certification with both consumers and the seafood trade is debatable and as such SRL should consider other alternatives such as Seafood Watch programme detailed in the certifications section below.

The MSC has developed an environmental standard for sustainable and well-managed fisheries. It uses a product label to reward environmentally responsible fishery management and its practices. Consumers, concerned about overfishing and its environmental and social consequences will increasingly be able to choose seafood products which have been independently assessed against the MSC Standard and labelled to prove it. This will assure them that the product has not contributed to the environmental problem of overfishing.

Chefs Collaborative

Chefs Collaborative is a national network of more than 1,000

www.chefscollaborative.org

The chefs collaborative produce seafood

	<p>members of the food community who promote sustainable cuisine by celebrating the joys of local, seasonal, and artisan cooking.</p>	<p>solutions, a buying guide to assist chefs make environmentally friendly seafood purchases. SRL should provide details of their Clean and Green program to this organisation</p>
<p>Culinary Institute of America</p>	<p>For more than half a century, The Culinary Institute of America has been setting the standard for excellence in Culinary education. Their faculty, facilities, and academic programs foster the ability for their students to think creatively, solve problems, and understand what it takes to be a leader in the fine food sector.</p> <p>SRL should consider having the CIA West Coast campus undertake a sensory evaluation survey. This may require some investment however it will provide a convincing communications opportunity with many of the up and coming chefs on the west coast – the next generation of restaurateurs.</p>	<p>www.ciachef.edu</p> <p>SRL should develop a strategic relationship with the CIA and consider a platform of opportunities including sponsorship of signature events, retaining their services for product auditing and sensory evaluation and supply into their premium culinary education programmes</p>
	<p>Eighth Annual Worlds of Flavor International Conference & Festival – Ancient Fires, World Flavors and the Future of American Cooking</p> <p>Described by <i>Food Arts</i> magazine as “Inspirational! 11 on a 10 scale,</p> <p>”The Culinary Institute of America at Greystone’s Worlds of Flavor International Conference & Festival is the college’s annual flagship conference, attracting 500-600 participants. This year’s event will celebrate the 10th anniversary of the CIA’s California</p>	

	<p>Greystone campus.</p> <p>Ancient Fires, World Flavours and the Future of American Cooking, November 3-5, 2006 , will highlight the cooking of various cultures, and will explore how these flavours and cuisines – both ancient and modern – are reshaping American menus.</p> <p>Over 50 leading industry experts from around the world will hold seminars, conduct tastings and demonstrations, collaborate on special meals, and participate in the World Marketplace.</p> <p>Worlds of Flavour conference attendees include:</p> <ul style="list-style-type: none"> ▪ <i>Senior-level chefs</i> ▪ <i>Independent and chain restaurant operators</i> ▪ <i>University and contract foodservice managers</i> ▪ <i>Hotel food & beverage directors</i> ▪ <i>Educators</i> ▪ <i>Consumer and foodservice trade media representatives.</i> <p>Sponsorship opportunities range from participation in the World Marketplace to the underwriting of specific aspects of the program.</p>	
<p>Certification Programs</p>	<ul style="list-style-type: none"> ▪ Monterey Bay Aquarium <p>The Monterey Bay Aquariums’ Seawatch Program provides an extremely low cost solution to a consumer recognised sustainability endorsement.</p> <p>Sustainability is becoming an increasingly important issue in the</p>	<p>It is suggested that SRL utilises the work of these agencies in conjunction with the Clean and Green programme prior to any additional investment in the MSC programme, for this market, as no evidence of the MSC having general</p>

	<p>US both on a trade and consumer level.</p> <p>This program is designed to raise consumer awareness of the importance of buying seafood from sustainable sources. Its basis is to classify fisheries into “best choice”, “good alternatives” and “avoid”.</p> <p>There may be an opportunity for Seafood watch to fully endorse SRL’s Clean Green program therefore increasing consumer acceptance of the species sustainability.</p>	<p>acceptance within the target market was found.</p>
<p>Staff Training</p>	<p>The knowledge of wait staff of a particular type of seafood can be a key selling point for SPFD consumers. Details on provenance, sustainability and history can certainly influence customers buying decisions. This was demonstrated during a number of the meetings with SPFD restaurants on the SRL market visit and during the demonstration trial</p>	<p>SRL should provide a level of training to wait staff of any restaurant which has ASR on their menu. This could be as simple as a tip sheet or formal training by SRL in-market partners.</p>
<p>Incentives</p>	<p>Incentive schemes: Incentive schemes are increasingly becoming an important aspect of doing business in the US food market. SRL should consider implementing incentive schemes for all stakeholders including food services partners (chefs, wait staff, restaurant owners) and in-market service providers (importers, brokers, distributors).</p>	<p>SRL should utilise the individual tag records and traceability programme to drive in-bound participation in incentive programmes by wait and restaurant staff.</p> <p>The completion of the traceability questionnaire on-line by staff could be the basis for this participation, whilst further building the SRL information library.</p>

<p>Direct communication (industry)</p>	<p>A co-ordinated out-bound tele-information programme should underpin the market entry of ASR into the SPFD & Gaming/Steakhouse sectors in the US – this would include a supporting field programme of direct face presentations by an SRL representative.</p> <p>Using the SRL Web as a base, the out-bound tele programme should again draw its audience back to the Web for details.</p>	<p>Direct communication is a well-established and powerful information and educational vehicle in the US market, it should be exploited to support the SRL Web based communications</p>
<p>Market Development Alliances</p>	<p>SRL met with a number of potential development partners during the board visit of this project. All these individuals could assist with on-going communication activities in-market.</p> <ul style="list-style-type: none"> ▪ The Hauser Group The Hauser Group is an Atlanta based Public Relations and Marketing group. <p>Their services include:</p>	<p>The SPFD and Gaming/Steakhouse market are especially responsive to the “x” factor of premium produce. Utilising a professional communications campaign will be an important element of generating this perspective for the ASR in the minds of the target trade audience in the US.</p> <p>It is recommended that SRL consider strongly the value of an investment in this area.</p> <p>www.hausergroup.com</p>

	<ul style="list-style-type: none"> ➤ Research and Strategic Planning ➤ Branding ➤ Public Relations ➤ Promotions and Events ➤ Media Planning <p>Hauser Group was recently featured in Adweek's online magazine for a new integrated marketing campaign on behalf of Wild American Shrimp Inc (WASI), a newly formed non-profit corporation committed to ensuring the viability of America's shrimp industry.</p> <ul style="list-style-type: none"> ▪ Sally James Sally provides freelance food consulting services for a range of industry bodies and food companies for product market entry, trade representation, recipe development and food styling, through a variety of media activities. James is the U.S. representative for Horticulture Australia, a trade representative for Australian Lamb and Australia's National Food Industry Strategy, where her work focuses on educating the American audience about Australian cuisine and making good eating more accessible and enjoyable. 	<p style="text-align: center;">www.wineroads.com</p>
<p>Celebrity alliances</p>	<p>SRL can communicate its proposition by establishing strategic alliance with opinion formers and leaders within the SPFD & Gaming/Steakhouse community in the target markets.</p> <p>Utilising the relationships developed through the trial programme, SRL should formally recruit one of the trial partners to become a</p>	<p>The imprimatur of industry endorsement cannot be underestimated in foodservice. No more so than in the highly fickle SPFD market where recommendation by a recognised leader counts far more than the suggestion of a</p>

	point of reference for the ongoing communications and education campaign because of their intimate knowledge and appreciation for the ASR product	vendor or educator.
High level educational events	<p>SRL should aim to ensure its presence at educational and communications forums as mentioned previously.</p> <p>The annual Australian premium wine forum held in the market is ideally suited to this purpose.</p> <p>Signature presentations at Trade and Embassy missions should be utilised to present ASR to opinion formers and leaders across the community.</p>	<p>Value exists in the maximisation of SRL's presence wherever quality education and communication is involved.</p>
Platform Launch	<p>A communications event should be held at on of the Trial partners to co-incide with the implementation programme. It is recommended that this event take the form of an educational briefing, showcasing the supply dynamics, clean & green programme and culinary uses of the ASR – the Mangan event undertaken at the Mondrian through the investigation programme proved valuable to the trial success and is a model of value to be copied.</p> <p>At this event, other potential SPFD & Gaming/Steakhouse operators can be invited and educated in the same manner</p>	<p>SRL must recognise the need to communicate every element of the programme from pot-to-plate to the SPFD end-user.</p> <p>The use of an event provides as an ideal platform from which to undertake ongoing dialogue with the market.</p>

STAGE 6

KEY OUTCOMES, RECOMMENDATIONS & NEXT STEPS

Key outcomes

A number of outcomes have been achieved as part of this market development project. They include:

- ✓ Market opportunities identified (key target markets)
- ✓ ASR competitor intelligence detailed
- ✓ Seasonal supply gaps identified
- ✓ Identification of trade impediments
- ✓ Target supply chain member database created
- ✓ Key food media database created
- ✓ Communications plan developed
- ✓ Culinary capabilities report completed
- ✓ Market requirements for product and supply chain standards confirmed
- ✓ Target end user database created
- ✓ Supply chain partner selection for demonstration trial complete
- ✓ In-market visit by SRL developed and facilitated
- ✓ In-market demonstration trial executed and review completed

Recommendations

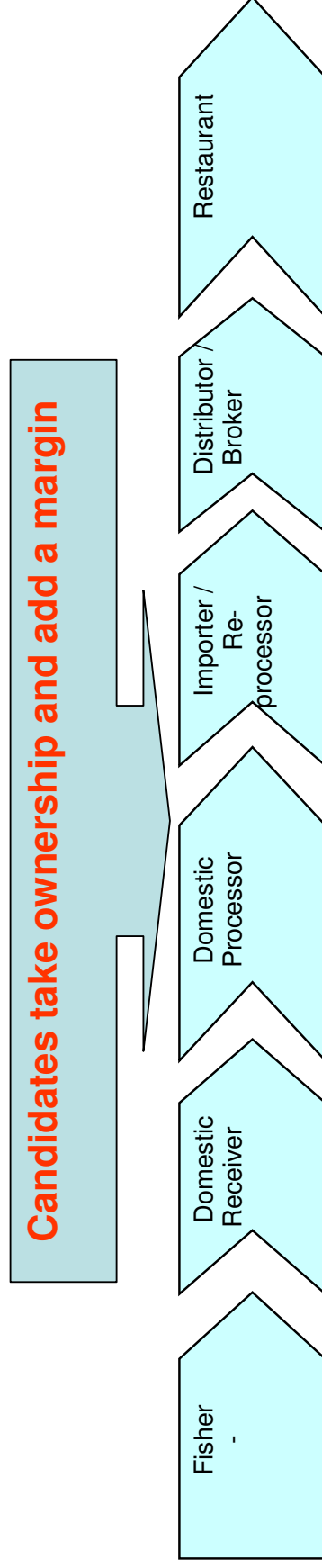
Based on the structure of the market in the US and the supply chain options that have been qualified, reviewed and tested, two options are being tabled for the platform implementation of ASR in the USA. The next stage is to establish and pilot a supply chain platform.

USA Platform Implementation Options

1. Broker Model

The first is a “broker” model whereby the product is sold along the supply chain with each stakeholder on-selling the product at cost plus a margin for their services rendered. This is a standard model when doing business with the US market however there are a number of things to consider. Stakeholders in this model take a greater ownership on the marketing or “selling” aspect of the supply – their return comes from a market being developed for ASR and product being “pushed” along the value chain. This comes at a price though – the industry in Australia takes almost no control of the market being developed in the United States and is totally dependent on their US based partners promoting the product and ensuring the market is being developed and grown.

US Broker Model: Cost plus margin



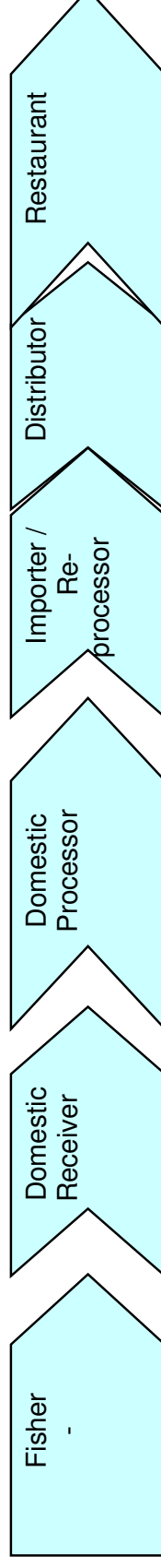
2. SRL Management Model

The second model we are tabling is the “SRL Management Model” whereby each of the supply chain partners is contracted and provides their service to an agreed specification at an agreed rate. The fisher owns the product until it reaches the end user (restaurant) who then becomes a debtor to the fisher. Again, this model has a number of positives and negatives. The key advantage of this model is that the industry has some or more control over the market they are creating in the US. Given the service providers have less responsibility to “sell” the product they cannot dictate to the industry on how, why and when the product will be sold.

Service providers would also be required to provide their service to “Clean Green” specifications. This is vitally important as the Clean Green branding of Australian Southern Rocklobster will be a key communication message in the market and by contracting the in-market service provider SRL can ensure product is delivered to required specifications.

SRL Management Model: Service provision

**Candidates provide service at an agreed rate –
SRL manage the process**



In this model, we are proposing that SRL manages the total US market development process. This includes activities such as Australian service provider management, development of a clear communications strategy and account management services which would include debtor management and in-market service provision administration. This will require significant buy-in across all Australian ASR stakeholders but, managed correctly, will ultimately retain control with the industry in Australia and produce greater return in the long term.

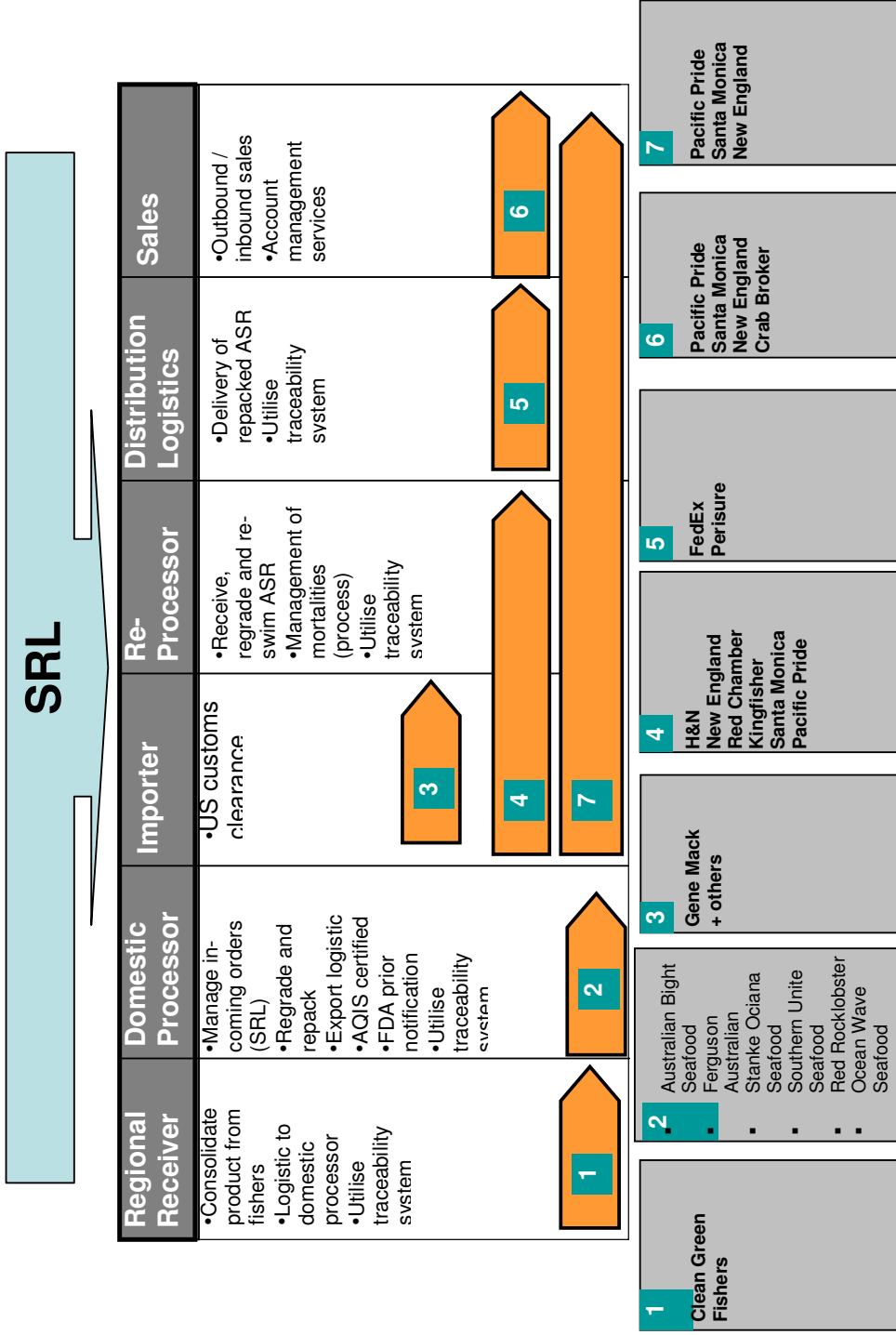
Implementation Recommendation

Our recommendation for the ongoing implementation of ASR in the USA is the SRL Management Model. We feel that this model will yield greater results for the industry whilst retaining a certain level of control over the market that is being created.

SRL MANAGEMENT MODEL = INCREASED CONTROL = INCREASED RETURN TO INDUSTRY (IF MANAGED CORRECTLY)

This recommendation has been reached with input from all project participants and includes:

- The initial assessment by ABL
- A workshop with the SRL executive team
- The June SRL board meeting with participation from FRDC staff



Platform Elements

The following represent the key elements or building blocks to be incorporated into an operational supply chain platform.

Market Development building blocks	Strategies to address the building blocks
Guaranteed product quality	<p>The Clean Green production certification scheme has been expanded to incorporate all levels of the supply chain (fishers, factories, freight, importer/distributor & restaurants).</p> <p>Documented standards detailing product specifications, handling, packaging / packing, live storage has been detailed for all members of the supply chain.</p> <p>Only product conforming to the product specifications will be marked / branded with the Australian Southern Rocklobster Clean Green Trade mark.</p> <p>Only those supply chain members conforming to specific operating processes and practices can handle and supply Clean Green branded Australian Southern Rocklobster to the next level along the supply chain.</p> <p>All members of the supply chain must sign an agreement to control the use of the Clean Green Trade Mark.</p> <p>Southern Rocklobster Limited will:</p> <ul style="list-style-type: none"> • Maintain Clean Green standards • Maintain a register of Clean Green certified organisations

	<ul style="list-style-type: none"> • Control the use of the mark • Organise certification
<ul style="list-style-type: none"> • Branding of individual lobsters 	<p>A tag issued by Southern Rocklobster limited (SRL) will be attached to the left horn above the first joint of the lobster to provide a brand with residence in the marketplace</p>
<ul style="list-style-type: none"> • Efficient and accountable distribution chain 	<p>SRL has written to all Australian Southern Rocklobster processors asking if they would be willing to conform to the Clean Green standards and handle the product for a fee for service.</p> <p>6 Australian Processors have committed to conforming to the standards.</p> <p>SRL has identified some options in America that would provide a one stop shop service (customs broking, importing, distribution and service). These potential supply chain members participated in the USA trial between the 30th May, 2006 & 4th June, 2006.</p>
<ul style="list-style-type: none"> • Full traceability 	<p>A full traceability system has been established with a back-end (data collating & data sourcing) and front-end (full traceability of the product through the chain and feed-back opportunities for the chefs and customers). See www.southernrocklobster.com for more information.</p> <p>The 2nd trial of the traceability system was trailed between the 30th May & 4th June, 2006.</p>
<ul style="list-style-type: none"> • Guaranteed Supply from Southern 	<p>The findings of the in-market visit have been presented to fishers and processors across southern Australia.</p>

<p>Rocklobster fishers across regional Australia</p> <ul style="list-style-type: none"> • Management of the supply, distribution, quality & accounts • Communications program (e.g. education of chefs and wait staff, handling / storage requirements, brand positioning, uniqueness and provenance story, recognition by appropriate sustainability bodies) 	<p>To date feed-back has been positive by the industry, and contracted supply to meet the market schedule is to be implemented but the supply chain model is currently being developed with the aim of guaranteeing supply. Export efficiency powers are being investigated.</p> <p>SRL has committed to in-house management of the platform, which requires further refinement and implementation subject to the detailed implementation plan.</p>
<ul style="list-style-type: none"> • Communications program (e.g. education of chefs and wait staff, handling / storage requirements, brand positioning, uniqueness and provenance story, recognition by appropriate sustainability bodies) 	<p>Pilot communications tools have been developed to assist in the positioning of Australian Southern Rocklobster in the SPFD sector. These have included;</p> <ul style="list-style-type: none"> • Overall design or look of materials • Photography of dissection • Speaker PowerPoint presentation suitable for chef training • Instructional DVD including industry profile, dissection instructions & handling/storage instructions • Restaurant box wrap • Track & Trace web interface • Web site constructed • Media database
<ul style="list-style-type: none"> - Industry and Chain Communications 	<p>Ongoing communication within Australia amongst fishers and exporters is necessary to ensure long term support for and ownership of the outcome. SRL has an in house communication and extension program which will be used to keep all stakeholders informed. This involves:</p> <ul style="list-style-type: none"> - Regional meetings - Newsletters

<ul style="list-style-type: none"> - Financial and Risk management 	<ul style="list-style-type: none"> - Industry profiling events - Web site
<ul style="list-style-type: none"> - Project Management 	<p>The strategy recommended involves fisher ownership of the product through the chain with service providers commissioned on a fee for service basis. Payment, collection, exchange, rate, default and all other financial risks will be dealt with via supply contacts backed by appropriate exchange, default and mortality insurances.</p> <p>The SRL team has an impressive track record of achievement to date with project, financial, organisation and relationship management. They will be retained and incentivised to deliver the platform.</p>

CONCLUSION

The ASR industry has a significant opportunity in the US market. This project has shown that the market wants the product and ideal supply chain partners are ready to work with SRL to get the product there.

The opportunity presents the industry with an avenue to diversify its risk away from key Asian markets and move return to industry to another level.

The next step is to develop a full implementation plan and execute a pilot program. This needs to be done immediately to maintain and build on the momentum created throughout this project. Gaining acceptance and ongoing success within the immensely competitive US market will require a commitment from all stakeholders however the potential returns to industry are immense.

The building blocks are there, the next step is to capitalise on them.

APPENDICES

Appendix 1: End User & Supply Chain Databases

Company	Contact Person	Address	Telephone	Fax	Email	Website	About
3950		3950 Las Vegas Blvd. S. Las Vegas	(702) 632 7414				Seafood
Aquaknox		3955 las Vegas Blvd.S. Las Vegas	(702) 414.3772				Seafood
Aureole		3950 Las Vegas Blvd. S. Las Vegas	(702) 632 7401				American
Aureole @ Mandalay Bay	Charlie Palmer	3950 Las Vegas Blvd. S Las Vegas, NV 89119	702-632-7401	702-632-9440		www.charliepalmer.com	Italian
Bambolotta restaurant		3131 Las Vegas Blvd. S. Las Vegas	(702) 770 9966				Seafood
Buzzes		3700 W. Flamingo Rd. Las Vegas	(702) 252 7697				Steak
Capital grille		3200 Las Vegas Blvd. S. Las Vegas	(702) 832 6631				American
Charlie palmer		3960 las Vegas Blvd. S. Las Vegas	(702) 632 5120				Steakhouse
Criff Steak		3799 Las Vegas Blvd. S. Las Vegas	(702)891 7318				French
Daniel Bouled		3131 Las Vegas Blvd. S. Las Vegas	(702) 770 9966				French
Eiffel Tower		3655 Las Vegas Blvd. S. Las Vegas	(702) 948 6937				Eiffel Tower Restaurant serves the most acclaimed French cuisine available in Las Vegas, with lamb seasoned to perfection and foie gras unlike any other.
Eiffel Tower Restaurant @ Paris	J. Joho	3655 Las Vegas Blvd. Las Vegas, NV 89109	702-948-6937				Chinese
Empress Court		3570 Las Vegas Blvd. S. Las Vegas	(702) 731 7731				American
Il Mulino NY		3500 las Vegas Blvd S. Las Vegas	(702) 492 6000				Chinese
Jasmine		3600 Las Vegas Blvd S. Las Vegas	(702) 693 7111				Seafood
Joos Seafood, prime Rib. & Crab House		3500 las Vegas Blvd S. Las Vegas	(702) 792 9222			http://www.belleagio.com/pages/ramesel_flash	French
Le Cirque @ Bellagio	Sirio Maccioni	3600 S. Las Vegas Blvd, Las Vegas, NV 89109	877-234-6360				Steakhouse
Lutece		3355 las Vegas Blvd.S. Las Vegas	(702) 262 4778				Star chef Michael Mina creates an innovative seafood menu with a distinct blend of California and Mediterranean ingredients at his celebrated namesake restaurant.
Luxor Steakhouse		3900 Las Vegas Blvd S. Las Vegas	(702) 262 4778			http://www.belleagio.com/pages/ramesel_flash	French
Michael Mina @ Bellagio	Michael Mina	3600 S. Las Vegas Blvd, Las Vegas, NV 89109	877-234-6369				American
Michaels		3595 las Vegas Blvd S. Las Vegas	(702) 737 7111				Steakhouse
Mix		3595 las Vegas Blvd S Las Vegas	(702) 632 9600				French
Mortons		400 E Flamingo Rd. Las Vegas	(702) 893 0703				American
Nob Hill		3799 Las Vegas Blvd. S. Las Vegas	(702) 891 7337				Steakhouse
Oranique @ Paris	Cindy Hutson	3655 Las Vegas Blvd, Las Vegas, NV 89109	702-948-6938				Seafood
Picasso @ Bellagio	Julian Serrano	3600 S. Las Vegas Blvd, Las Vegas, NV 89109	877-234-6369			http://www.belleagio.com/pages/ramesel_flash	Seafood
RM Seafood @ Mandalay Bay	Rick Moonen	3950 Las Vegas Blvd. S Las Vegas, NV 89119	702-632-9300				Seafood
Sacred Sea Room		3900 Las Vegas Blvd S. Las Vegas	(702) 262 4772				Seafood
Seabree		3799 Las Vegas Blvd. S. Las Vegas	(702) 891 3486				Seafood
Shanghai Lily		3950 Las Vegas Blvd. S. Las Vegas	(702) 632 7409				Chinese
Smith & Wodensky		3767 Las Vegas Blvd S Las Vegas	(702) 862 4100				Steakhouse
Spago		221 N Rampart Blvd. Las Vegas	(702) 869 8500				American
Valentino		3355 las Vegas Blvd.S. Las Vegas	(702) 414 3000				Italian
Wing lei		3131 Las Vegas Blvd. S. Las Vegas	(702) 770 9966				Chinese
Zeffirino Ristorante @ Veneitian	Gian Paolo Belloni		(702) 414-3500			http://www.venetian.com/dining/dining	Chief Gian Paolo "Zeffirino" Belloni invites you to taste his finest Italian seafood dishes so authentic that, if you visit the kitchen, you'll have to speak Italian. One of the most striking restaurants at the Veneitian, the décor at Zeffirino's is sophisticated, elegant and authentic.

Restaurant	Contact person	Address	Phone	Fax	Cuisine	Email	Website	About	Lobster	Type	Pricing
Angolina Osteria	Gino Angelina	7313 Beverly Boulevard, LA	(323) 297 0070		Italian	inclair@angolinarestaurant.com, gino@angolinarestaurant.com					
Aubergine	David Man - Executive Chef	509 29th St, Newport Beach	(949) 723 4150	(949) 723 2093	French mod.		www.campanierestaurant.com	Need to fax questions. Open since 1983. The restaurant has been the recipient of numerous awards and nominations, including James Beard. Capo has an extensive wine list of over 180 bottles as well as a full bar.	yes		
Campanile	Mark Peel	624 S. La Brea Ave, LA	(323) 939 1447		Itali			Capo has an extensive wine list of over 180 bottles as well as a full bar.	yes		
Capo	Bruce Mander	1810 Ocean Ave, Santa monica	(310) 394 5550		Italian		www.theccayay.com	The lure is the distinctive East/West cooking by Executive Chef Shigetumi Tachibane, who first introduced Los Angeles to Franco-Japanese cooking at the legendary La Petit Chaya in the 1980s.	yes	Maine	
Chaya Brasserie	Shigetumi Tachibane	8741 Alken Dr, West Hollywood	(310) 859 8633	(310)859-8481	French, Italian		www.verdigianpack.com/rest/finch/in	The menu, served "family style", is perfectly designed for sharing and includes dishes that have now become Chinois "Classics" such as the Whole Sizzling Carfish with Pozzu Dipping Sauce, the Shanghai Lobster.	yes		\$20-30
Chinois	Luis Diaz & Rene Malia	2709 Main St, Santa monica	(310) 392 9625	(310)396-5102	Mod Asian	ristorante@giorgiobadi.com; specialties@giorgiobadi.com	www.giorgiobadi.com/about	Il Ristorante di Giorgio Badi is a family managed restaurant that has been serving the Los Angeles area for over fifteen years.	yes		
Giorgio Badi	Edwardo	114 W. Channel Rd, Santa monica	(310) 573 1660	(310)73-9007	Italian			Occupying the former home of Muse restaurant, GRACE is a casually elegant and comfortable space composed by renowned designer Michael Bierman. His signature "American Trans-Modern" aesthetic fills the restaurant with a welcoming color palette of brown, green, orange and rose and displays an open but intimate dining room with roomy barque and a lounge area. The restaurant is a beautiful blend of old and in all the furnishings—from the Klumens dining chairs to the striking mirrors to the stylish staff uniforms.	no		
Grace Restaurant	Neal Fraser	7380 Beverly Boulevard Los Angeles, California	323.934.4400		Modern	neal@gracerestaurant.com	www.gracerestaurant.com	Hamasaku is the sushi hotway to the stars.	no		
Hamasaku	Hiro Fujita, Hideo Tsuzuranuki	11043 Santa Monica Blvd, LA	(310) 479 7636	(310)479-3116	Japanese	info@hamasakula.com	www.hamasakula.com		no		
Hong Kong palace		19101 Colima road, Rowland Height	(626) 854 9829		Chinese			Though a modern day chophouse, owners Suzanne Tracht and Philip and Monica Rosenthal have transformed Jer into a clubby and retro era restaurant.	yes		
Jar	Suzanne Tracht, Preech Narkthong	8225 Beverly Blvd, LA	(323) 655 6566	(323)655-6577	American	info@thejar.com	www.thejar.com	Referral to Santa Monica Seafoods. Would be interested in getting involved with the demonstration trial. Currently sources lobster only for special events - holidays, etc. Found that the products were too expensive to be served all year round - previous prices were approximately \$30/lb. Also referred to the Star Chris event in May (www.starfish.com) and expressed interest in talking product for their 2nd event at that event.			
Jesse	Jill Dawe	2424 Pico Blvd, Santa Monica	(310) 591 9688		America	jilldaw@yaho.com		Since opening its doors in 1997, Sushi Katsu-Ya has become one of the most popular and critically acclaimed sushi restaurants in Los Angeles. It was ranked #1 by the Zagat restaurant guide for the last 14 years in a row.	no		
Katsuya	Katsuya Uechi	11680 Ventura Blvd, Studio City	(818) 985 6976		Sushi		www.sushikatsu-ya.com/home	Maison Akira Rated top 40 restaurants by Zagat 2005; Rated top 30 best services by Zagat 2005	yes	Maine	\$12-27
Maison Akira	Akira Hirose	718 E.green St, Pasadena	(626) 796 9501	(626)796-0061	french/jp	maison713@aol.com	www.maisonakira.com/direct/maisonakira/index		yes		
Maestro's Steakhouse	Walter - Suchofer (call between 2-5pm)	246 N.Cannon Drive, beverly hills	(310) 888 8782		Steakhouse	Oliver@maestroc.companies.com	www.zagat.com/Maestros/default	Maestro's offers an experience featuring a cutting edge menu of the finest in prime steaks and fresh seafood accompanied by live music and dancing 7 nights a week in the piano bar.	yes	Maine	
Matsuhisa	Nobu Matsuhisa	129 N.La Cienega Blvd, LA	(310) 659 9639	(310)659-4492	Japanese		www.nobumatsuhisa.com/la/index	Nobu Matsuhisa has restaurants from here to New York, London and Paris - even Tokyo. But Matsuhisa is the original, where he honed his peculiar fusion of Peruvian and Japanese flavors.	yes		
Melisse	Josiah Citrin	1104 Wilshire Blvd, Santa monica	(310) 395 0881	(310)395-3810	French	josiah@melisse.com	www.melisse.com	The menus reflect seasonal and specialty items, carefully prepared. Chef Rene Malia is a top food writer in the Pacific Rim and has been named with the "Wineing Wine List" honor in Los Angeles. Emailled questions 05/04/05	yes	Maine	\$27
Nobu Malibu	Nobu Matsuhisa	3635 Cross Creek Rd, malibu	(310) 317 9140		Japanese		www.nobumatsuhisa.com/la/home	Nobu is straight up there alongside the Wolfgang and Emerils.	yes		\$21

Ocean Front	Umberto Rubelli - Call after 4pm	2100 W. Oceanfront, Newport beach	(949) 673 2100	(949) 673-2101	Seafood	info@oceanfront.com; peter@oceanfront.com (GM); manager@oceanfront.com (Manager)	www.oceanfront.com	Experience this dignified, opulent restaurant for it's luxurious feel, great view at sunset, excellent service and what may be the best seafood in Orange County. Zagat Survey	yes	Maine	\$10-60
Orcidan	Christophe Erne	8538 W 3rd St, Hollywood	(323) 655-3900	(323)653-3927	French mod.	admin@orcidanrestaurant.com	www.orcidanrestaurant.com	Orcidan has a decidedly modernized provincial feel. Casually elegant, the beautifully appointed dining room will serve Erne's classically inspired French cuisine.	yes	Maine Lobster Salad	\$29.00
Providence LA	Michael Cimarusli	5885 Melrose Avenue Los Angeles CA 90038	(323) 469-4170		French Seafood	michaj@providenceca.com	www.providenceca.com	The familiar Parisian layout remains intact, a series of brightly lit rooms, a private chef's table, along with the main room and the covered patio annex. Simply decorated in beige-brown hues and absent artwork, saws for scattered clusters of porcelain and ceramic seashells, confident servers float about with informed confidence and easygoing charm.	yes	maine	\$19
Sona	David Michelle Myers	401 N.La Cienega Blvd, Hollywood	(310) 659 7708	(310)950-7965	French mod.	info@sonarestaurant.com	www.sonarestaurant.com	Located on northwest corner of La Cienega and Westmountain, Sona is an elegant oasis in the midst of the hub of Los Angeles.	yes	maine	\$25
Spago	Josh Brown - SUECHEF	176 N Canon Drv, Beverly Hills	(310) 385 0890	(310)385-9690	American	www.spagobackpack.com/rest/line.asp	www.spagobackpack.com/rest/line.asp	Spago Beverly Hills was awarded the Outstanding Service Award at the 2005 James Beard Foundation Awards.	yes	spago lobster	\$45
Studio	Jessica Alexander - Nightline SUECHEF, Todd Alison - SUECHEF	30801 S. PCH, Laguna Beach	(949) 715 6420		American	alexander@montagelisgunabeach.com	www.studiogunabeach.com	Splurture contemporary French cuisine with California influences. Casually elegant evenings in an antaic craftman-style restaurant at the edge of the Pacific.	yes		
Sushi Sasabune	Nobi Kusunara	12400 Wilshire Blvd, LA	(310) 288 8380		Sushi			Sushi Sasabune, the hole in the wall sushi joint known for its pretine fish, has moved from its modest Sawtelle Boulevard digs of some 12 years to the old Todal space in West L.A.	no		
Tabu grill	Jeff Platt	2892 S.FCH Laguna beach	(949) 494 7143		Steakhouse	nares@tabugrill.com	www.tabugrill.com	Offering modern American cuisine, under the direction of Executive Chef Sean Hardy, The Belvedere has long been regarded as one of the finest restaurants in Los Angeles, with impeccable service and sophisticated atmosphere. The Belvedere was recently voted "Best Hotel Restaurant in the Continental US and Canada" by the readers of Travel + Leisure magazine. While the main dining room has a capacity of 650 to 700, the private dining room can accommodate parties of up to 20 people for more intimate gatherings.	no		
The Belvedere (The Peninsula Beverly Hills)	David Goldstein - Food Buyer for the Peninsula Hotel	9882 Little Santa Monica Blvd, LA	(310) 789 2306		American	davidgoldstein@peninsula.com	http://beverlyhills.peninsula.com/bh/hi/index	Peninsula must be on the approved suppliers list	yes		\$42
The Dining Room at the Ritz Carlton	Greg Kraft - Director of Purchasing	1401 S. Oak Knoll Ave, pasadena	(626) 568 3900	(626)568-2700	American		www.ritzcarlton.com/hotels/huntington/dining/default	Urasawa is still open via reservation only, while retaining the title as the most expensive sushi restaurant in LA. At Urasawa, the sushi is rich, and "rich" you must be to dine here.	yes	maine	\$18-50
Urasawa	Hiroyuki Urasawa	218 N.Rodeo Drive, Beverly Hills	(310) 247 8939	(310)247-8689	Japanese		www.urasawar.com	Water Grill is the ultimate example of fine dining in Los Angeles. Hailed as "the best seafood in Southern California" by the internationally recognized Zagat Guide	yes	maine	\$13
Water grill	Justin Ermini - Nightline SUECHEF	544 S.grand Ave, LA	(213) 891 0900	(213)829-1891	Seafood	jamie@hugobossfood.com		Featuring French cuisine, within two years, it was recognized as one of the finest restaurants in the entire Los Angeles area.	yes		
Xomara	Xomara Arbolina	69 N.raymond Ave, pasadena	(626) 796 2520	(626) 796-2750	American	info@xomararestaurant.com	www.xomararestaurant.com		yes		

Contact Person	Address	Telephone	Fax	Email	Website	About	Executive Chef	Price of Lobster	Type of Lobster
	1722 Sacramento St, San Francisco	(415) 567-5432		info@aqueduct.com	www.aqueduct.com	number two on its list of America's ten best Italian restaurants; \$31 to \$50	Suzette Gresham	NO	
	252 California St, San Francisco	(415) 956-9682		info@aqueduct.com	www.aqueduct.com	four-stars, \$51 and over	Laurent Manrique	YES	\$68 incl 3 cou Maine Lobster
	6534 Washington St, Yountville	(707) 944-8037		info@bouchonbistro.com	www.bouchonbistro.com	Thomas Keller restaurant (French Laundry)	Jeff Canclallo	YES	unknown
	1 Mission St, San Francisco	(415) 543-6094	(415) 499-2936	info@boulvardrestaurant.com	www.boulvardrestaurant.com	\$31 to \$50	Nancy Oakes	YES	Maine Lobster
	340 Stockton St, San Francisco	(415) 956-5555	(415) 956-5559	info@boulvardrestaurant.com	www.boulvardrestaurant.com	\$51 and over	Changing Chefs	NO	
	1517 Shattuck Ave, Berkeley	(510) 548-5525	(510) 548-0140		www.dizainsense.com	menu changes daily, \$51 and over	Alice Waters	YES	Maine Lobster
Jude Wineth	1310 Main Street St, Helena, CA	(707) 863-7088							
Beth Teller, David Mitchell, Larry Tsai	500 First St, Napa, CA 94559	(707) 259-1600; (866) 512-6742	(707) 257-9001	membersip@cpa.org; careers@cpa.org	www.cpa.org				
Cathryn Taggart									
	317 Healdsburg Ave, Healdsburg	(707) 431-0330	(707) 431-0414	info@thehealdsburg.com	www.thehealdsburg.com	American	Michael Voltaggio	NO	
Priscie Ulrich, Nicole Largo	450 Post St, San Francisco	(415) 956-8989	(415) 834-1234	info@famborrestaurant.com	http://www.famborrestaurant.com	\$51 and over	Mark Franz	YES	Maine Lobster
	450 Post St, San Francisco	(415) 956-8989			www.famborrestaurant.com	Farmhouse is Zagat's highest reviewed Sonoma (American)	Steve Lake	NO	
	787 River Rd, Forestville	(707) 887-3300	(707) 887-3311	info@famborrestaurant.com	www.famborrestaurant.com	\$51 and over	Melissa Perello	YES	Maine Lobster
	12 Fourth St, San Francisco	(415) 348-1555	(415) 348-1551	info@famborrestaurant.com	www.famborrestaurant.com	\$51 and over	Hubert Keller	NO	
	777 Sutter St, San Francisco	(415) 673-7779			www.fourdeux.com	Thomas Keller restaurant (like Bouchon) \$51 and French mod.	Thomas Keller	NO	
	6640 Washington St, Yountville	(707) 944-2380	(707) 944-2380	info@frenchlaundry.com	www.frenchlaundry.com	American	Gary Danko	YES	Maine Lobster
Bob Hurley	800 North Point St, San Francisco	(415) 749-2080		info@paradise.com	www.paradise.com	\$51 and over	Alex Keng	NO	
	101 Golf Course Dr, Rohnert Park	(707) 586-0270	(415) 421-3068	info@hanson.com	www.hanson.com	!! Hana Zou, 115 Cyril Magnin San Francisco, CA, Japanese			
	6518 Washington St, Yountville, CA 94559	(707) 944-2345	(707) 944-2386		www.hudsonrestaurant.com/hudsonca.htm	menu changes daily, \$51 and over	Toni Des Jardins	NO	
	300 Grove St, San Francisco	(415) 861-5555	(415) 861-5580	info@indiemom.com	www.indiemom.com				
Victor Stangle	500 1st St, Napa, CA 94559	(707) 265-5700		info@indiemom.com	http://www.patinaagroup.com/julias-kitchen/				
	365 Gabriel Blvd, Daly City	(650) 992-9000	(650) 992-9049		www.kozalaca.com	Chinese	unknown	YES	\$20 unknown
	2316 Park St, San Francisco	(415) 776-5577	(415) 776-3431	info@kuzal.com	www.kuzal.com	French	Roland Pasco	YES	unknown
	320 Village Lane, Los Gatos	(408) 354-4330		info@kuzal.com	http://managesrestaurant.com	ranked among top 50 restaurants by Britain's R. American/French	David Kinch	NO	
	648 Buath St, San Francisco	(415) 989-7154	(415) 989-3141	info@managesrestaurant.com	www.managesrestaurant.com	\$51 and over	Gregory Short	NO	
	900 North Point St, San Fran	(415) 929-1730			www.McCormickandSchmicks.com	part of McCormickandSchmicks Restaurants (50-Seated)	Armen Jighean	YES	\$20 different
	2029 Market St, San Francisco	(415) 821-7000	(415) 821-7094	info@mmca.com	www.mmca.com	***Three Stars; \$31 to \$50	Sergio Santiago	NO	
	335 Powell St, San Francisco	(415) 397-9222			http://www.michaelmina.net	Bon Appetit's 2005 Chef of the Year, \$51 and over American	Michael Mina	YES	Maine Lobster
	5655 College Ave, Oakland	(510) 547-5396		info@olive.com	www.olive.com	\$31 to \$50	Paul Conales	NO	
	5534 College Ave, Oakland	(510) 854-5426			http://www.pastorcollaps.com	Rated #1 for food in Oakland by the 2006 Zagat	Mark Luedi	unknown	
	2227 Park St, San Francisco	(415) 928-8025		n.a.	n.a.	small sea food restaurant, good critics	unknown	unknown	
	600 Stockton St, San Francisco	(415) 776-1199	(415) 296-0289		http://www.riseandgrill.com/hotel/san-francisco	Guyot's GaultMillau Guide; "One of the Top 40 Best French mod.	Bon Siegal	YES	Maine Lobster
	107 Caladenia St, Sausalito	(415) 332-3920	(415) 332-3940	info@shogun.com	www.shogun.com	\$31 to \$50	Hiro Komatsu & Scott Whitman		
	1517 Park St, San Francisco	(415) 673-1101		n.a.	n.a.	no dinner, no seats, focus on oysters	unknown	unknown	
	240 California St, San Francisco	(415) 391-1849		n.a.	n.a.	Seafood Grill	unknown	unknown	
Lady Brinwa	2535 Main St, St Helena, CA 94574	(845) 451-1510		info@st-helena.edu/departments/culinary.asp	http://www.st-helena.edu/departments/culinary.asp				
	6481 Washington St, Yountville, CA 94559	(707) 944-8877			www.village.com				
Scott Giambastiani	222 E. 4th Ave, San Mateo, CA 94401	(650) 895-3727		scott@scottgiambastiani.com	http://www.vognierrestaurant.com/html/vognier_chef_scott.html				

Jimmy Cornwell	2555 Marin St, Sausalito, CA 94967	(707) 887-1010	http://www.cityofsanfrancisco.org						
	1300 Stockton St, San Francisco	(415) 882-6020	http://www.cityofsanfrancisco.org						
	1688 Market St, San Francisco	(415) 552-2522	n.a.						Judy Rodgers
	1910 Lombard St, San Francisco	(415) 331-9319	http://www.cityofsanfrancisco.org						

Appendix 2: End Users Interviews

End User Culinary Requirements	
Restaurant: Beverly Wilshire Hotel – Los Angeles Chef: Conny Anderson Date of interview: 24 th April 2006	
Product Specification	Market Feedback
Perception of the ASR	Excellent lobster, expensive but exotic and unique, worth pursuing
Flavour	Sweet with a slight savoury characteristic
Texture	Tight, firm not tough
Colour	Clear opaque but with a beautiful white colour when cooked
Size	Large – concerns about utilisation
X-Factor	Australian, exotic, delicious
Other	how to make the large lobsters work from a commercial perspective
Summary: Conny's overall opinion was extremely positive – would potentially use 3-4 per night in a range of dishes. Beverly Wilshire does not have live holding facilities and would require daily deliveries Price would limit to special menus and functions – of which there are many!	

End User Culinary Requirements

Restaurant: Sushiya – Beverly Hills, Los Angeles

Chef: Miko Jabata

Date of interview: 23rd April 20006

Product Specification	Market Feedback
Perception of the ASR	Big
Flavour	Superb – excellent sashimi
Texture	Perfect for sashimi
Colour	Good
Size	Very big
X-Factor	Flavour
Other	How to utilise all of the lobster

Summary: Sushiya were very impressed with the flavour and texture of the SRL. Some concerns over the potential utilisation but they think they could use them for Fri/Sat nights.

Sushiya expect daily deliveries

Price no problem

End User Culinary Requirements

Restaurant: Asia DeCuba – Mondrian Hotel – Los Angeles

Chef: Danny Roberts

Date of interview: 24th April 2006

Product Specification	Market Feedback
Perception of the ASR	Largest lobster he had seen since “back east”!
Flavour	Fantastic – slightly sweeter than he expected for such an animal
Texture	Firm but not tough, both raw and cooked – especially liked the leg, horn and insider body meat
Colour	Meat colour clear and clean, excellent
Size	Some initial concern but on review saw the opportunity for utilisation across a range of menu items
X-Factor	Its region of origin and eating quality
Other	Concerns over cost and utilisation

Summary: initial reservations were overcome through demonstration of how to maximise the utilisation of large animals. Cost metrics still some concern, however, saw that there might be an opportunity for special parties/functions and opportunities.

Do not have holding facilities for live but held live in cool-room for 2-3 days
Serious concerns as to whether they could use at \$US25-27lb

End User Culinary Requirements	
Restaurant: Providence – Los Angeles Chef: Mike Cirumisti Date of interview: 25th April	
Product Specification	Market Feedback
Perception of the ASR	Familiar with the species – from NZ, had not seen/used such a large animal previously
Flavour	Superb – recognised immediately its culinary superiority to Maine Lobster and compared it as better than Californian or Mexican
Texture	Firm, not tough
Colour	Cooked up pearly white, clean and fresh looking
Size	Some initial concerns were overcome through demonstration and trial
X-Factor	The flavour and texture and the sustainability and background of the fishery
Other	Recognised its culinary qualities immediately

Summary:

Providence was keen to participate in the trial programme

They have live holding facilities that operate at 45f – SRL placed in this environment were quite dozy but survived

Price is parity to what they are currently paying for NZ – it does work

End User Culinary Requirements

Restaurant: Grace, Los Angeles

Chef: Neal Fraser

Date of interview: 25th April 2006

Product Specification	Market Feedback
Perception of the ASR	“Unbelievable! By far the best lobster ever used”
Flavour	Sweet with slightly nutty characteristics when cooked and a clean almond flavour raw
Texture	A definite crunch when raw and firm when cooked
Colour	Raw – clean translucent flesh, cooked – pearly white
Size	Initially quite confronting but when trialled it was recognised that there was a great opportunity to create a range of dishes to maximise the whole animal
X-Factor	Its provenance, sustainability, flavour, texture

Other	Especially liked the leg, horn and head meat
Neal Fraser's initial reaction was extremely positive and through trialling he became even more committed to the culinary quality of the SRL	
No live holding facilities, but could easily take SRL to hold in cool room for 2/3 days	
Said he could make the \$US25-27 lb work	

End User Culinary Requirements	
Restaurant: Studio @ Montage Resort & Spa	
Chef: Jessica Alexander	
Date of interview: 25th April 2006	
Product Specification	Market Feedback
Perception of the ASR	A spectacular lobster with real flavour and texture – far superior to Californian
Flavour	Sweet, nutty with a clean lasting finish
Texture	Firm
Colour	Cooked up pearly white, very clean
Size	Too big
X-Factor	Australian, sustainable and flavour

Other	Jessica thought the large ASR was just too big
Summary:	Studio has no live holding facilities and Jessica thought that the ASR was just too big. Although a SPFD she had concerns that she could not get her money at retail price for a lobster this big. Some concerns about being able to pay \$US25-27

End User Culinary Requirements	
Restaurant: SW Steakhouse, Wynne Resort Las Vegas	
Chef: Erik Klein	
Date of interview: 26 th April 2006	
Product Specification	Market Feedback
Perception of the ASR	Fantastic- when can we start buying
Flavour	Far superior to local and Californian
Texture	Doesn't go soft when grilling, excellent
Colour	Bright white - wonderful
Size	They serve 400-500 gm steaks here, they don't have a problem with the size
X-Factor	Size, quality, flavour, Australian
Other	They would serve a half or whole grilled

Summary: As part of the Wynne Resort, SW has storage facilities and would take a volume in conjunction with other restaurants in the property

**Genuinely excited by the prospect and were not concerned about the \$US25-27lb
Anticipate using #2-250 pieces per week**

End User Culinary Requirements

Restaurant: N9ne Steakhouse – Palms resort Las Vegas

Chef: Barry DeMarco

Date of interview: 26th April 2006

Product Specification	Market Feedback
Perception of the ASR	Unbelievable – the owner demanded to get this product in
Flavour	Full flavoured, far superior to local
Texture	Firm
Colour	Cooked up pearly white, very clean
Size	Love the size, will serve whole each then create 2 dishes from the tail and the head/legs
X-Factor	Size, Flavour, Quality

Other	Very excited about the consistency of supply
<p>Summary: N9NE was sceptical of the Product working in their Restaurant, but saw the value in Live Australian Southern Rocklobster during the trial in which 20 lobsters were sold over 2 nights. Each night the lobsters sold out within 2 hours of the restaurant opening – price is not an issue for this restaurant and they believe they could use between 50 and 100 lobsters per week.</p>	
<p>The owner didn't place the lobster on lobster on the menu at the appropriate price during the trial and they believe that it would sell for \$300 per lobster on the plate.</p>	

<p>Restaurant: Prime Steakhouse, Caesars Palace Resort Las Vegas</p> <p>Chef: Gunther Crick</p> <p>Date of interview: 26th April 2006</p>	
Product Specification	Market Feedback
Perception of the ASR	Massive – suits our market well
Flavour	Great
Texture	Firm – which is excellent
Colour	Bright white

Size	Not an issue
X-Factor	Size, quality, flavour, Australian
Other	To be offered whole and served as several dishes
<p>Summary: As part of the Caesars palace casino, Prime has storage facilities and would take a volume in conjunction with other restaurants in the property</p> <p>Genuinely excited by the prospect and were not concerned about the \$US25-27lb</p> <p>Anticipate using #100-150 pieces per week</p>	

End User Culinary Requirements	
Restaurant: Bradley Ogdan Restaurant	
Chef: Dave Yarley	
Date of interview: 26th April 2006	
Product Specification	Market Feedback
Perception of the ASR	Beautiful Product – well worth the money
Flavour	Clean, delicious flavour which varies between the legs and the body
Texture	Legs soft, body firm

Colour	Clean white colour
Size	Initial concerns overcome through demonstration trial and viewing of the de-construction video
X-Factor	Australian, flavour, quality
Other	Versatility
<p>As part of the Caesars palace Casino, no problems with storage and handling.</p> <p>Would use them across a range of dishes – expecting to get 7-8 serves from one lobster</p> <p>Said he could make the \$US25-27 lb work</p>	

End User Culinary Requirements	
<p>Restaurant: Chez Panisse, Berkley California</p> <p>Chef: Jean Pierre Moule</p> <p>Date of interview: 28th April 2006</p>	
Product Specification	Market Feedback
Perception of the ASR	Exquisite - delicious
Flavour	Rich deep flavours with a slight nut tone and residual sweetness
Texture	Varied between preparations but characterised by its firmness by comparison to local Maine and Californian

Colour	Raw – clean translucent flesh; a clean white when cooked
Size	Initially quite confronting but when trialled it was recognised that there was a great opportunity to create a range of dishes to maximise the whole animal
X-Factor	The sustainability of the fishery was paramount, the flavour, texture and quality important
Other	A great story which sits in line with the values of Chez Panisse
<p>Regarded as one of the opinion forming restaurants in North America, Chez Panisse has a reputation for the quality of the produce it uses. Whilst committed to local producers, they saw that the quality of the SRL sang out culinary and that this offers a great opportunity.</p> <p>No live holding facilities, and would probably only use #1-2 every few days</p> <p>Said he could make the \$US25-27 lb work</p>	

End User Culinary Requirements	
<p>Restaurant: Farralon, San Francisco</p> <p>Chef: Chef Hiro</p> <p>Date of interview: 28th April 2006</p>	
Product Specification	Market Feedback
Perception of the ASR	Similar to the Californian/Mexican lobster

Flavour	Good , rich, clean sea flavour with a lasting finish
Texture	A good firm texture
Colour	Raw – clean translucent flesh, cooked – pearly white
Size	Initially quite confronting but when trialled it was recognised that there was a great opportunity to create a range of dishes to maximise the whole animal
X-Factor	Its quality, flavour, texture
Other	Especially liked the flavour
Farralon is regarded as one of the most innovative seafood restaurants in California and prides itself on the quality of seafood it uses.	
No live holding facilities, but could easily take SRL to hold in cool room for 2/3 days	
Said he could make the \$US25-27 lb work	

End User Culinary Requirements	
Restaurant: Aqua, San Francisco	
Chef: Peter Armenallo	
Date of interview: 29th April 2006	
Product Specification	Market Feedback

Perception of the ASR	Initial concern completely overcome through trial demonstration in kitchen
Flavour	Impressed with the quality of the flavour – in particular the sweetness
Texture	Firm body meat, legs, horn and head, soft and fatty
Colour	Very clean colour both raw and cooked
Size	Initial size concerns overcome when demo trialled in kitchen
X-Factor	Culinary quality
Other	A great eating lobster – better than Maine or Californian
<p>Peter Armanello had concerns about the prospects for using such a big animal but during the demo trial and educational presentation it was confirmed that it had versatility and commercial opportunity. Aqua do not have tanks and would require deliveries every couple of days – they would “special” such an item and could use #3-5 per day</p> <p>\$25-27lb would work for them</p>	

End User Culinary Requirements	
<p>Restaurant: Ame, San Francisco</p> <p>Chef: Greg Dunmore</p> <p>Date of interview: 29th April 2006</p>	

Product Specification	Market Feedback
Perception of the ASR	Too big, Too expensive
Flavour	Agreed that the flavour was superior to the local Maine, thought comparable to Californian
Texture	Firm
Colour	Clean white when cooked, translucent, prawn like when raw
Size	Too big
X-Factor	Australian
Other	Although initially negative, the Chef concluded by agreeing that it was a good eating lobster
<p>Ame is a fusions restaurant with Sushi Bar. Not especially convinced that they could make the size and price work, although they would definitely consider its use for special occasions.</p> <p>No live holding facilities and would require daily delivery</p> <p>\$US 25-27 very difficult for them to work with</p>	

End User Culinary Requirements

Restaurant: Swan Oyster Depot, San Francisco

Chef: Jimmy McDonald

Date of interview: 29th April 2006

Product Specification	Market Feedback
Perception of the ASR	Unbelievable – large, delicious, sweet
Flavour	Great flavour
Texture	Excellent texture
Colour	Nice clean colour
Size	Too big
X-Factor	Australian, live
Other	
Swan Oyster Depot is famous for its steamed whole Maine lobster and Lobster Salad – although not strictly SPFD, their use of Lobster was an attraction- the large SRL however, is too big and too expensive for them to use \$US25-27lb would not work for them	

End User Culinary Requirements

Restaurant: Sea Blue, MGM Grand, Las Vegas

Chef: Ben Jenkins

Date of interview: 27th April 2006

Product Specification	Market Feedback
Perception of the ASR	Initial amazement overcome through trial demonstration in the kitchen
Flavour	Impressed with the quality of the flavour – in particular the sweetness
Texture	Stayed firm on cooking
Colour	Bright white
Size	Initial size concerns overcome when demo trialled in kitchen
X-Factor	Culinary quality, size, Australian
Other	A great eating lobster – better than Maine or Californian
<p>As part of the MGM Grand Casino, Sea Blue has the capacity to receive live lobsters and store in the on-site holding facilities.</p> <p>Sea Blue is a wood-grill concept where whole fish and crustacean are simply BBQ'd over coals. We trialled cooking a half a tail for a serve and then steaming the legs and head, extracting the meat and producing a salad. This method allowed us to create 6 dishes from the one animal and qualified the value proposition to the chef.</p> <p>On the basis of full utilisation of the animal \$25-27lb would work for them</p>	

End User Culinary Requirements

Restaurant: Michael Mina

Chef: Adam Jones

Date of interview: 29th April 2006

Product Specification	Market Feedback
Perception of the ASR	Initial reaction Too big for them to use
Flavour	Impressed with the quality of the flavour clean, full, rich and sweet
Texture	Firm meat impressed
Colour	good
Size	Initial size concerns overcome when consideration of how it was to be used
X-Factor	quality
Other	

Michael Mina is regarded as one of the most high profile SPFD chefs in San Francisco, he has another restaurant in Las Vegas at the Mandalay Bay resort. A signature dish at the restaurant is a Lobster Pot Pie, in which he uses a whole 600-700 gm Maine/Canadian lobster. They sell approximately 30 of these per day, equating to #8 -10 SRL. Price was a limiting factor as they did not feel that \$US25-27lb would work for them in the signature dish

End User Culinary Requirements	
Restaurant: Jardiniere Restaurant Chef: Tracey Des Jardins Date of interview: 12 th May 2006	
Product Specification	Market Feedback
Perception of the ASR	Initial concern over it coming from Australia
Flavour	Very Impressed with the flavour
Texture	Very impressed with the firm texture
Colour	Impressed with the clean colour both raw and cooked
Size	Initial size concerns overcome when demo trialled in kitchen
X-Factor	SUSTAINABILITY Culinary quality
Other	Incredibly impressed with the Clean Green programme
<p>As one of the prime movers of the Ocean Watch programme, Tracey Des Jardins is committed to the promotion of sustainable fisheries – although her mandate tends to be based around local Californian fishers, she was genuinely impressed with the sustainable factors relating to the SRL.</p> <p>The culinary quality also impressed and to therefore met her double bottom line standards for procurement.</p> <p>Some concerns over the price and her not having any live holding facilities.</p>	

End User Culinary Requirements

Restaurant: Martini House, Napa Valley

Chef: Todd Humphries

Date of interview: 12th May 2006

Product Specification	Market Feedback
Perception of the ASR	Very impressed with the overall programme
Flavour	Sweet, clean and consistent flavour
Texture	Firm body meat, legs, horn and head, soft and moist
Colour	Consistent colour when cooked
Size	Very big, but when explained the multi use of different parts became obvious
X-Factor	Sustainability, Australian, Culinary quality
Other	A good lobster – better than Maine

Todd Humphries ran one of the educational events conducted in the Napa Valley, which due to logistics issues, did not have SRL. However, samples were sent to them after the mission and the interview conducted by phone. Todd was very impressed with the culinary aspects, but with no storage facilities felt that \$US 25-27lb would be difficult to make work for them

End User Culinary Requirements	
<p>Restaurant: French laundry – Napa Valley</p> <p>Chef: Corey Lee</p> <p>Date of interview: 16th May 2006</p>	
Product Specification	Market Feedback
Perception of the ASR	A beautiful lobster
Flavour	Impressed with the quality of the flavour – found it to be rich, deep and full
Texture	Firm body meat, legs, horn and head, soft and fatty
Colour	Very clean colour both raw and cooked
Size	Initial size concerns overcome when they developed a full utilisation of all parts
X-Factor	Culinary quality, sustainability, uniqueness
Other	A great eating lobster – better than Maine or Californian
<p>The French Laundry is arguably the most famous SPFD in the USA. Renown for their commitment to the highest quality produce, they source product globally under a mandate of culinary quality and sustainability. Due to logistics, samples were sent through post mission and a tele interview conducted. The Chef Corey Lee was genuinely impressed with the culinary quality in particular, and felt that the different flavours and textures would ensure that several dishes could be menued at one time. They serve a degustation style menu which means dish usage would be low and therefore consumption might be #2-3 lobsters every few days. No live holding facilities exist at the French Laundry</p>	

\$US25-27lb could work for them

End User Culinary Requirements	
Restaurant: Bouchon, Napa Valley Chef: Jeffrey Cerciello Date of interview: 16 th May 2006	
Product Specification	Market Feedback
Perception of the ASR	Initial concern regarding size and price
Flavour	Impressed with the quality of the flavour – and recommendation from French laundry
Texture	Grilled – firm, poached softer, braised firm
Colour	Clean, clear colour both raw and cooked
Size	Initial size concerns overcome when dish development discussed
X-Factor	Culinary quality, uniqueness, Australian
Other	Genuine respect for the quality
Bouchon is the sister restaurant to the famous French Laundry, whilst it is more a Bistro style operation it is highly regarded for its quality and consistency of product. They share the same produce procurement philosophy and are highly regarded Internationally for this.	

Some concern over the size was overcome, once they had developed a range of dishes for the lobster, although the price still made it difficult for them to menu consistently, although they might use for specials.
 No live holding facilities

End User Culinary Requirements	
Restaurant: REDD, Napa Valley Chef: Dick Reddington Date of interview: 16th May 2006 -	
Product Specification	Market Feedback
Perception of the ASR	WOW!
Flavour	Really Impressed with the quality of the flavour – in particular the richness
Texture	Firm body meat, softer leg, horn and head meat
Colour	Very clean colour both raw and cooked
Size	Initial size concerns overcome when trialled in kitchen
X-Factor	Culinary quality, sustainability and uniqueness
Other	Delicious and versatile
REDD in the Napa Valley is highly regarded as one of the hottest contemporary restaurants in the US. Renowned for the	

quality of produce he uses, Dick Reddington was initially overcome by the size of the Lobster, which due to logistics was delivered post mission. On discussion however, the use of all parts of the animal proved that it had culinary and commercial opportunity.

No holding tanks and a limited use (#2-3 lobsters every few days)

Appendix 3: Supply Chain Interviews

Supply Chain Product Specifications		Market Feedback
Company name: International Marine Products – Henry Kiko Los Angeles		
Company type: Importer - distributor		
Date of interview: 3/5/06		
Product Specification		Market Feedback
Product Consistency and Uniformity	Too large	
Restaurant buying requirements (quantity and price)	Smaller live and frozen tail	
Texture	n/a	
Colour	n/a	
Size	Too big	
X-Factor	Not for them	
Other		
Summary: IMP service the high end Japanese restaurant market but were adamant that the SRL is not for them		

Supply Chain Product Specifications	
Company name: Monterey Fish San Francisco	
Company type: Distributor	
Date of interview: 28.4.06	
Product Specification	Market Feedback
Product Consistency and Uniformity	With such large animals, require consistent size, shape. Colour (i.e. mottled shell) not as important.
Restaurant buying requirements (quantity and price)	Target price \$US25 lb – will not work with +35% margin for Monterey fish Restaurants will buy per each, thus will be held in the holding tanks prior to dispatch
Texture	Good
Colour	Good
Size	Too large
X-Factor	Australian, size
Other	
Summary: Monterey fish were interviewed twice, once prior to receipt of the Southern Rock Lobster, second after they and a number of their customers had seen, and experimented with them.	
Their initial response was quite negative, however, on the back of the endorsement from the chefs, they became interested. Significant concerns over the size and cost, particularly if they are to be sold to Monterey who would then	

expect a further 35% margin to be added pre-sale.

Supply Chain Product Specifications

Company name: Osprey Seafood – Mike Weinburg San Francisco

Company type: specialist distributor

Date of interview: 28.4.06 – 30.4.06

Product Specification

Market Feedback

Product Consistency and Uniformity Ok
Essential

Restaurant buying requirements (quantity and price) Restaurants would order #1 piece at a time, therefore a specialist packing format would be required to deliver single pieces

Texture Excellent

Colour Excellent

Size Too large

X-Factor Australian, Sustainable and eats great

Other

Summary: Osprey is a specialist distributor who targets the SPFD in San Francisco and the Napa Valley. His clients are typically independent restaurants seating 50-10 persons, with small dishes of fine cuisine the norm. Osprey would not be in a position to import or store the SRL and could only participate in the supply chain if he could purchase from a primary importer.

Price is too high – even by comparison to other exotic seafood carried by Osprey

Supply Chain Product Specifications	
Company name: New England Lobster – San Francisco	
Company type: Integrated lobster producer, exporter and distributor	
Date of interview: 28.4.06	
Product Specification	Market Feedback
Product Consistency and Uniformity	NEL have the capacity to re-grade and thus whilst not so important to them, it is viewed as a critical issue for their customers
Restaurant buying requirements (quantity and price)	Most local San Francisco restaurants order directly with them on a daily basis and would take receipt of 5-10 lobsters per delivery.
Texture	Excellent
Colour	Excellent
Size	Very large – this size animal is less than 2% of their New England Lobster business
X-Factor	Australian – uniqueness
Other	
Summary: NEL are an integrated lobster business who specialise in the marketing of their own harvest. As a specialist lobster distributor, their understanding for the requirements of importing, storage and distribution of live lobster are second to none. Somewhat concerned at the price, nominating that they can procure Mexican for 2^o of the price	

Supply Chain Product Specifications	
<p>Company name: H&N Seafoods, San Francisco</p> <p>Company type: importer – wholesaler - distributor</p> <p>Date of interview: 2.5.06</p>	
Product Specification	Market Feedback
Product Consistency and Uniformity	Large – might have some opportunity in the Chinese market
Restaurant buying requirements (quantity and price)	Chinese restaurants buy by the box, smaller restaurants may not buy
Texture	Ok
Colour	Ok
Size	Ok
X-Factor	Australian, live Southern Rock Lobster
Other	
<p>Summary: H&N had no particular opinion about the opportunity for ASR – with a large network which extends across the country, H&N have the capacity to import, whole and distribute directly to food service. Whilst not negative for the prospects of SRL, they did not have a position for them unsure of the opportunity</p>	

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Supply Chain Product Specifications	
Company name: Pacific Pride Seafood's Company type: Distributor Date of interview: 25.4.06	
Product Specification	Market Feedback
Product Consistency and Uniformity	The large lobsters are fine!
Restaurant buying requirements (quantity and price)	SPFD restaurants will buy by the each or a few at a time
Texture:	Great
Colour:	Great
Size:	ok – not too much of a problem
X-Factor ;	Uniqueness, Australian, sustainable, delicious
Other	
Summary: Pacific Pride are smaller, customer service oriented seafood distributor who are excited about the prospect of working with SRL to develop a unique market position for ASR. They are very positive about the opportunity in both the SPFD and the Gaming/Steakhouse markets	

Supply Chain Product Specifications

Company name: Kingfisher Trading

Company type: Importer, wholesaler, live distributor

Date of interview: 25.4.06

Product Specification

Market Feedback

Product Consistency and Uniformity

Very familiar with the product as currently import from Australia

Restaurant buying requirements (quantity and price)

Restaurants in Chinese community buy #1-full box per order
Currently sell for \$us16-18lb

Texture

Good

Colour

Good

Size

Good

X-Factor

Size

Other

Summary: Kingfisher currently import and distribute live SRL to the Chinese restaurants and distributors in LA. They are familiar with the importing, handling and storage of the SRL. They have concerns about the capacity to increase the price of ASR to the target \$25-27

Supply Chain Product Specifications	
Company name: Santa Monica Seafoods – Logan Kock – Los Angeles	
Company type: High end seafood distributor	
Date of interview: 26.4.06	
Product Specification	Market Feedback
Product Consistency and Uniformity	Good
Restaurant buying requirements (quantity and price)	Restaurants would buy #1 – 4 pieces per order
Texture	Good
Colour	Good
Size	Very large, some concerns – when demonstrated they became more comfortable
X-Factor	Uniqueness, Australian, sustainable, price
Other	Santa Monica Seafoods are a specialist distributor into the SPFD market in LA and Los Vegas. They have access to and support from this market and are well placed to partner SRL into the market. Some concerns regarding the cost and size of the SRL. Santa Monica have the capacity to import directly and store

Appendix 4: SRL Board Visit Company Profiles

Company:	<p>The Hauser Group</p> <p>530 Means Street NW Suite G-1 Atlanta, GA 30318</p> <p>Tel: 404-222-0600 Fax: 404-222-0580</p>
Key Contact	<p>Ed Klein – President e.klein@hausergroup.com</p>
Background	<p>The Hauser Group is an Atlanta based Public Relations and Marketing group.</p> <p>Their services include:</p> <ul style="list-style-type: none"> ➤ Research and Strategic Planning ➤ Branding ➤ Public Relations ➤ Promotions and Events ➤ Media Planning <p>Hauser Group was recently featured in Adweek’s online magazine for a new integrated marketing campaign on behalf of Wild American Shrimp Inc (WASI), a newly formed non-profit corporation committed to ensuring the viability of America’s shrimp industry. The article outlines the campaign and its purpose – to raise public awareness about the many health and economic benefits of naturally caught Wild American shrimp that grows naturally, is caught fresh and supports the US Seafood industry.</p> <p>Representing the industry in eight southern states, Wild American Shrimp will be promoted through a multi-faceted advertising and marketing campaign as a premium product to compete with imported shrimp. Marketing efforts will initially include print advertising, public relations, grocery store promotions and restaurant programs. WASI is creating a certification program to ensure uniform quality from the boat to the consumers table, part of an awareness campaign that also includes grocers and restaurateurs dedicated to offering an outstanding seafood choice for their customers. Wild American Shrimp will be identified through a new logo, designed by Hauser Group.</p>

Company:	The Crab Broker www.crabbroker.com
Key Contact	Rob George – President rob@crabbroker.com (702) 212-8498
Background	<p>For over 20 years The Crab Broker has been on the look out for really great seafood. We are a family run business and consider ourselves a "boutique-type" seafood supplier. We market premium seafood from Alaska, Australia, Pacific Northwest, Gulf of Mexico, Maine and Nantucket, Massachusetts and more!</p> <p>We pride ourselves in consistently delivering the very best seafood -- every single pound every single day!</p> <p>The Crab Broker flies more than 25,000 miles every year, visiting other countries looking for suppliers of very high quality and unique seafood, as well as regularly visiting our U.S. suppliers to ensure you receive the best seafood available.</p> <p>If you are looking for a better source of quality seafood or something truly unique, like our fresh Australian seafood, please feel free to give us a call at 888-454-CRAB or drop us an email and we'll get right back to you. About as fast as you can say "Jet-Fresh Seafood".</p> <p>Some comments from Rob:</p> <ul style="list-style-type: none"> • <i>Back in February I stopped buying fresh WA tails. The prices were high and I had to sell for around \$37.00 per pound for 6/8 ounce tails. At those prices I could sell 300 pounds per week and almost every pound I sold was to restaurants here in Vegas. I couldn't sell to other customers around the country because the high prices.</i> • <i>I've played with fresh tails for about eight or nine years. Every year the prices increase and it's getting to the point that it's not a real attractive situation for me.</i> • <i>Over these past years, it just seems to me that the whole Australian lobster industry and the way they run their business is not something that will allow myself to really build a successful program. As soon as the market condition changes for them, then they drop you. I see this large lobster situation doing the same.</i> • <i>I have some great, very successful programs in place and with a few others that are showing promise that we're working on. I have been contemplating for over a year to stop selling Australian seafood. It's all very expensive, prices just keep on rising and sales just don't grow. Keep in mind, I've been dealing with Australian seafood for fourteen years and it's not</i>

growing.

- *So these are thoughts that are running around my head. I don't want to get into a situation where I have to really struggle to sell fresh tails and we move 300 to 400 pounds per week to a handful of restaurants. Australia has some great seafood to offer but again, with such high prices, the market is very limited. I find myself spending a lot of money each year supplying samples, but it's always the same old story, chefs love the product but the prices are too high.*

Company:	The Fresh Fish Co 1440 Bancroft Ave San Francisco, CA 94124 Tel: (415) 593-8080 Fax: (415) 593-9393 www.portsseafood.com
Key Contact	Tim Port – President Chris Barry – Purchasing Manager Tel: (415) 593-8080 chrisb@portsseafood.com ; timp@portsseafood.com
Background	A wholesale distributor of fresh fish and live shellfish to the SF Bay Area's finest restaurants and retailers. Currently move around 5-700 pounds of live lobster per week to around 250 accounts within a 100 mile radius of San Francisco. Capacity is 2,500 pounds of live product. Lobster species carried include Californian Spiny (when in season) and Maine.

Company:	Seafood Choices Alliance Head Office: 1731 Connecticut Avenue, NW Suite 450 Washington, D.C. 20009 Phone: 202/462 9750 Fax: 202/483 3518 www.seafoodchoices.com
Key Contact	Ms Joey Brookhart – Communications Associate joey@seaweb.com Cell: 831.277.0271 Tel: 202.270.2535
Background	Seafood Choices Alliance is a global trade association for the issue of ocean-friendly seafood. Founded in the United States in 2001, the Alliance helps the seafood industry – from fishermen and fish farmers to distributors, wholesalers, retailers and restaurants – to make the seafood marketplace environmentally and economically sustainable. There is a growing interest worldwide in environmentally responsible seafood. Seafood Choices

Alliance mobilizes and connects the world's leading voices in support of a sustainable supply of seafood choices, highlighting the need for a global solution to threats facing the ocean.

Alliance members are knowledgeable about the issues related to sourcing ocean-friendly seafood and therefore better able to meet their customers' needs. The Alliance connects its individual members with more than 2,500 other buyers/sellers. Members receive the quarterly *Afishianado* newsletter detailing trends in sustainable seafood and their implications for your business, current news, and the real-life experiences of other members. Members also receive the supplemental publication *It's All About Salmon* and the *Fish Fax* breaking news service. Additionally, members have access to *Sourcing Seafood: A Professional's Guide to Procuring Ocean-friendly Fish and Shellfish*, networking opportunities, special events and promotional opportunities, such as the annual Seafood Summit. Alliance membership is free.

SRL may wish to consider becoming an alliance member of this association.

Company:	<p>Santa Monica Seafoods</p> <p>18531 Broadwick Street Rancho Dominguez, CA 90220 Tel: (310) 886-7900 www.santamonicenseafood.com</p>
Key Contact	<p>Logan Kock – Director of Purchasing</p> <p>Tel: (310) 886-7900 logan@smseafood.com</p>
Background	<p>With a history dating back over 100 years, Santa Monica Seafoods is one of Southern California’s leading seafood distributors serving not only the immediate area but also reaching into the Palm Springs, San Diego and Las Vegas markets .</p> <p>Their principle processing facility and corporate headquarter was in Santa Monica until April, 2003 when the entire operation was consolidated to a state-of-the-art processing facility in Rancho Dominguez.</p> <p>In 1997, the Company opened its first retail-only site in Costa Mesa. This store combined an extensive display of seafood with a full kitchen in which hot meals are prepared for patio eating or take-out. As mentioned, more recently, Santa Monica Seafood consolidated its processing and distribution facilities into a 60,000 square foot, state-of-the-art complex in Rancho Dominguez which houses our entire wholesale staff, the corporate and sales offices as well as a commissary which prepares special salads, soups, sauces as well as signature recipe menu items sold in the Company’s retail stores. This site is completely temperature controlled ensuring only the most fresh and healthful fish and seafood products.</p> <p>The company distributes seafood from Santa Barbara down to the Mexican border, East to Palm Desert and ships product into Las Vegas 6 days a week.</p> <p>Key customers include Kings Seafood and McCormick & Schmick’s</p> <p>Currently sell 4-5000 pounds of Canadian lobster, 800 live dingeness and 1000 Pacific Spiny’s a week (when in season) to a discerning white table cloth clientele.</p> <p>Concerned about the mortality factor of bringing through ASR.</p>

Company:	<p>Red Chamber Inc</p> <p>1912 E. Vernon Ave. Vernon CA 90058 Tel: (323) 234-9000 www.redchamber.com</p>
Key Contact	<p>Ming Shin & Ming Kou – Directors</p> <p>Tel: (323) 234-9000 mbk@redchamber.com</p>
Background	<p>Importers, Exporters, Distributors & Processors Headquartered in Southern California, Red Chamber Co. has been in seafood business since 1973. The variety of seafood products we offer has allowed us to be an innovator in product development. The diversity of our products allows us to be the leader in the seafood industry. Red Chamber Co. to grow from a small company to one of the nation's largest and best-equipped seafood importing and processing companies. With customer service as our foundation, we are prepared to be the industry's leader committed to achieve the highest possible standards in product quality.</p> <p>Strategically located processing plants We are not just another importer. The Red Chamber Group owns and operates strategically located processing plants on both coast of the United States. In order to accommodate our volume, we have established several international processing facilities. Whether domestic or international, we can process seafood in every conceivable method. All of our products can be portion control packaged and with accompanied with nutritional labeling and appropriate cooking/preparation instructions.</p> <p>Sophisticated processing technology To meet your needs, we operate cold storage facilities throughout the United States with a capacity to store more than 60 million pounds of product. To assure the highest customer satisfaction we have instituted a quality control program that is unsurpassed. In addition, we have been at the forefront of HACCP development and compliance and employ sophisticated processing technology to meet the strict sanitation standards imposed on the seafood industry.</p>

Company:	Passionfish Restaurant Monterey 701 Lighthouse Avenue Pacific Grove CA 93950 Tel: (831) 655-3311 www.passionfish.net
Key Contact	Ted Walter – Executive Chef
Background	<p>Passionfish is owned and operated by Chef Ted Walter and his wife Cindy Walter. Over the past eight years, Passionfish has earned a noteworthy reputation for Chef Walters' unique California cuisine. His simple, inspired recipes most often incorporate fresh California produce and sustainable seafood.</p> <p>Trained as a classic French Chef, Ted cooked in establishments across the country, picking up the best that each region had to offer, before cultivating his unique culinary style</p>

Company:	<p>Pacific Pride Seafood</p> <p>1939 Staunton Ave Los Angeles, CA Tel: (213) 749-9914 Fax: (213) 749-9913 www.awesomefish.com</p>
Key Contact	<p>Tom Witt & Charles Love Tel: (213) 749-9914</p>
Background	<p>Pacific Pride Seafood has been serving the seafood industry from their Los Angeles location since 1987. Pacific Pride Seafood is in the business to do just one thing – deliver the finest seafood from around the world to your restaurant at the best price possible.</p> <p>The company has a dedicated team of buyers who import quality seafood directly from countries such as Ecuador, Mexico, Australia, New Zealand and Norway.</p> <p>Pacific Pride’s wholesaler customers well know great seafood isn’t all they receive. They also receive great service, quality and the best prices. All of Pacific Pride’s seafood fish is brought in daily and then delivered fresh to their Los Angeles distribution centre. Their modern fleet of refrigerated vans will deliver to anywhere in Los Angeles, Palm Springs, Orange County, Island Empire, Santa Barbara and San Diego.</p> <p>Customers include: Sheraton Hotels, McCormick and Schmick’s, Bristol Farms and the Beverley Wilshire Hotel among others.</p> <p>Are young and aggressive, with a very strategic approach. Have indicated their keenness to support SRL in a national marketing campaign.</p>

Company:	New England Lobster Company
Background	<p>Maine Based, lobster fishing company that has vertically integrated into distribution.</p> <p>San Francisco business consists of live holding and trucking servicing the West Coast of the USA, Hawaii and Hong Kong.</p> <p>A hub and spoke model – worth consideration.</p>

Company:	<p>N9ne Steakhouse @ The Palms Casino</p> <p>4321 West Flamingo Road Las Vegas, NV 89103</p>
Background	<p>N9NE, a sizzling contemporary steakhouse offering a compelling menu of Chicago style prime-aged steaks and chops for the true carnivore combined within an internationally diverse MENU for those with something else in mind.</p> <ul style="list-style-type: none"> • The restaurant can seat 200 people and averages 400 customers per day. • US85 dollars if the average cheque on foods. • The have recently moved from Aus to NZ lobster tails: 32 oz • US30-34 dollars a pound for tails • Buy from Supreme lobster via Chicago • 16,000 pounds per annum • 20-25 units per night of 32 ounce tails • Comments are live is too volatile, fresh too difficult – they want frozen

Company:	Monterey Fish Market Pier 33 San Francisco, CA Tel 415.956.1986 Fax 415.956.5851 www.montereyfish.com
Key Contact	Tom Worthington Tel: 415.956.1986 tworthington@webseafood.com
Background	<p>Monterey Fish is based in San Francisco, California. While we are small enough to provide individual personalized service our sales volume is great enough to allow us to buy in volume directly from local boats and producers nationwide, enabling us to sell the best quality seafood at fair prices.</p> <p>Over the years, we've worked to establish a reputation for quality not just with our customers but with our network of suppliers. Our suppliers know that if they've got premium product, we're willing to pay for it. We at Monterey Fish do our best to bring you the freshest, quality seafood available. Setting the standard for quality and service has been our obsession since 1979.</p> <p>We follow the strictest guidelines when it comes to seafood handling and expect all our suppliers to do the same. We welcome periodic inspection by the FDA, State and local Health Services. We are HACCP compliant, meaning we comply to a strict set of regulations implemented by the Federal Government to ensure the wholesomeness of seafoods. Monterey fish uses only suppliers, growers, producers and fishermen who are HACCP compliant and have a detailed HACCP plan on record. As well, all our shellfish comes from certified waters which are tested by the appropriate state and local health agencies weekly.</p> <p>Currently supply 100-120 white table clothes in San Francisco and Napa. Also supplying Las Vegas.</p>

Company:	<p>Monterey Bay Aquarium – Seafood Watch Program</p> <p>Monterey Bay Aquarium, 886 Cannery Row, Monterey, CA 93940 Tel: (831) 648-4800 www.mbayaq.org/cr/seafoodwatch</p>
Key Contact	<p>George H. Leonard, PhD Science Manager – Seafood Watch Monterey Bay Aquarium Tel: (831) 647-6830 Cell: (831) 402-7477 GLeonard@mbayaq.org</p>
Background	<p>Seafood Watch is a program of the Monterey Bay Aquarium designed to raise consumer awareness about the importance of buying seafood from sustainable sources. They recommend which seafood to buy or avoid, helping consumers to become advocates for environmentally friendly seafood. They are also partners of the Seafood Choices Alliance where, along with other seafood awareness campaigns, they provide seafood purveyors with recommendations on seafood choices.</p> <p>Monterey Bay Aquarium developed a list of sustainable seafood as part of their 1997-1999 "Fishing for Solutions" exhibit anticipating visitor questions about making better seafood choices. The list evolved into the Seafood Watch pocket guide for consumers.</p> <p>Today, they have a dedicated staff to create and distribute regional Seafood Watch pocket guides across the United States and Canada.</p> <p>Their Seafood Watch guides reflect what is sold in the regional market. To create each regional guide, they establish partnerships with regional zoos and aquariums. Their staff does most of the research, collecting government reports, journal articles, and making personal contact with fishery and fish farm experts to create a Seafood Report. After a thorough review process, the information is run through their criteria for sustainability and a recommendation is developed. Their regional partners assist with choosing the species to be researched and distribute the pocket guides to their guests.</p>

Company:	<p>Lee Fish USA</p> <p>5441 West 104th Street Los Angeles, CA 90045 Tel: (310) 642-0680 Fax: (310) 642-0684 www.leefishusa.com</p>
Key Contact	<p>Richard Adlem – President (310) 592-3119 Richard@leefishusa.com</p>
Background	<p>Leigh Fisheries, along with Richard Adlem, who at the time had 14 years of experience importing fish from New Zealand and Australia, formed LEE FISH USA in March 2001. With the support of the parent company and other leading producers in New Zealand and Australia, we have fast become one of the primary importers of fresh fish from the South Pacific region. During 2003 we brought in around 1,500 tons of fish and are expecting that to increase this year as we expand our product line.</p> <p>Along with our superior quality and reliability, LEE FISH USA has formed some strong ties with key wholesalers throughout North America allowing the end consumers to buy some of the highest quality products imported from New Zealand and Australia. The majority of our products are marketed to wholesale distributors for the restaurant industry, and we currently have customers in 33 states throughout the USA.</p> <p>Lee Fish currently carry live Rock Lobster from New Zealand.</p>

Company:	<p>Lagudi Enterprises, LLC</p> <p>Lagudi Enterprises, LLC 6125 S. Valley View Blvd., Ste. D Las Vegas, NV 89118 USA</p>
Key Contact	Paul Lagudi - President
Background	<p>Australian, who is ex- Harris Farm markets.</p> <p>Business is providing value added fruit and vegetable services to wholesale and retail in Northern California and Nevada.</p> <p>Spent the last 6 years establishing his network within the casino's in Las Vegas.</p> <p>Works within the contract market sector.</p> <p>Looking to develop business at set price.</p> <p>Foray into Seafood has been on demand from clients and is not his speciality.</p> <p>Aggressive business model and would be interested in developing a business relationship with ASR.</p> <p>Would consider putting in live facilities and could be a business partner.</p> <p>Smart operator and has invested in capital equipment to serve the value added fruit and vegetable business.</p>

Company:	<p>Kingfisher Trading</p> <p>2503 Troy Avenue S El Monte Tel: (626) 448-9222</p>
Key Contact	<p>Helen & Johnny Quach – Directors Mike Truong Tel: (626) 448-9222</p>
Background	<p>Kingfisher sells a range of live shellfish, crustacean and fish - live seafood is the only product they sell.</p> <p>Their customer profile is currently almost exclusively Asian, primarily Chinese and Vietnamese - both principals are Viet/Chinese, Japanese and Korean markets serviced by distributors to whom they sell. Some Western business but very limited and primarily large hotels and casinos.</p> <p>The company has strong links with Australia, having been buying from Oz for 14 years. In view of their activity with live King Crab, Crystal Crab, Mud Crab, live coral trout, banded morwong and spotted cod - all from Australia - kingfisher have significant interests in live product ex Australia - the various Australian species they handle account for @20-30% of their current business.</p> <p>Extensive live holding facilities, with 10 vehicles carrying live holding tanks on board servicing greater LA - direct distribution into Las Vegas 2/3 times per week and FedEx/UPS into other cities including New York, direct to end users.</p> <p>The Kingfisher facility is located in a predominantly Asian precinct in LA, although there are many Chinese enclaves around the city and thus they run a broad distribution programme around LA - the operation starts at 09:00 and they deliver through to @10pm - this is to partly coincide with the QF and UA arrivals from Australia and Vietnam, (where they source a range of other live fish and shellfish), and to co-ordinate around the LA traffic.</p> <p>Kingfisher prefers large SRL (2-3kg) in order to differentiate from local, Mexican and Maine. Lack of availability of this size has been a consistent problem for this season in particular.</p> <p>Store Maine lobsters at 45f, SRL at 55f - know that ASR can survive at 45f but don't look lively at that temp, they curl into a ball and remain at bottom of tank - suggest that 48-50f is ideal for both species to cohabitate.</p> <p>Kingfisher have concerns over the current mortality and question whether this is seasonal. Have noticed this mortality consistently between</p>

November and June for the last few years.

Traditional Asian wholesaler - not especially marketing focussed - drivers are consistency, continuity and price. Believe that there is potential to build the Chinese market through availability and extending a distributor network in the Japanese and Korean markets in Los Angeles.

They could also develop business in other states in both direct supply and distributor networks; they currently don't have the resources to do so but could be a potential channel.

Company:	Julia's Kitchen @ COPIA - 500 First Street Napa CA Tel: 707-265-5700 www.patinagroup.com/juliasKitchen
Key Contact	Victor Scargle – Executive Chef
Background	<p>Savor the succulent California-French cuisine of renowned executive chef Victor Scargle at Julia's Kitchen, where the menu is inspired by hand-picked ingredients from COPIA's organic gardens and features mouthwatering dishes infused with the fresh taste of the season.</p> <p>Executive Chef Victor Scargle has over 10 years of professional culinary and restaurant experience. His distinctive personal style incorporates a refined expertise in regional cuisines, developed while working for such highly acclaimed Bay Area restaurants as Jardinière, the Grand Café, Pisces and Aqua. He's also worked at the Tribeca Grill and Patria in New York, and the Colony Bistro in Miami. Julia's Kitchen was placed among the top 100 Restaurants in the Bay Area and Chef Scargle received 3-1/2 stars (out of 4) from the <i>San Francisco Chronicle</i>.</p>

Company:	International Marine Products 500 East 7 th Street Los Angeles CA 90014 www.intmarine.com
Key Contact	Alfred, Live Products Purchaser Tel: (213) 893 6123 Cell: (213) 272 6089 Alfred@intmarine.com
Background	<p>International Marine Products, Inc. is a subsidiary of EIWA Group. In 1963 EIWA opened its first restaurant in the United States, named Tokyo Kaikan, in the Little Tokyo district of Los Angeles. This was the first truly authentic Japanese restaurant in America. Tokyo Kaikan is also the birthplace of the now famous California Roll. Presently, EIWA (owns and) operates the Kitayama Restaurant in Newport Beach, California.</p> <p>In 1968, using their experiences as a fish wholesaler in Japan, EIWA has operated International Marine Products, Inc. in Los Angeles, a wholesaler of fish for Sushi. Since establishing this business in Los Angeles, We have opened branches in San Francisco (IMP Foods, Inc.), Las Vegas (IMP Nevada, Inc.), and Sydney, Australia.(IMP Seafood, Inc.).</p> <p>With the latest information and handling of the freshest ingredients, we are committed to provide value to our customers. As the information age is ever expanding, we are in position to provide our customers with exceptional service and quality. We can ship product to every location in the U.S.A., thanks to a highly efficient delivery department. As a leader in the seafood industry, we will continue to take initiatives that enhance our customer's business.</p> <p>EIWA Group <i>The preservation of Japanese culture through "The Japanese food businesses"</i></p> <p>This is our group's mission statement. EIWA has a long history for being innovative explorers and leaders in the Japanese food industry. The company opened its first Japanese restaurant in Tokyo, Japan in 1952. Since then, EIWA has expanded its business and now operates 25 Japanese restaurants across Japan. In addition to its foundation of "Japanese Food" as a business theme, IMP also acts as a fish wholesaler at the famous Tsukiji fish market in Tokyo and operates Japanese restaurants, Utensil rental services for Japanese restaurants, Japanese chef training and tea ceremony schools and other "Japanese Food" related businesses".</p>

Company:	<p>IMP Foods 1021 S Railroad Avenue San Mateo, CA 94402 Tel: (650) 341-0390</p> <p>www.impfoods.com</p>
Key Contact	<p>Jerry Yuki, Fresh Products Purchaser Tel: (650) 341-0390 tyuki@impfoods.com</p>
Background	<p>Founded in 1982, IMP Foods is the sister company of International Marine Products, Inc in Los Angeles. IMP Foods is located in San Mateo, CA in the heart of the San Francisco Bay Area located between San Francisco and San Jose fs Silicon Valley.</p> <p>We specialize in Premier Sushi-Grade Seafood, steadily growing our business the old-fashioned way: by providing top quality products and services to our valued customers. We have built our reputation by stocking a wide array of premium grade seafood imported from suppliers around the globe. Daily shipments arrive from Tsukiji Market in Tokyo, Japan; Sydney Australia; Canada, Europe, South America and the domestic East Coast.</p> <p>Our primary customer base has been Japanese sushi bars and restaurants. We also supply other wholesalers and high-end white tablecloth restaurants that are in need of the freshest seafood available. Our customers have several option to receive our seafood: by pick up (will call), delivery (by IMP Foods trucks), or by air shipment. We ship to all states and are responsible for supplying many sushi bars across the U.S.</p> <p>IMP Foods is a HACCP compliant (Hazard Analysis Critical Control Point) company. We work closely with local health departments and the FDA to ensure that our products are safe for our customers and the public. We also implement an internal quality control program, which includes lab tests, certification from suppliers and other layers of protection.</p> <p>IMP Foods and our staff believe in the win win situation. We thrive on building positive situations that are mutually beneficial for our customers, vendors and employees. Our existence as a company depends on our valued customer's business to grow, dedicated seafood suppliers to select premium products, and that our employees maintain professional knowledge as well as enthusiasm to provide exceptional service.</p>

Company:	<p>Hurley's Restaurant 6518 Washington Street Yountville, Napa Valley, Ca. 94599 Tel: 707.944.2345 Fax: 707.944.2386 www.hurleysrestaurant.com</p>
Key Contact	<p>Bob Hurley – Executive Chef</p>
Background	<p>Since I began cooking professionally 23 years ago, I've had a strong belief that the use of regional, seasonal ingredients is important on many different levels. It promotes sustainability, showcases local producers, and provides the finest dining experience to the customer. Here in the Napa Valley we are particularly blessed with a wide range of such products, from produce and meats to fish and fruits, as well as artisan breads, cheeses, oils and much more. Just as I believe that there is no substitute for finely honed kitchen skills among the kitchen staff I have hired when I opened my own restaurant last November, I also believe that there is no substitute for seasonal ingredients. That is a guiding light behind the menu development at Hurley's.</p> <p>Bob Hurley - Bio Bob Hurley, owner and Executive Chef of Hurley's Restaurant & Bar in the Napa Valley, is a world traveler and a devotee of the culture, cuisine and lifestyle of many other countries. Over a decade ago he planted his roots firmly in the California Wine Country, first as a chef at Domaine Chandon, then later as Executive Chef at the Napa Valley Grille.</p> <p>Chef Hurley has appeared on Carolyn O'Neil's CNN show "Travel Now" and is a regular on San Francisco's Bay TV. In 1999 he was honored in the "1998 Year In Review" issue of <i>Nation's Restaurant News</i>, in the category of "Hot Concepts." He has been guest chef at Macy's Cellar cooking demonstrations with Narsai David and is frequently featured at the Annual Chefs' Holidays series at the Ahwahnee Hotel in Yosemite.</p> <p>Always the first to respond to the needs of the non-profit sector, Chef Hurley has been a regular participant in charitable events, including the Napa Valley Wine Auction, Copia: American Center for Wine, Food and the Arts, the Napa Valley Academy Awards Benefit, Hands Across the Valley, the River School, the Waldorf School and the Napa Valley Mustard Festival. In 1999, Chef Hurley joined the late Chef Jean Louis Palladin in preparing dinner for the Staglin Family Vineyard Music Festival for Mental Health, which raised over a million dollars for mental health beneficiaries.</p>

Company:	<p>H&N Foods International</p> <p>San Francisco Office 125 Bayshore Boulevard San Francisco, CA 94124 Phone: 415-821-6637 Fax: 415-821-7159</p> <p>Vernon Office / Warehouse 5580 S. Alameda Street Vernon, CA 90058 Phone: 323-586-9388 Fax: 323-586-9333</p> <p>www.hnfoods.com</p>
Key Contact	<p>Henry Cheung, Fresh Products Coordinator Henry Luu, Lobster Coordinator Tel: (415) 821-6637 henry_cheung@hnfoods.com; henry_luu@hnfoods.com</p>
Background	<p>Since 1981, H&N Foods has established key supply partnerships in 5 continents with companies in over a dozen countries throughout the world. These relationships enable H&N Foods to provide extensive fresh, frozen and live seafood product lines to its customers as well as 5 distinct packaged brands. And, by utilizing the latest technology available from our global logistics network, H&N Foods ensures timely delivery and premium quality. With qualified HACCP facilities in both Los Angeles and San Francisco operating 24 hours per day, H&N Foods is able to transport its entire product line under the best possible conditions and in accordance with strictest of industry guidelines and regulations. Management's commitment to product quality, global variety and innovation has created an industry-leading array of fresh, frozen and live seafood product lines.</p> <p>As an importer, wholesaler, distributor and processor, H&N Foods actively seeks out new sources for fine seafood products and remains dedicated to providing all of its customers with extensive selections, professional service and premium quality seafood.</p>

Company:	<p>Gene Mack – Customs Broker</p> <p>5330 W 102 St Los Angeles, CA 90045</p> <p>Tel: 310-410-1331 Fax: 310-410-4527 www.genemack.com</p>
Key Contact	<p>Gene Mack – President gene@genemack.com</p>
Background	<p>If you import seafood, dairy, food products or alcohol, talk to us! We clear seafood and perishables of all kinds seven days a week. We work with local cold storage warehouses and truckers to ensure your product is transferred to proper storage as quickly as possible after arrival. Our internal control programs ensure that all FDA entries subject to the Bioterrorism Act (BTA) Prior Notice requirements are pre-filed far in advance of the regulatory requirements.</p> <p>Las Vegas Office We are the only Customs Broker in Las Vegas with a fully staffed office in Los Angeles. Most cargo destined for Las Vegas moves through Los Angeles so our customers have more options for faster, better service because we are able to clear in either port and maintain direct control of the entry process through to delivery.</p>

Company:	<p>Food and Drug Administration – Los Angeles Branch</p> <p>222 West Sixth Street, Suite 700 San Pedro Tel: (310) 971-2304 FAX (310) 971-2364 www.fda.gov</p>
Key Contact	<p>Mr Larry Stevens – Director, Imports Branch Tel: 310-971-2304</p>
Background	<p>In 2002 the US Congress passed the Bioterrorism Act as a part of its ongoing effort to combat terrorism – in this instance, by reducing the ability for international terrorists to carry out terrorist attacks in the US by contaminating imported foods. Owners, operators, or agents in charge of domestic or foreign facilities that manufacture/process, pack, or hold food for human or animal consumption in the US are required to register the facility with the FDA. (The FDA enforces the Federal Food, Drug and Cosmetic Act and related laws to ensure the safety of foods, drugs, cosmetics and medical devices.)</p> <p>Prior to shipping, the US Bioterrorism Act requires that the FDA receive Prior Notification before food is imported into the country. Samples for tradeshows are included within the goods required to give notice. Advance notice of import shipments allows the FDA, with the support of the Bureau of Customs and Border Protection (CBP), to target import inspections more effectively and help protect the nation's food supply. Neglecting this step in the exporting process will prevent them from entering the country. Prior Notification must be received and confirmed electronically by the FDA no more than five days before arrival and, as specified by the mode of transportation below, no fewer than:</p> <ul style="list-style-type: none"> • 2 hours before arrival by land by road • 4 hours by arrival by air or by land by rail • 8 hours before arrival by water <p>The FDA also oversee the Fish and Fishery Products regulations. The Fish and Fishery Products regulations, which became effective on December 18, 1997, require that importers you have and implement written verification procedures to verify that their foreign suppliers have implemented a preventive system of food safety controls known as a Hazard Analysis Critical Control Point (HACCP) plan in accordance with U.S. requirements. Failure of a processor, foreign or domestic, to have and implement a HACCP plan that complies with the requirements 21 CFR 123, renders the fishery products adulterated within the meaning of Section 402(a)(4) of the Federal Food, Drug, and Cosmetic Act.</p>

Company:	Farallon Restaurant
Key Contact	<p>Parke Ulrich – Executive Chef 450 Post Street San Francisco CA 94102 Tel: (415) 956 6969</p>
Background	<p>Opened in 1997, Farallon is the acclaimed collaboration between Chef Mark Franz and restaurateur/ designer Pat Kuleto. Located in San Francisco's popular Union Square area, Kuleto has designed a restaurant resembling a beautiful underwater fantasy that has proven to be the ideal setting for the sophisticated "coastal cuisine" menu created by Chef Franz.</p> <p>Executive Chef Parke Ulrich's German heritage and the influence of his family not only allowed him to eat well as a youth but also led to an early interest in cooking and food. The Philadelphia native now serves as the executive chef at Farallon Restaurant in San Francisco, California.</p> <p>Ulrich's professional culinary career began in 1989 in Aspen where he moved after graduating from Ohio Wesleyan University. Ulrich spent three years at the Hotel Jerome where he worked his way through the kitchen of this 5 star, 5 diamond property. He left Aspen to attend the Culinary Institute of America in Hyde Park, New York, where he finished first in his class and was voted most likely to succeed.</p> <p>In 1994, Ulrich began working at Le Bec Fin in Philadelphia, Pennsylvania. He learned the importance of quality and the desire for the pursuit of excellence in a classical 5 star French Kitchen.</p> <p>After his training at Le Bec Fin, Ulrich accepted a position at the Lark Creek Inn in Larkspur, California, where he became Executive Sous Chef. Here, Ulrich learned more about seasonal cooking using the bounty of fresh, local ingredients available in Northern California. During this time he met Mark Franz, and subsequently both moved on to work together as part of the opening team at Farallon. After a seven-year partnership, they continue to develop their signature "coastal cuisine."</p> <p>Ulrich, currently resides in Marin County, California. He enjoys outdoor activities and spending time with his wife, Ingrid, also a chef, and their two children, Emma & Van.</p>

Company:	The Culinary Institute of America The Culinary Institute of America at Greystone 2555 Main Street St. Helena, CA 94574
Background	<p>Nestled in the heart of the Napa Valley, just two hours north of San Francisco, is The Culinary Institute of America's West Coast campus. Since 1995, the CIA at Greystone has provided continuing education opportunities and career development programs for food, wine and hospitality. Today, the campus is expanding its services to include food industry business solutions, such as custom programs and research and development consultation. Educational courses, ranging from foundation and advanced studies to certificate programs, supply training in the culinary arts, baking and pastry arts, foodservice management and professional wine development.</p> <p>Along with superior facilities, a renowned faculty and a vast selection of innovative year-round programs, Greystone hosts public cooking demonstrations, special events, seminars and travel programs. The annual Worlds of Flavor Seminar and Conference attracts over 600 industry specialists each year. Recent additions to the campus include the Rudd Center for Professional Wine Studies, the Chuck Williams Flavor Center for Flavor Discovery and the Ventura MenuMasters Center for R&D. Visitors to the campus can dine at the school's Wine Spectator Restaurant and shop at the Spice Islands Marketplace for cookware, bakeware, culinary tools and specialty food products. There's simply no better place to experience the mingling of food and wine.</p>

Company:	Aqua Restaurant 252 California Street San Francisco California Tel: 415-956-9662
Key Contact	Peter Armellino – Chef de Cuisine
Background	<p>A sophisticated fine dining experience that blends innovative world class cooking with the highest standards in quality and service, Aqua is upscale and elegant, unpretentious and animated.</p> <p>Self proclaimed journeyman Peter Armellino grew up with the ocean. Born in Valley Stream, new York, Aqua’s chef de cuisine was raised just minutes from the beach in his native Long Island.</p> <p>In 1999, Armellino ventured to San Francisco, where his culinary skills soon landed him as sous-chef at Jardiniere. He joined Laurent Manrique as Chef de cuisine at Campton Place in 2001 and continued the duos partnership when he made the move to Aqua’s kitchen as chef de cuisine in 2003.</p> <p>At Aqua, Armellino oversees the bustling kitchen while developing and implementing the restaurants sophisticated menus with Manrique. His unique artistry, innovation, respect for seafood and expert knowledge of its preparation emerges in every collaborative effort.</p>

Company:	<p>Amende & Schultz Inc</p> <p>1017 Fremont Ave South Pasadena CA 91031-3224 United States Tel: (323) 682-3806 Fax: (626) 799-7572</p>
Key Contact	<p>Terry Schultz & Bruce Beagle - Directors</p> <p>Tel: (323) 682-3806 Atoz-ts@pacbell.net</p>
Background	<p>Amende and Schultz was founded in 1954 by the Schultz family. It has since been passed on to Terry Schultz who has been head of the company for over 30 years.</p> <p>The company is seafood brokering company for a wide variety of seafood products including Shrimp, lobster, tuna and scallops.</p> <p>The company currently imports frozen Australian lobster tails out of Western Australia and is the US agent for Craig Mostan and has previously imported Australian Southern Roclobster from Mostan and Fishbrook.</p> <p>Are a classic brokerage company with no direct relationship to the product or end users.</p>

Appendix 5: Market Visit Questionnaires

Interview Details

Date: _____

Restaurant: _____

Contact(s): _____

Partner type: Restaurant / Chef

Company Strength (Rating - 1, 2, 3, 4, 5)

1. How long have you been in business?
2. How many staff do you have?
3. What is your annual patronage / restaurant sales?

Experience in the Seafood Industry (Rating - 1, 2, 3, 4, 5)

4. How long have you been working with seafood?
5. What type of products do you work with (live, fresh, chilled)?
6. What type(s) of lobster do you handle?

7. Describe what you believe is a good lobster? (size, colour, health, appendages intact, shell hardness, tail shape, no shell damage)

8. How are they prepared?

9. What trends do you see in the industry?

Appropriate Outlet/Venue (Rating - 1, 2, 3, 4, 5)

10. Who makes the seafood purchasing decision?

11. What is important to you when you purchase seafood?

12. Please rank the following in order of importance?

- a. Quality
- b. Price
- c. Consistent supply
- d. Packaging
- e. Food safety
- f. Certification (e.g. MSC)
- g. Traceability

13. Where do you source your seafood from (names of distributors, who do you prefer)?

14. What type of customers do you seek to attract (e.g. High net worth individuals)?
15. What do your customers expect when they order seafood (quality, value for money etc)?
16. Would your customers be willing to pay more for Southern Rocklobster? If not, why not?
17. How much product do you hold and/or how often is product delivered to you and what quantity (5 (11lb), 10 (22lb), 15 (33lb), 20 (44lb) kg)?
18. What type of packaging is lobster delivered in?
19. Do you have facilities to handle live lobster? If so, do you have any issues with lobster quality?
20. If the answer to the above is no, how do you store live lobster in your restaurant?

**Interest in Working with Southern
Rocklobster (Rating - 1, 2, 3, 4, 5)**

21. What do you know about Southern Rocklobster?

22. Are you interested in taking on a new product?

23. What is your view on a fully traceable product which is branded and meets certain quality requirements (show traceability system)?

24. What type of product are you interested in?

- a. Live
- b. Tails
- c. Size
- d. Quality
- e. Price
- f. Other

25. Would you be interested in being part of the demonstration trial requiring you to purchase $\frac{1}{2}$ of the product – $\frac{1}{2}$ the product will be provided for market development purposes?

Details of the trial:

- a. Proposed dates – between 29th May & 11th June
- b. 10 – 15 kg product
- c. Product will meet certain quality requirements, branded under a mark, fully traceable
- d. Must provide feed-back on product quality (answer questions)

26. What value could you add to it?

**Ability to Drive Market Growth in the
Longer Term (Rating - 1, 2, 3, 4, 5)**

27. How much product do you believe you can move @ \$20-\$23 per lb?

28. If you don't believe you can move any product @ the prices indicated why not? What price could you move product at?

29. Do you assist with product promotion? If yes, how?

30. How would you let your customers know about Southern Rocklobster?

31. What type of growth would you expect?

32. What kind of promotional support do you need?

Interview Rating - Summary

Rate each key criteria:

1 = company does not demonstrate or meet the the necessary attributes and is exceptionally weak in this area;

5 = company exceeds the necessary attributes and is exceptionally strong in this area.

Key Criteria	Rating					Additional Comments
	1	2	3	4	5	
Company Strength						
Experience						
Outlet/Venue						
Interest in working with SRL						
Ability to drive market growth						

Overall Rating: _____
(average of above ratings)

Interview Details

Date: _____

Company: _____

Contact(s): _____

Partner type: _____
(ie distributor, importer, broker, etc)

Company Strength (Rating - 1, 2, 3, 4, 5)

1. How long have you been in business?
2. How many staff do you have?
3. What is your current gross revenue?

Experience in the Seafood Industry (Rating - 1, 2, 3, 4, 5)

4. How long have you been working with seafood?
5. What type of products do you handle?
6. Where are you currently importing/sourcing from (Provide details)?
7. What type(s) of lobster do you handle?

8. What trends do you see in the industry?

9. What price per pound do you pay for lobsters? (Note the prices for different species)

Appropriate Business Model (Rating - 1, 2, 3, 4, 5)

10. What market(s) do you work in? (i.e. low, medium, high, premium products)

11. What area/region do you cover?

12. Who are your customers? (ie distributors, restaurants, etc)

13. Do you take title of the goods?

14. Do you have refrigerated transport? What temperature do these operate at (range 7°C (45°F)– 12°C (54°F)

15. What facilities do you have to handle the product? (Live, chilled and frozen (check water quality)

16. How do you ship product? (Detail preparation and packaging that would be used)

17. How long does it take to clear the product from the airport? Can this be improved?

18. What payment terms do you expect?

19. Do you have any type of 3rd party accreditation (Certification No.). Why do you have this certification?

20. If so, please provide details of the scheme, how it works, benefits received and contact details.

**Interest in Working with Southern
Rocklobster (Rating - 1, 2, 3, 4, 5)**

21. What do you know about Southern Rocklobster?

22. Are you interested in taking on a new product?

23. What would be your expectations if you handled a new line? (margin required, exclusivity etc)

24. How much product do you believe you can move @ \$17-\$19 per lb?

25. If you don't believe you can move any product @ the prices indicated why not? What market price should ASR be looking at starting at?

26. What type of product are you interested in?

27. Would you be interested in being part of the demonstration trial requiring you to charge a fee for service to handle the product? What would be your approximate cost to handle and distribute the product for the trial?

Details of the trial:

- a. Proposed dates – between 29th May & 11th June
- b. 150 - 300kg product
- c. Product will meet certain quality requirements, branded under a mark, fully traceable
- d. Must ensure product not meeting the product specifications is not delivered to the market and provide reasons why?

28. In the trial if product doesn't meet certain quality expectations, how do you propose we minimise the loss?

29. What value could you add to it (processing, packaging, pricing etc)?

**Ability to Drive Market Growth in the
Longer Term (Rating - 1, 2, 3, 4, 5)**

30. What type of price would enable you to move the product?

31. Do you assist with product promotion? If yes, how?

Provide 3 references:

Interview Rating - Summary

Rate each key criteria:

1 = company does not demonstrate or meet the necessary attributes and is exceptionally weak in this area;

5 = company exceeds the necessary attributes and is exceptionally strong in this area.

Key Criteria	Rating					Additional Comments
	1	2	3	4	5	
Company Strength						
Experience						
Business Model						
Interest in working with SRL						
Ability to drive market growth						

Overall Rating: _____
(average of above ratings)

Interview Details

Date: _____

Organisation: _____

Contact(s): _____

Partner type: Seafood Industry Association / Certification body

Company Strength (Rating - 1, 2, 3, 4, 5)

1. How long has your organisation been in existence?

2. How many Seafood organisations do you work with / membership base?

Experience in the Seafood Industry (Rating - 1, 2, 3, 4, 5)

3. How long have you been working with seafood industry?

4. Describe your certification schemes?

5. How will this type of certification assist entry into high-end food service (restaurants, catering, retail etc)?

6. What kind of success have they delivered? (Provide references?)

7. How would SRL go about achieving certification?

8. Would you recognise our current Clean Green program?

9. What trends do you see in the industry?

Appropriate Business Model (Rating - 1, 2, 3, 4, 5)

10. Who is your target audience?

11. What area/region do you cover?

12. Who are your customers? (ie distributors, general public, restaurants, etc)

13. Are you affiliated with any restaurants, organisations, etc?

14. Can this affiliation assist SRL to position Australian Southern Rocklobster?

Interest in Working with Southern Rocklobster (Rating - 1, 2, 3, 4, 5)

15. What do you know about Southern Rocklobster?

16. Are you interested in taking on a new project?

Ability to Drive Market Growth in the Longer Term (Rating - 1, 2, 3, 4, 5)

17. Ideas for assisting entry into the high-end food service (restaurants, catering, retail etc) if certification was achieved?

18. Associated costs of the certification?

19. Anticipated ROI?

20. References – collect 3 references

Interview Rating - Summary

Rate each key criteria:

1 = company does not demonstrate or meet the the necessary attributes and is exceptionally weak in this area;

5 = company exceeds the necessary attributes and is exceptionally strong in this area.

Key Criteria	Rating					Additional Comments
	1	2	3	4	5	
Company Strength						
Experience						
Business Model						
Interest in working with SRL						
Ability to drive market growth						

Overall Rating: _____
(average of above ratings)

Interview Details – Food and Drug Administration

Date: May 4, 2006 – 1:30pm

Contact(s): Larry Stevens, District Manager, Imports

1. How are the FDA involved in the regulation of seafood/lobster including live, processed, and imported.

2. What are the regulations concerning:

- Packaging

- Labelling

- Shipping (live)

- Bio-terrorism Act

3. What inspections may need to take place?

4. What certificates, if any, are needed?

5. Can you explain the Seafood HACCP in more detail?

6. What happens if there is an issue with Australian Southern Rocklobster in the US market? Who is liable?

7. What are the penalties for importers / suppliers of lobster that don't meet FDA requirements?

Interview Details

Date: _____

Company: _____

Contact(s): _____

Partner type: Media / PR company

Company Strength

1. How long have you been in business?
2. How many staff do you have?

Experience in the Seafood Industry

3. How long have you been working with the seafood industry?
4. What seafood products have you been involved with?
5. What type of campaigns have you conducted?
6. What kind of success have they delivered?
7. Have you covered lobster before?

8. What trends do you see in the industry?

Appropriate Business Model

9. Who is your target audience?

10. What area/region do you cover?

11. Are you affiliated with any restaurants, organisations, etc?

Interest in Working with Southern Rocklobster

12. What do you know about Southern Rocklobster?

13. Are you interested in taking on a new project?

14. Would you be interested in being part of the demonstration trial?

15. How could you add value to it?

Ability to Drive Market Growth in the Longer Term

16. Ideas for promotional campaign?

17. Associated costs?

18. Anticipated ROI?

19. References – collect 3 references

Interview Rating - Summary

Rate each key criteria:

1 = company does not demonstrate or meet the the necessary attributes and is exceptionally weak in this area;

5 = company exceeds the necessary attributes and is exceptionally strong in this area.

Key Criteria	Rating					Additional Comments
	1	2	3	4	5	
Company Strength						
Experience						
Business Model						
Interest in working with SRL						
Ability to drive market growth						

Overall Rating: _____
 (average of above ratings)

Trip Summary and Key Findings

1. What have you learned about Southern Rocklobster in the US market?

Please complete the following SWOT analysis.

Strengths	Weaknesses
<ul style="list-style-type: none">•	<ul style="list-style-type: none">•
Opportunities	Threats
<ul style="list-style-type: none">•	<ul style="list-style-type: none">•

Note: Strength/Weaknesses should assess the product in the US market (internal factors); Opportunities/Threats should assess issues affecting the growth of the product in the market (external factors).

2. Based on the above, what are some of the key issues which need to be addressed?

1)

2)

3)

4)

5)

3. Provide a summary of potential partner ratings

Distributors/Importers/Brokers

Company	Individual Rating	Group Average	Comments

Who are the top priorities to work with?

- 1.
- 2.
- 3.

Restaurants / Chefs

Company	Individual Rating	Group Average	Comments

Who are the top priorities to work with?

- 1.
- 2.
- 3.
- 4.

ASR Culinary Capability Comparison

Positive Feedback
Negative Feedback

Media / PR Companies

Company	Individual Rating	Group Average	Comments

Who are the top priorities to work with?

- 1.
- 2.
- 3.
- 4.

Other Organisations

Industry Organisation / Certification Schemes Issues:

1.

2.

3.

USFDA Issues:

1.

2.

3.

Fedex / Customs Broker Issues:

1.

2.

3.

Potential options for a USA account manager:

- 1.
- 2.
- 3.
- 4.

Selection criteria for a USA account manager:

-
-
-
-
-

Appendix 6: Completed Market Visit Review

Trip Summary and Key Findings

2. What have you learned about Southern Rocklobster in the US market?

Please complete the following SWOT analysis.

Strengths	Weaknesses
<ul style="list-style-type: none"> • Southern Rocklobster has the Culinary Capability as a highest value menu item • Differentiation of the product using the following mechanisms is essential for success in the USA, these include; <ul style="list-style-type: none"> • Clean Green program • Traceability • Relationship/communications with the key influencers (Chefs) • Working across southern Australia to guarantee supply and quality to the marketplace • The importance of investing time and resources to build relationships with the chefs • The benefit in investing in-market development and communicating with the end-users (Chefs) • The fishers telling their story to the chefs needs to be part of the offer • Providing live samples and tasting is the best method to communicate the products uniqueness and culinary capability 	<ul style="list-style-type: none"> • The difference in price between Southern Rocklobster and other species (e.g. maine) is approximately 200% more • The perception of how to use large lobsters – chefs traditionally only use the tail meat
Opportunities	Threats
<ul style="list-style-type: none"> • Providing a unique product which is very versatile. • Education of the chefs regarding use, handling and culinary capability of the product • Branding and Clean Green program as differentiation tools 	<ul style="list-style-type: none"> • The USA is one of the most competitive markets in the world and price matching / undercutting is of great concern. • New Zealand and South African product is a similar product and any investment made by Southern Rocklobster could be potentially undermined by these countries. • Upward exchange rate fluctuations

Note: Strength/Weaknesses should assess the product in the US market (internal factors); Opportunities/Threats should assess issues affecting the growth of the product in the market (external factors).

2. Based on the above, what are some of the key issues which need to be addressed?

- 1) Commitment from the Clean Green fishers to the supply quality lobsters
- 2) Assess and trial the supply chain partners and engage with the correct partners – An efficient and reliable supply chain needs to be established.
- 3) Undertake a demonstration trial to capture the real opportunity in the market.
- 4) Investigate exchange rate options, banking, and insurance systems for the market.
- 5) Export Efficiencies powers for industry to appoint a single importer at a set price

3. Provide a summary of potential partner ratings

Distributors/Importers/Brokers

Company	Group Average	Comments
H&N	2	Didn't believe that the Henry Brothers were the right option for Southern Rocklobster as a result of the meeting held.
IMP	2	Not interested in live or value added Southern Rocklobster products and didn't share the same vision of Southern Rocklobster
<u>The Fresh Fish Company</u>	N/A	John Susman to provide the review
<u>Pacific Pride Seafood</u>	4-5	The company consists of 2 young business partners whom built a seafood distribution business from scratch, which specialised in freshness and customer service. They are just moving into a 3 million dollar establishment (factory), provided a strategy to position and sell the lobster and a company vision/mission (attached), but still require a tanking capacity for live southern Rocklobster.
<u>Red Chambers</u>	4-5	Very impressive business dealing mainly in fresh and processed Seafood, they have a 2.5 billion turnover, huge factory for processing / packaging fish fingers, scallops etc. Not interested in looking at a business unless it turns over \$100 million. They advised if they went into live they would handle multiple species. They have latent tanks systems from a failed attempt to send live Western Rocklobster to the market.
<u>Santa Monica Seafood</u>	4	Similar in nature to Red Chamber, but a lot smaller family owned business. Santa Monica Seafood has a tanking system in which they currently hold Maine lobster and King Crabs. They are interested in working with Southern Rocklobster Limited.
<u>King Fisher Trading</u>	4	Specialists in live seafood. They carry approximately 30 species of live seafood ranging from finfish, rocklobster, shrimp & molluscs. Majority of their business currently rests with the chinese sector.
Brokering Agent: Clean fish (Wiest & Co)	3.5	They made right noises, probably to young in their business to engage, want to further understand the Clean Green program. Loch Durat Salmon is one of the products they are

		positioning currently in USA. Clean fish currently have a 3 million dollar turn-over.
New England Lobster	N/A	Board didn't visit - John Susman to report on New England Lobster
Distributor: Monterey Fish	N/A	Board didn't visit - John Susman to report on Monterey Fish

Who are the top priorities to work with?

1. Pacific Pride Seafood – The delegates endorsed a demonstration trial be implemented with Pacific Pride Seafood

2. Kingfisher Trading

3. Red Chamber

Restaurants / Chefs

Company	Group Average	Comments
AQUA – Peter Armellino	5	The best Seafood restaurant in San Francisco
BASTIDE – Ludovic Lefebvre	4	Young Italian chef creating his own path in Los Angeles and highly regarded by other chefs
GRACE – Neal Fraser	4-5	Neal bet an American Iron Chef
PROVIDENCE – Michael Cimursti	4-5	Michael is a seafood specialist and opened up a new restaurant in Hollywood and has world class preparation and cooking facilities
MARTINI HOUSE – Todd Gregory	4	Very interested in Southern Rocklobster and works at a highly regarded restaurant in the Napa Valley
FRENCH LAUNDRY	5	Didn't visit
PENINSULA – Sean Hardy	4-5	Sean operates a five star restaurant in Beverly Hills. Service and quality are a given for this type of establishment.
JOSIE RESTAURANT – Josie and Jill Davie	4-5	Highly regarded seafood restaurant in Santa Monica
AME – Hiro Sone	3.5-4	Very interested in the Sashimi characteristics of Southern Rocklobster, but advised the price was a little too high.
COPIA – Linda Carucci	3.5-4	Very interested in the product
N9NE – Barry Dakake	5	A real opportunity after the owner's mother advised that the Southern Rocklobster she ate was the best lobster she had ever eaten
MGA GRAND - SHIBUYA	5	Real potential
Ceasars Palace - Bradley Ogden	4-5	One America's best chefs
Wynn Casino – Grant MacPherson	5	Willing to place an orders for 200 lobsters per week

Who are the top priorities to work with?

1. Wynn – Red 8 and other restaurants
2. N9NE Steak House
3. Providence
4. Grace

5. Bastide

ASR Culinary Capability Comparison

Positive Feedback

- “Australian Southern Rocklobster is so versatile, its like buying a whole lamb” – Neal Fraser
- “It is a category above the Maine Lobster, which doesn’t even compare to this lobsters” – Neal Fraser
- “It is a beautiful product and the way Southern Rocklobster have presented it is the best I have ever seen in the seafood industry” – Michael Cimurusti
- “The lobster is so versatile and the meat recovery is amazing” – Geno Bernardo

Negative Feedback

- The price is too high! – this feed-back was provided by a number of chefs
- It is very large and couldn’t be served as a whole animal.

Media / PR Companies

Company	Group Average	Comments
Hauser Group Ed Klein	4-5	<p>The Hauser group developed the Wild American Shrimp Champaign, which has been a success for Wild American Shrimpers. Their presentation was really valuable and demonstrated the need to research the market and differentiate. Their presentation covered – research, differentiation strategies, PR & communications and implementation strategy.</p> <p>The Hauser group does present as a really worth while option for considering by SRL, although the strategy would be vastly different for Southern Rocklobster.</p>
Sally James (event coordinator)	4	<p>In the past Sally has built relationship, coordinated events, organise media and trade shows for seafood associations and other primary producer groups.</p> <p>Sally was a critical part of organising the events for SRL in the market visit.</p> <p>In the past Australia, in particular the National Food Industry Strategy has let the market down by lack of follow-up or commitment to market development.</p>
Claudia	4	<p>Claudia works for a Television company that has a cooking show – she advised that she could potentially provide SRL with feature opportunity on Foodnet show in New York.</p>
Sharon	3	<p>Sharon was a local writer for a Napa Valley publication that is highly regarded and widely read and was very keen to develop a story on Southern Rocklobster when launched in the Napa Valley</p>
Joanne Weir	4-5	<p>Joanne is one of America's top food media. She has been involved for the last 15 years with America's top cooking show and is coming to Robe in November, 2006</p>
Michael Horn (CRN radio station)	4	<p>Michael provides radio coverage to 12 million people located in Southern California and provided SRL with air time to talk about the investigative visit to America.</p> <p>Michael was very keen to assist Southern Rocklobster were ever he could.</p>

Who are the top priorities to work with?

1. Hauser Group – Ed Klein
2. Joanne Weir
3. Claudia
4. Sally James

Other Organisations

Industry Organisation / Certification Schemes Issues:

The delegates of the visit agreed that follow-up commence immediately on gaining recognition of the Clean Green standard by the following organisations;

1. Seafood Choices Alliances
2. Monterey Bay Aquarium

USFDA Issues: No meeting was held with the USFDA

Fedex / Customs Broker Issues: No meeting was held with FEDEX or Customs Broker.

The delegates of the visit agreed that these issues will be handled and managed by the selected importer/distributor

Potential options for a USA account manager:

No options outside the supply chain partners were identified as potential account managers in the USA.

KEY LEARNINGS:

- **Honesty and paying for your service in the market is crucial – members in the market have been used and abused in the past.**
- **Fishers participating in a market visit need formal education**
- **The delegate party should be no more than 10 and 3 members is more than adequate when attending a meeting**
- **Common faces in the market are critical (e.g. the Gelderton fishermans co-op send the same people to the market time after time) – the delegates recommended that Matthew Muggleton should manage the trial**
- **Transparency is very important**

ACTION POINTS:

Issue	Action
1. Seafood Choices Alliances.	<ul style="list-style-type: none"> ➤ Follow up on certification ➤ Provide details on Clean Green Program
2. Cape Cod Fishery & Sunburst Trout	<ul style="list-style-type: none"> ➤ Investigate the success of these alliances
3. Chefs Collaborative	<ul style="list-style-type: none"> ➤ Contact re: Clean and Green program
4. Staff Training	<ul style="list-style-type: none"> ➤ Include as a communications strategy
5. Seafood Watch	<ul style="list-style-type: none"> ➤ SRL to seek recognition of the Clean Green Program by the Seafood Watch Program – Monterey Bay Aquarium
6. Culinary Institute of America	<ul style="list-style-type: none"> ➤ Potential for the CIA to conduct a sensory evaluation of the ASR – potential communication strategy
7. SPFD Menus	<ul style="list-style-type: none"> ➤ Source copies of restaurant menus
8. SAI Global	<ul style="list-style-type: none"> ➤ Send brief to SAI Global to review clean green standards
9. Legal Issues	<ul style="list-style-type: none"> ➤ Communicate with a lawyer in the States regarding legal issues
10. Pacific Pride Proposal	<ul style="list-style-type: none"> ➤ Consider the proposal provided by Pacific Pride
11. Hauser Group	<ul style="list-style-type: none"> ➤ Provide a brief to the Hauser Group for communication and education alliance
12. Mondrian Event	<ul style="list-style-type: none"> ➤ Follow up with attendees and send thankyou note to Luke Mangan
13. Kingfisher Trading	<ul style="list-style-type: none"> ➤ Provide remuneration for trial and water quality
14. FDA	<ul style="list-style-type: none"> ➤ Aim for follow up meeting during trial
15. Crab Broker	<ul style="list-style-type: none"> ➤ Follow up thankyou note and review as potential in-market partner
16. Las Vegas	<ul style="list-style-type: none"> ➤ Follow up with all chefs that were met with during market visit
17. In-market visit	<ul style="list-style-type: none"> ➤ Detail protocols and behaviours for follow up market visit

Appendix 7: Target Market SPFD Restaurant Menus

APPENDIX 8: US PARTNER SELECTION CRITERIA

FISHER	PACKERS	IMPORTER	DISTRIBUTOR(S)	BROKER	RESTAURANTS
Certification e.g. Clean Green (fishery)	3 rd Party Certification	3 rd Party Certification	3 rd Party Certification	Has long standing relationships with restaurants	Are super premium find dining establishments
Clean Green certified	Meet regulatory requirements (e.g. AQIS Approved Arrangement)	Meet regulatory requirements (e.g. USFDA and food safety)	Meet regulatory requirements (e.g. USFDA and food safety)	*Personality hard to judge	Prepared to brand the product in accordance with an agreement
Prepared to meet SRL product specifications	Prepared to sign a Contract, to met: <ul style="list-style-type: none"> • Timing (deliver specs) • Product specs • Price • Payment arrangements 	Prepared to sign a Contract, to met: <ul style="list-style-type: none"> • Product specs • Timing • Price • Volume • Brand use 	Prepared to sign a Contract, to met: <ul style="list-style-type: none"> • Product specs (handling) • Protecting the brand • Delivery timing • Price • Volume • Brand use 	<ul style="list-style-type: none"> • Referee (Chefs) • Endorsement • Quality 	<ul style="list-style-type: none"> • Only use quality ingredients • Loves Australian • Prepared to champion the product – add value to the chain. • Promote Australian Southern Rocklobster • Meet certain specifications (branding, labeling, not providing sub-standard product to the consumers
	<ul style="list-style-type: none"> • Payment arrangements 20%(holding g) 80% on successful landing in the US • Packaging 	Retainer / %Margin (margin % as more volume is sold)	Retainer / %Margin (margin % as more volume is sold)	Retainer / %Margin (margin % as more volume is sold)	

	to specs								
Contract - <ul style="list-style-type: none"> • Timing • Volume • Price 	<ul style="list-style-type: none"> • Quality focused 	Ability to clear Customs in a timely manner – certificates Insurance: Product liability	Live holding capacity – meets water quality specs	Demonstrate capacity to service high – end and build volume @ a \$ per kg	Value the ultimate Super-Premium-Fine –Dining experience ; Quality, brand, taste/texture, presentation, table service, restaurant’s reputation etc				
Carry-debtor (35 days)	Met traceability requirements		<ul style="list-style-type: none"> • Prepared to add value - build volume/price over time • Positive communications regarding the product 						
Individually tag product Aware of all risks (product liability)			Commitment to investing in positioning strategy in the market place Will not undercut or source product from other ASR sources (exclusivity) Demonstrate capacity to service high-end						

Generic:

- Successful businesses (good credit rating) and will pay their bills within 14 days
- Protect the brand
- Maintain quality and communication through the chain

Appendix 9: Demonstration Trial Information

USA Market Development Strategy – Demonstration Trial
May 30 – June 4 2006



Itinerary for Matthew Muggleton -

Tuesday, 30 May 2006	
07:30 am	<p>Arrivals Los Angeles</p> <p>Melbourne – Los Angeles 10:50 (07:30am) Qantas Airways, Flight QF93</p>
10:00 am	<p>Customs Broker (Gene Mack) – scheduled to meet Sunday 5330 W. 102 St. Los Angeles, CA 90045 (near airport) Tel: 310-410-1331 Fax: 310-410-4527 Cell: 310-863-3056</p>
11:00 am	<p>Pick hire car (Hertz) Travel to Kingfisher</p>
12:00 pm	<p>Scan lobster product into the Kingfisher's tanks. Kingfisher Trading – Importer / distributor (Mike Truong) 2503 Troy Avenue, South El Monte Tel: (626)-448-9222</p> <p>Organise shipment pick-up time for N9ne, Grace & Providence</p>
3:00	<p>Pacific Pride Pacific Pride Seafood, Inc. 3264 Mines Ave Los Angeles, CA 90023 323.980.8788 phone</p>

		323.980.8789 fax	Discussion – logistics, packaging, relationship with Kingfisher, live storage conditions
4:00 pm		<p>Red Chamber 1912 E. Vernon Ave. Vernon CA 90058 Tel: (323) 234-9000</p> <p>Ming Kou – CEO mbk@redchamber.com Joint meeting with Charles, Ming and I to discuss latent tanks.</p> <p>Beverly Pavilion Hotel 9360 Wilshire Boulevard Beverly Hills 90212 California Phone: Kerstin can you please insert the contact details for the Beverly?</p> <p>New Zealand Fish – get name from Charles</p>	
7:30pm		<p>Latent tanks Meeting with Mathew James (South Fresh International) 323 841 0668</p>	
9:00pm		<p>Does 3000lb per day of Maine Lobster Meet Socially with Neal Fraser.</p> <p>Grace: 7360 Beverly Boulevard Los Angeles, California 90036</p> <p>Ph: 323 934 4400 Mobile: 323 864 3281</p> <p>neal@gracerestaurant.com</p>	

Wednesday, 31st May 2006	
7:00am – 8:30	Breakfast meeting with SAI - Global
8:30am – 11:30pm	<p>Pilot audit at Pacific Pride – SAI Global (Axel Breidenbruch) This is to determine our system to keep track of the handling procedures and quality assurance through the chain</p> <p>Feed-back by Friday next week – 9th June, 2006</p>
11.30 pm	Travel, Las Vegas
5.00 pm	<p>Las Vegas</p> <p>N9ne briefing – pre-trial:</p> <ul style="list-style-type: none"> • Restaurant manager to brief on the operations of the restaurant • Matt to provide a brief on the trials & outcomes required <p>Outcomes:</p> <ul style="list-style-type: none"> • Confirm the culinary capability of the product by the chefs and consumers • Understand methods for preparation and serving suggestions • Communication required to build the brand in the market • How Australian Southern Rocklobster's service can be improve • Test the supply chain / cost structures
	<p>Meeting with N9ne – 9:00pm</p> <p>Accommodation: Palms Casino 4321 West Flamingo Road Las Vegas, NV 89103 USA Phone: Kerstin please add contact numbers Fax: Kerstin please add contact numbers.</p>
	<p>N9ne</p> <p>Matt to organise</p>

Thursday, 1st June 2006		
Arrive @ 9:30 am		Travel back – LA
		Re-confirm product shipments
3:00		Meeting with Grace / photo shoot – Josh Barash (call John on Wednesday after meeting with Neal.
5:00 pm		Briefing the Providence floor staff. Watch the event unfold at Providence and Grace
		Accommodation: Beverly Pavilion Hotel 9360 Wilshire Boulevard Beverly Hills 90212 California Phone:
Friday, 2nd June 2006 –		
9:00 am	Los Angeles	Breakfast meeting with Providence to debrief on the trial
11:00 pm		Debrief with Grace / Providence
12:30 pm		Travel to Las Vegas -
5:00pm		Debrief with staff – ramp-up the sales @ N9ne
		Accommodation: Palms Casino 4321 West Flamingo Road Las Vegas, NV 89103 USA Phone: Fax: Breakfast is included in the accommodation package.

Saturday, 3rd June 2006 – Palms Casino / LA		
9:00 -12:00pm		Commercial opportunity – discussion with N9ne
5.00 pm		Spend some more time with N9ne
	Las Vegas	Transport from Airport to Hotel
		Accommodation: Palms Casino 4321 West Flamingo Road Las Vegas, NV 89103 USA Phone: Fax:
Sunday, 4 June 2006		
8.00 am	Las Vegas	Travel to Los Angeles
12.00 pm		Social gathering e.g. lunch etc with Neil or Mike, Charles if possible
4:00 pm		Document findings from the trip / debrief
	Arrivals Los Angeles	Los Angeles - Sydney 10.30pm (06:05am – 6th June, 2006) Qantas Airways

CERTIFIED AUSTRALIAN SOUTHERN ROCKLOBSTER TRIAL

QUESTIONS FOR THE CUSTOMER:

1. **Select what influenced your customer in choosing *certified Australian Southern Rocklobster*:**

- Appeal on the menu
- Recommendation by chef or waitress/waiter
- New experience
- Excellent past experience
- Please provide additional comments:

2. **Please rate your customer's *certified Australian Southern Rocklobster* fine dining experience?**

- Excellent
- Good
- Satisfactory
- Below average
- Bad

Please provide additional comments:

3. **Select the texture characteristics your customer experienced:**

- Tough
- Firm
- Soft
- Crunchy
- Chewy
- Mushy

Please provide additional comments:

4. How did the texture of the certified Australian Southern Rocklobster compare to other lobsters consumed?

- Much Better
- Better
- Same
- Experienced better
- Worse

Please provide additional comments:

5. Select the flavor characteristics your customer experienced:

- Sweet
- Savory
- Nutty
- Sea fresh
- Dry

Please provide additional comments:

6. How did the flavor of the certified Australian Southern Rocklobster compare to other lobsters consumed by your customer?

Much Better

Better

Same

Experienced better

Worse

Please provide additional comments:

7. What best describes how your customer perceived the value of their *certified Australian Southern Rocklobster* dining experience:

- Excellent value
- Better than expected
- Exactly what they expected
- Potentially little over valued
- Worse than expected

Please provide additional comments:

8. If *certified Australian Southern Rocklobster* was permanently on the menu your customer would choose to:

- Eat it regularly
- Definitely eat it again.
- Consider eating it again.
- Not eat it again

Please provide additional comments:

QUESTIONS FOR THE RESTAURANT/CHEF:

1. **Please rate your experience using certified Australian Southern Rocklobster?**

Excellent

Good

Average

Poor

Terrible

Please provide additional comments:

2. What aspect of the service was of concern to you?

- Time of arrival
 - Condition on arrival
 - Packaging material
 - Ordering
 - Size
 - Product handling and storage information
- Please provide additional comments:

3. Select the flavor characteristics you value:

- Sweet
- Savory
- Nutty
- Sea fresh
- Dry

Please provide additional comments:

4. How did the flavor of the certified *Australian Southern Rocklobster* compare to other lobsters consumed?

Much Better

Better

Same

Experienced better

Worse

Please provide additional comments:

5. Select the texture characteristics your customer experienced:

- Tough
- Firm
- Soft
- Crunchy
- Chewy
- Mushy

Please provide additional comments:

6. How did the texture of the *certified Australian Southern Rocklobster* compare to other lobsters consumed?

- Much Better
- Better
- Same
- Experienced better
- Worse

Please provide additional comments:

7. What improvements can be made by Southern Rocklobster Limited to improve the 'ultimate offer and guarantee' of certified Australian Southern Rocklobster to your restaurant?

Please provide comments:

8. What meat yield was achieved from each certified Australian Southern Rocklobster?

- Above 80%
- 75 – 80%
- 65 – 75%
- 55 – 65%
- Less than 55%

Please provide additional comments:

9. What portion sizes did you serve? Please detail dishes and the lobster portion size served for each menu item.

Dish	Lobster Portion Size

10. How many dishes / plates were served from one 5 lb lobster?

--

11. What are the advantages/disadvantages of 5 lb lobsters?

Advantages	Disadvantages
•	•
•	•
•	•
•	•
•	•

12. Which section of the lobster was used in each dish? Complete the table below:

Section of lobster	Use	Cooking method (if applicable)
Tail		
Legs		
Feelers / horns		

Head meat	
Knuckles	
Shell	
Liver / tomalley	

13. Are there certain sections of the lobster that better suit certain uses? E.g. preliminary feed-back suggested the horn and head meat was best for sashimi

Section of lobster	Use
Tail	
Legs	
Feelers / horns	
Head meat	
Knuckles	
Shell	
Liver / tomalley	

14. What do you think will be the primary drivers in your selection of certified Australian Southern Rocklobster in the future?

- Consumer demand
- Freshness / Quality (Freshness & Taste)
- Recommendation by other chefs
- Excellent past experience with ASR
- Menu suitability
- Dish and Provenance

- Commercial viability
- X factor
- Support service

Please provide additional comments:

15. How could the demand for *certified Australian Southern Rocklobster* be increased in your restaurant?

- Promotion of Australian Southern Rocklobster
 - Promotion of Australian Seafood
 - Product associated with celebrity chef(s)
 - Point of sale material / branding
 - Training staff to promote features / benefits of Australian Southern Rocklobster
- Please provide additional comments:

16. Which form of communication best reaches your audience, to promote *certified Australian Southern*

***Rocklobster*:**

- Newspaper
- Food magazines
- Food Network
- Chef events (National Restaurant Association)
- Menu communication

Radio

Please provide additional comments:

17. Southern Rocklobster Limited is looking to launch in the coming months and would like to know if you will order *certified Australian Southern Rocklobster at 27.50 per lb?*

Yes

For special events

If customers enquire

No

Please provide additional comments:

18. How much *certified Australian Southern Rocklobster* would you order, based on a 'yes' answer to question 16?

Less than 20 lb (4 lobsters) per week

30 lb (6 lobsters) per week

40 lb (8 lobsters) per week

50 lb (10 lobsters) per week

100 lb (20 lobsters) per week

200 lb (40 lobsters) per week

300 lb (60 lobsters) per week

More than 300 lb (60 lobsters) per week (please provide the number.....)
Please provide additional comments:

19. What drivers would support you to re-order certified Australian Southern Rocklobster?

- Exclusivity in your area
- Quality under a brand
- Minimum size of animal
- Point of sale materials
- Promotion
- Reliability
- Supporting advertising
- Product guarantee

Please provide additional comments:

20. How often would you expect delivery of certified Australian Southern Rocklobster, based on the above quantities;

- Daily
- Every 2 days
- Every 3 days
- Twice per week
- Weekly

Please provide additional comments:

21. What aspects of the service are of value to you?

- Ease of ordering
 - Flexibility of supplier
 - Condition on arrival
 - Delivered on time
 - Complaints resolution
- Please provide additional comments:

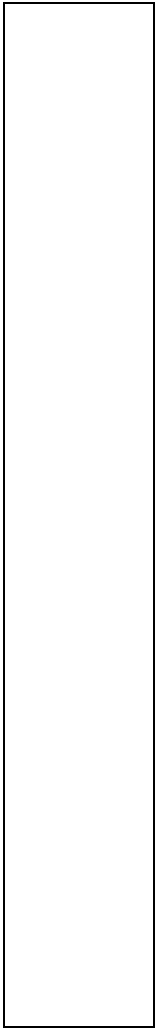
22. What aspect of the products' uniqueness was of interest to you?

- Branding
- Size
- Sustainability
- Exclusivity
- Culinary capability of the product
- Provenance (story, location & traceability)

Please provide additional comments:

23. Can you please provide a written quote regarding your recent experience using certified Australian Southern Rocklobster?

24. Southern Rocklobster Limited is developing a recipe library for our website and invite you to provide some recipes used in the trial. Would you be prepared to do so?



Australian Southern Rocklobster – The finest in the world.

WILD, SUSTAINABLE, LUXURIOUS

The Australian Southern Rocklobster (ASR) is one of the world's truly special gourmet luxuries. Caught wild from Great Southern Ocean this exquisite species of rocklobster is revered for its sweet rich flesh, firm texture and size.

The Australian Southern Rocklobster (*Jasus edwardsii*) is native to the coastal waters of southern Australia and regarded as the finest eating spiny rocklobster in the world. This rugged coastal region is renowned for the quality of seafood it produces. Fed by the cold, nutrient rich waters uprising from Antarctica this lobster is a slow growing and selective feeder.

To ensure the authenticity and origin of certified Australian Southern Rocklobster each lobster is individually tagged and fully traceable along each step of the supply chain. Each tag is encoded with a barcode that is scanned at each step in the chain and provides restaurants with on-line tracking of the history (who caught the lobster, when it was landed, where it was consigned from etc) and the ability to enter feed-back on each lobster to ensure continual improvement of the product and service in the future.

Traceability of an individual certified Australian Southern Rocklobster can be found by visiting this website – www.southernrocklobster.com – please note that flash is required to run the website.

Pot caught in the cold clear waters off Australia the Southern Rocklobsters are harvested using specially designed equipment and procedures. Great lengths are taken to ensure the animal, in particular the antennae and limbs, are protected at all times. The pots allow undersized lobsters and unwanted by-catch to safely escape. Once pulled from the water, the rocklobsters are quickly sorted and placed live in flow-through seawater tanks on the boats, avoiding exposure to the sun and wind. Short fishing trips ensure the rocklobsters are returned to wharf in the best condition.

Shore based activities focus on protecting the integrity of the flavour and texture by minimizing stress in handling. Port based processors transfer the live rocklobsters from the boats into land based temperature controlled re-circulating seawater tanks, slowing the metabolism of the lobsters to prevent any damage caused by stress.

Prior to packing, the rocklobsters are further chilled, again minimizing stress in the packing and through transport across the globe. Developed logistics networks deliver Australian Southern Rocklobster to the world quickly, efficiently, with minimal loss and maximum quality control at all times.

The meat of the Australian Southern Rocklobster is sought after by chefs and diners world wide seeking supreme flavor and quality. In Japan chefs praise its clean flesh and firm texture for sashimi, while in Hong Kong and the Far East Chinese chefs applaud its performance in the steamer and the wok. And its incomparably soft texture, abundance of meat and remarkable flavour lend itself to the variety of modern Western applications.

Southern Rocklobster Limited (SRL) merges the independent Southern Rocklobster fishermen under one brand – “Clean Green Australian Southern Rocklobster”. SRL is an innovative management body that oversees operations from capture through to sale.

The Australian Southern Rocklobster fishery is one of the most carefully managed commercial fisheries in the world. Every “Clean Green” 3rd party certified skipper, deckhand, processing worker and packer is committed to ensuring only the best quality rocklobsters leave our shores. SRL implement rigorous standards that preserve the quality of each catch and the environmental integrity of Australian fisheries through the “Clean Green” program.

The “Clean Green” certification is the quality mark that guarantees that the most stringent standards have been met in every facet. The “Clean Green” programme is an integrated management system incorporating “pot to plate” environmental, work place and food safety, quality and animal welfare standards for the Australian Southern Rocklobster Industry to guarantee the quality and welfare of each rocklobster.

The Clean Green brand is more than a company brand. The mark has an independent, internationally-recognised audit and certification of supply chain organisations against the Clean Green standard. The standards allow evaluation to be carried out by Conformity Assessment Bodies (CAB), who are accredited against ISO/IEC Guide 65: 1996 and Joint Accreditation Systems – Australia and New Zealand Procedure 15.

The Clean Green product certification scheme is regarded by other global agencies as amongst the most professional, sophisticated and robust systems in practice. Southern Rocklobster Limited is in dialogue with Seafood Choices Alliance / Monterey Bay aquarium to recognise and scrutinise the Clean Green Product Certification scheme.

Australian Southern Rocklobster caught as part of the program receive a "Clean Green" tag with an individual barcode. The tags guarantee the authenticity and quality of each animal and provide total traceability. Using the barcodes, detailed information can be accessed at any time using the website (www.southernrocklobster.com). This includes an advanced tracking system that traces the animal through the supply chain from boat to its place of purchase.

The Southern Rocklobster industry is committed to its environmental responsibilities. Strict catch quota systems manage the resource and ensure sustainability for the future. Management also includes restricted pot numbers, closed seasons and legal minimum sizes.

To Southern Rocklobster Limited environmental management is an operating mandate, not simply an idea.

Appendix 10: Communications Plan

Appendix 11: SRL US Clean Green Product Specifications



The Clean Green Australian Southern Rocklobster Product Standard



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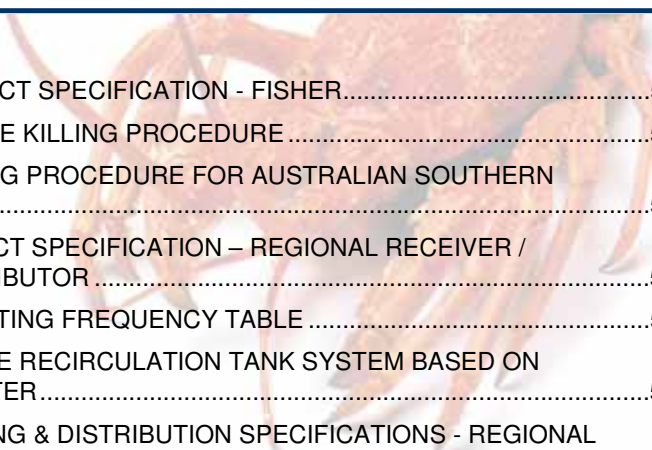
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Introduction

Background

The Australian Southern Rocklobster (*Jasus edwardsii*) industry, through its peak body, Southern Rocklobster Limited (SRL), is committed to ecological sustainable development (ESD). It recognises the imperatives of delivering an exclusive and safe ('clean') food product of the highest quality to our customers through best practice in dealing with sustainability of the marine environment ('green') in its broadest context. It also values the delivery of a safe working environment for industry participants measurable in improved safety standards aboard its vessels.

The Australian Southern Rocklobster Industry is the rocklobster supplier of choice; recognised by customers as a world-class producer and marketer of desirable, ultra-premium quality lobster and lobster products for discerning niche markets. Its mission is to:

- have an industry culture that recognises providing customer value underpins success;
- provide a safe, secure, and productive working environment for its participants;
- maintain and continue to develop sound proactive environmental practices;
- be an internationally recognised brand that is renowned for its quality, taste and value;
- employ new processes and practices which enhance the development of a profitable industry for all members; and
- generate sufficient profit to add value to the whole of the industry.

As part of achieving its mission, the "Clean Green" strategy has been established to meet emerging market, community and government challenges at all levels of the supply chain. The strategy covers the following broad areas:

- the need to address current environmental legislation and policy;
- the need to address current workplace health and safety issues;
- harmonisation of food safety standards;
- the need to address food safety legislation;
- the need to build awareness of, and foster pride in, the Australian Southern Rocklobster industry;
- the opportunity to promote existing best practice in the industry to the wider community and
- the opportunity to build the Australian Southern Rocklobster brand, based on values that reflect world's best practice from the "pot to plate", delivering the ultimate offer and guarantee to the marketplace.

The key legislation governing the industry through the supply chain is shown below:


Governing Rules and Regulations

The chart below provides a guide to types of legislation relevant to the rocklobster supply chain and the areas of operational impact.

Under the terms of the legislation, industry participants (including licence holders, vessel crew, transporters, processors, distributors through to retailers), have obligations to take all reasonable precautions and exercise all due diligence in the avoidance of product and process “failure” in delivering the lobster food product to the consumer. Ignorance, lack of training and/or lack of commitment are not acceptable responses. This applies in the broadest context of environmental interactions, food safety and quality, work place safety and animal welfare. These areas can be shown as follows:

CATEGORIES	SUPPLY CHAIN	OBLIGATIONS
Clean Green Fishery	Pot	Sustainability
		Bycatch
		Environmental Interactions
		Animal welfare
Clean Green Fisher	Deck	Food Safety
		Food Quality
		Environmental Interactions
		Workplace Health and Safety
		Animal welfare
Clean Green Regional Receiver / Consolidator (Live and Processing)	Deck – Regional Receiver	Food Safety
		Food Quality
		Animal welfare
	Regional Receiver Regional Receiver – Consolidator Consolidator	Food Safety
		Food Quality
		Animal welfare
Clean Green Importer / Distributor (Live and Processing)	Consolidator – Importer / Distributor Importer / Distributor	Food Safety
		Food Quality
		Animal welfare
Clean Green Food Service Operation	Importer / Distributor – Food Service Sector	Food Safety
		Food Quality
		Animal welfare

Historically the industry has been segmented, and action within segments has been at the individual or business level. In particular, given the export focus of live rocklobster, reliance has been placed in the assurance given by meeting Australian Quarantine and Inspection Service (AQIS) requirements. However meeting AQIS requirements alone will not ensure compliance with the range of legal, market and community



imperatives of the industry. Indeed, in recent times, governments have moved to implement assessment, inspection and audit procedures in at least:

- Environment – Department of Environment and Heritage (DEH) Strategic Assessments of Fisheries
- Food Safety – Victoria’s Primesafe and European Union export requirements – need to expand to include FSANZ and AQIS requirements for transporters / processors
- Work Place Safety – South Australia’s proposed Work Place Services Audits

In some cases, responsibility through the supply chain is now spreading to all participants, particularly in the area of food safety. It can be anticipated that arrangements will need to be formalised in this area, for example between licence holders and processors. Another example is with export permits for Rocklobster being conditional on favourable ecological assessment of the fishery by DEH; the relationship between licence holder and exporter in this regard being totally symbiotic.

The development of integrated supply chain product standards and management systems, underpinned by independent third party certification, has emerged as a compelling and logical industry approach to cost effective and credible delivery of the industry’s responsibilities.

Clean Green Strategy Scope


The “Clean Green” strategy provides:

- Pot to plate standards - environment¹ and product standards;
- Training materials aligned to the National Seafood Industry Training package;
- Industry training to meet the Standards;
- Best practice manual;
- Audit protocol developed with guidance from the Joint Accreditation System of Australia and New Zealand (JAS-ANZ) which is an internationally recognised accreditation body;
- Independent third party certification of the rocklobster supply from “pot” to “plate” chain in line with the requirements of this standard;
- Traceability;
- Product specifications; and
- Branding materials for those achieving certification.

The Clean Green Product Standard

Southern Rocklobster Limited (SRL) has developed the product standard for those involved in catching, transporting, grading / handling, processing, distributing and retailing Australian Southern Rocklobster. This has been undertaken with assistance

¹ The environmental and OH&S standards do not go beyond the deck of the vessel
Version 3, 28th February 2007



from the Australian Maritime College (AMC), Seafood Services Australia (SSA) and guidance from JAS-ANZ.

The Standard is complemented by a training program. The program has been developed specifically to provide an industry career path and to assist participants in the supply chain to fulfil their legal obligations in the areas described, through a consistent, informed and resourced scheme for the certification of compliance with the Standard.

Where possible, the Standard captures best practice principles and, as a minimum, the legal requirements in the areas covered. It is important to note that the existence of the Standard is in no way intended to replace or avoid the obligations specified by any legislation. However, working to the Standard presents an opportunity to ensure legislative requirements are met in practice – a requirement often not met by industry Codes of Practice.

The Standard will be reviewed and updated on a regular basis by SRL and or a qualified body, identified by the stakeholders when appropriate. The review will consist of interested parties with no single interest predominating. Such updating may include legislation changes or Southern Rocklobster Limited's changed requirements.

The Standard's requirements:

- the application of Good Manufacturing Practice (GMP) on catching vessel
- compliance with MARPOL requirements
- the sustainable and ethical catching and handling of product
- the adoption and implementation of HACCP
- a documented and effective quality management system
- control of regional receiver / consolidator or distributor standards, products, processes and personnel
- a throughout the supply chain approach to management
- the adoption and implementation of workplace health and safety requirements

Pot level requires certification in the following areas:

Supply Chain	Obligations
Pot	Sustainability
	Bycatch
	Environmental Interactions
	Animal welfare
Deck	Food Safety
	Food Quality
	Environmental Interactions
	Workplace Health and Safety
	Animal welfare
Deck – Regional Receiver	Food Safety
	Food Quality
	Animal welfare

Regional Receiver / Consolidator and Importer - Distributor level requires certification in the following areas:

Supply Chain	Obligations
Deck – Regional Receiver	Food Safety
	Food Quality
	Animal welfare
Regional Receiver	Food Safety
	Food Quality
Regional Receiver – Consolidator	Animal welfare
Consolidator Consolidator – Importer / Distributor	Food Safety
	Food Quality
	Animal welfare

Plate level requires certification in the following areas:

Importer / Distributor – Food Service Sector	Food Safety
	Food Quality
	Animal welfare
Plate	Food Safety
	Food Quality
	Animal welfare

The format of the Product Standard

The Standard is structured from pot to plate in line with the supply chain as shown above. Each section of the Standard begins with an issue and, in some cases, a statement of intent. Below the issue is the Standard or specific criteria which must be met in order to gain certification are listed.

The guidelines to be followed by the auditor are in column 2 and any references are documented in the footer.

All criterion specifics in column 2 must be complied with to gain certification at the respective Pot, Regional Receiver / Consolidator (live & processing), Importer Distributor (live and processed) and/or Food Service level. (The detailed standard is presented in Table 1).

Recommendations on Good Practice

These criteria are recommended to all participants as being industry best practice, to which they should aspire. Where any of these recommendations are not met, it is still a requirement of the strategy that these areas of non-conformance are recorded within the auditor's evaluation report.

Benefits of the Product Standard

There are a number of benefits arising from the implementation of the Clean Green Standard:

- a single standard and protocol, allowing evaluation to be carried out by Conformity Assessment Bodies (CABs), who are accredited against ISO/IEC Guide 65:1996 and JAS-ANZ Procedure 15 - General requirements for bodies operating product certification systems;
- harmonisation of existing domestic and export standards;
- the Standard is comprehensive in scope covering the main areas of product safety and legality;
- the Standard creates capacity for purchasers to be assured of supply quality and safety aspects; and
- the strategy is industry driven and cost effective

The Clean Green Standard's Relationship with Other Standards

Compliance with existing standards, Codex Alimentarius CAC/RCP 24-1979, Chapter 3 of the Australia New Zealand Food Standards Code and AQIS Export Control (Fish and Fish Products) Orders 2005 (2001) is covered by the Standard.

Ownership and Usage of the Clean Green Certification Mark

The Clean Green Certification Mark is owned by Southern Rocklobster Limited (SRL). Usage of the Certification Mark is regulated and governed by the SRL and is permissible only within the terms of a licence agreement with SRL.

Conformity Assessment Bodies (CABs)

For the evaluation process to have credibility, evaluations for certification shall be undertaken by bodies that are both independent and competent. It is a requirement that evaluation against the Standard be carried out by bodies formally accredited by JAS-ANZ to ISO/IEC Guide 65:1996 (General requirements for bodies operating product certification systems). To comply with ISO/IEC Guide 65:1996 CABs must be independent of the organisations and activities that they are evaluating, and evaluators must have technical competence, including appropriate qualification, training and experience, for specific product categories. In addition, evaluations must be effectively supervised by competent staff following documented policies and procedures, and client confidentiality must be ensured.



Liability

Whilst SRL has endeavoured to ensure that the information in this publication is accurate, SRL shall not be liable for any damages (including without limitation, damage for loss of business or loss of profits) arising in contract, tort or otherwise from this publication or any information contained in it, or from any action or decision taken as a result of reading this publication or any such information.

Table 1 - Pot to Plate Standards and Audit Guidelines

Set out below is the Clean Green Pot to Plate standards and auditing guidelines. Additional information about the audit protocol can be obtained from Southern Rocklobster Limited. Reference documents are located on www.southernrocklobster.com.

STANDARD	AUDITING GUIDELINES
APPLICABLE TO ALL CATEGORIES	
1. MANAGE USE OF THE CLEAN GREEN TRADE MARK	
1.1 The certification mark must only be used in accordance with the Certification Mark and Participation Agreement – Terms and Conditions.	1.1 The mark is to be used only if the user is certified and in accordance with the Mark Use conditions – see audit protocol
CATEGORY: CLEAN GREEN FISHERY	
The entity to which this Category applies is Southern Rocklobster Limited and it applies to the whole of the fishery	
2. BIOMASS HARVESTED SUSTAINABLY	
2.1 The <i>Jasus edwardsii</i> /Rocklobster fishery shall undertake a stock assessment (minimum annually) in accordance with the State Fisheries Act and Regulations ² .	2.1, 2.2 & 2.3 Check the Rocklobster fishery stock assessment against the Rocklobster Management Plan performance indicators. For example, SARDI prepares the stock assessment and PIRSA Fisheries prepares the Rocklobster Management Plan in South Australia. Southern Rocklobster Limited (SRL) will provide the stock assessment and Management Plan to the auditor.
2.2 The <i>Jasus edwardsii</i> /Rocklobster fishery shall be certified by Department of Environment and Heritage (DEH) as an Ecologically Sustainably Managed Fishery, under Part 13 and 13(A) of the Environment Protection and Biodiversity Conservation Act 1999.	2.2) Check if the ecological assessment of the Rocklobster (<i>Jasus edwardsii</i>) Fishery Report is certified by DEH as a sustainable fishery (DEH conducts the EA assessment of each Southern Rocklobster fishery every 5 years). SRL will supply the EA assessment report.
2.3 The <i>Jasus edwardsii</i> /Rocklobster fishery shall be managed in accordance to the fishery management plan performance indicators which shall include: a) Agreed exploitation ³ rates b) Agreed egg production ⁴ rates	2.3) Review performance indicators documented in relevant fisheries Rocklobster Management Plans. The performance indicators are set by the

² For Example; SOUTH AUSTRALIAN Act and Regs- The Scheme of Management (Rock Lobster Fisheries) Regulations 1991 and the Fisheries (General) Regulations 2000, under the South Australian Fisheries Act 1982; TASMANIAN Act and Regs- Living Marine Resources Management Act 1995; and VICTORIAN Act & Regs-Fisheries Act 1985 and Fisheries Regulations 1995.

³ The exploitation rate reflects the fraction of the population (legal size) harvested by the fishery each year.

⁴ The total egg production reflects the reproductive capacity of the fishery by providing an estimation of the number of eggs produced by all mature females in the population, as a percentage of the virgin egg production.

STANDARD

AUDITING GUIDELINES

<p>c) Agreed catch rates⁵</p> <p>d) Agreed Pre-recruit abundance⁶</p> <p>2.4 All fisheries shall have a management plan signed off by the relevant stakeholders in which the document will contain a list of these stakeholders.</p>	<p>appropriate set regulatory body.</p> <p>2.4) SRL will provide a list of the relevant stakeholders required to develop the industry management plan.</p> <p>The individual vessel operator is not assessed against this section of the Standard. It is used to assess the whole Rocklobster Fishery. For example, SA Northern Zone, SA Southern Zone, Victorian Eastern Zone, Victorian Western Zone and Tasmanian Fisheries.</p>
<h3>3. GOVERNANCE OF THE FISHERIES AND FISHERS'</h3>	
<p>3.1 Southern Rocklobster Limited shall maintain a comprehensive internal management system governing the fisheries and fishers' compliance against the Standard. This shall include:</p> <ul style="list-style-type: none">a) Providing relevant documentation to the CAB to complete the fishery audit;b) Compliance checks to demonstrate that certified Australian Southern Rocklobster fishers' conformance with fishery & environmental state legislation;c) Waste management disposal records as required per region⁷;d) Conformance with product quality requirements from this Standard;e) Log of fisher incidents and corrective action taken;f) Maintain an up to date database of the operator's that have completed Clean Green training; andg) Review the Standard, development of Policy and communication of decisions and inclusions to certified categories within the Standard.	<p>Check Southern Rocklobster Limited maintains the following management system:</p> <ul style="list-style-type: none">a) All relevant documentation has been provided to the CAB.b) Compliance checks for each fisher – SA (PIRSA), VIC (DPI) & TAS (POLICE) <p>EPA Assessment checks for each fisher (Fishery section) - SA (EPA), VIC (DPI) & TAS (POLICE)</p> <ul style="list-style-type: none">c) Waste management records – oil recycling numbers for both the Northern and Southern Zone (contractor)d) Summary report for individual fishers to verify conformance with product quality requirements and traceability system (only applicable to those selling their lobsters branded under the Clean Green Trade Mark).e) Log of fisher incidents and corrective action taken. Eg. ecological interactions (whale entanglement, seal protection), oil & fuel spills, OH&S accidents, bait picked up through the Regional Receiver / Consolidator audits)f) SRL maintains an up to date database of current skippers, crew, regional receivers, consolidators and importer / distributors that have completed Clean Green training and a register of all organisations that are certified against the

⁵ The catch rate reflects the catch (kg) per pot lift taken in the fishery, and is closely correlated with lobster abundance.

⁶ The pre-recruitment abundance provides an index of the pre-recruit (undersize) abundance, using the number of undersized lobster recorded in the commercial catch each year.

⁷ A region refers to a group of fishing ports within one state
Version 3, 28th February 2007

STANDARD**AUDITING GUIDELINES**

standard.

g) Undertakes review of the standard, audit protocol and creates relevant policy

Please note: Document review and policy creation requires the SRL Board sign off on all management decisions – reviews & approves all policies, the audit protocol and the Standard.

Resolutions of the Board are to be formally documented and distributed to certified categories.

STANDARD**AUDITING GUIDELINES****CATEGORY: CLEAN GREEN FISHER**

The entity to which this Category applies is the individual vessel operator

4. BIOMASS HARVESTED SUSTAINABLY

4.1 The vessel operator shall have a Rocklobster fishing licence (Appendix 1 – Rocklobster licences).

4.2 All undersized and egg bearing females shall be returned to the sea (Appendix 2 – legal limits).

4.3 All licence holders shall ensure that allocated quota is not exceeded. Catch & Disposal Records (CDR) must be accurately kept.

4.4 Vessel operators shall ensure that fishing gear and practices comply with the States Fisheries Act and Regulations.

4.5 The vessel operator shall ensure records are kept of catch and effort and voluntary catch data where applicable (Appendix 3 – voluntary catch data).

4.6 Fishing shall only take place in those areas identified in the relevant State Fisheries legislation.

4.7 Where restrictions to fishing apply in accordance (e.g. marine park, reserves and protected areas), these shall be complied with.

4.1) Check the vessel operator's fishing licence.

4.2, 4.3, 4.4, 4.5, 4.6, 4.7) Examine Fish Watch (fisheries compliance) annual compliance report; or

Fish Watch will advise the CAB of any offences committed by the Clean Green Fisher regarding 4.1, 4.2, 4.3, 4.6 & 4.7.

4.5) Examine log books (voluntary catch sampling and/or catch and effort data records) and SARDI reports (SRL will supply these reports) of participation.

SRL will advise the CAB of any individual Clean Green Fishers not recording their catch and effort data.

STANDARD	AUDITING GUIDELINES
<p>5 MINIMISE BYCATCH MORTALITIES</p> <p>5.1 The vessel operator shall ensure that pots comply with minimum mesh size and escape gap requirements documented in the relevant State Fisheries legislation.</p> <p>5.2 Protected bycatch⁸ shall be carefully returned to the sea as soon as practicable in accordance to the 'Best Practice in the Australian Southern Rocklobster industry' video.</p>	<p>5.1) Examine Fish Watch (fisheries compliance) report to check conformance or Fish Watch will advise the Conformity Assessment Body of any offences committed by the Clean Green Fisher regarding standard 3.1.</p> <p>5.2) Check that the licence holder has completed the Clean Green training (sight Clean Green certificate), which will train in best practice by-catch handling practices.</p> <p>Fish Watch to advise the CAB and SRL of any offences committed by a Clean Green Fisher against relevant state fishery acts and regulations.</p>
<p>6. COMPLY WITH BY-PRODUCT REGULATIONS</p> <p>6.1 By-product requirements are documented in the relevant State Fisheries legislation. The vessel operator shall ensure that these requirements are met on an ongoing basis.</p> <p>6.2 Records of the by-product⁹ species (eg. Giant Crab and Octopus) taken are documented in the relevant State Fisheries legislation. The vessel operator shall ensure that these requirements are met on an ongoing basis.</p>	<p>6.1 & 6.2) Examine Fish Watch (fisheries compliance) report for by-catch offences or</p> <p>Fish Watch to advise the CAB and SRL of any offences committed by a Clean Green Fisher regarding standard 6.1 & 6.2</p>

⁸ Bycatch- all marine species that are illegal to take from the resource for any purpose, under operation of the fishing licence.

⁹ By-product- all non-target marine species (not rocklobster) that can be legally taken from the resource, under operation of the fishing licence.



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<p>7. SEAL PROTECTION</p> <p>7.1 The vessel operator shall ensure that seal protection devices are fitted to pots in accordance to the 'Best Practice in the Australian Southern Rocklobster industry's video to prevent any adverse interaction with seals. Seal protection devices are only required to be fitted when fishing in seal colonised areas.</p> <p>7.2 The vessel operator shall ensure that all stranded or injured mammals are reported to the appropriate environmental body.</p> <p>7.3 Records shall be kept in the Clean Green Record or ships log.</p> <p>7.4 Where standard 7.1 is not conformed to, an exemption may be given if there is adequate scientific evidence proving that the fishing operation does not have any adverse interaction with seals.</p>	<p>7.1) A list of seal colonised areas (SCA) where Rocklobster fishing occurs will be provided to the auditor by SRL. The auditor will check if a fisher operates in a SCA. If the fisher does operate in a SCA the auditor will check if seal protection devices are present on the vessel and whether the protection devices can be fitted to the pots.</p> <p>7.2) The appropriate environmental bodies for reporting environmental observations will be outlined in the Clean Green Training. Check the fisher has completed the Clean Green training.</p> <p>Check by asking the vessel operator who they would call to report a stranded or injured mammal.</p> <p>7.3) Check ship's Clean Green Record for compliance.</p> <p>7.4) View scientific evidence</p>
<p>8. WHALE AND TURTLE PROTECTION</p> <p>8.1 The vessel operator shall ensure that pot rope length correlates to water depth to minimise accidental entanglements of whales and turtles.</p>	<p>8.1) Simulation and demonstration are means of auditing this standard eg ask the vessel operator how they ensure that rope length correlates to water depth.</p> <p>Verify that fishers carry different lengths of rope or only fish in a constant depth of water.</p>
<p>9. ENVIRONMENT PROTECTION</p> <p>9.1 The vessel operator shall ensure that all environmental observations (oil spills, algal blooms, fish kills, etc) are reported.</p> <p>9.2 The vessel operator shall ensure that all unusual marine species are reported and the deck and gear is cleaned and maintained in good condition free from fouling.</p> <p>9.3 The vessel operator shall ensure that the hull and any intake pipes remain in good condition free from fouling.</p>	<p>9.1 & 9.2) Check by demonstration e.g. ask who they would call regarding 1) an oil spill, 2) other environmental observations, and 3) unusual marine species identification. This is outlined in the Clean Green training. Check that the vessel operator has completed the Clean Green Training program.</p> <p>9.2 & 9.3) Ask the vessel operator how the vessel's hull, deck, gear and intake pipes remain clean and free from fouling and are maintained? E.g report in maintenance plan – 'slipped and cleaned,').</p>

9.4 Records shall be kept in the Clean Green Record or ships log.	9.4) Check ship's Clean Green Record, log and/or maintenance plan.
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STANDARD	AUDITING GUIDELINES
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<p>10. SUSTAINABLE BAIT</p> <p>10.1 The vessel operator shall ensure that bait used for fishing operations is sourced from sustainable populations. Records of all bait purchased or otherwise acquired for use in fishing operations must be available.</p>	<p>10.1) Check the bait on hand and/or bait receipts and records and check if it is listed as sustainable bait (Appendix 4 – Clean Green sustainable bait sources)</p>
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STANDARD	AUDITING GUIDELINES
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<p>11. VESSEL WASTE MANAGEMENT</p> <p>11.1 The vessel operator shall have an industry waste management plan that ensures:</p> <ul style="list-style-type: none"> a. disposal of all waste at sea is in accordance with MARPOL 73/78 convention and the State Environment Protection legislation¹⁰; b. there is no disposal of oil, oily bilge water, oil filters or plastic at sea; c. on board storage capacity for waste is sufficient for a fishing trip of typical maximum duration; d. the vessel is fitted with a bilge rat(s) to avoid leaking of oily bilge water; e. no plastic bait straps are taken to sea or the vessel operator can demonstrate that plastic bait straps can be contained on board the vessel and disposed on land. f. chemicals used are known to have negligible impact on the environment (biodegradable where possible) and limited to those on the approved chemical list issued by SRL (Appendix 5 – Clean Green Approved chemical list) 	<p>11.1) Check the Environment Protection Authority report (supplied by SRL) to determine whether any Clean Green fishers have been prosecuted for illegal waste disposal or the EPA to advise the CAB if a Clean Green fisher has committed an offence regarding waste disposal.</p> <p>Check that the waste management plan is available and is adequate.</p> <ul style="list-style-type: none"> a) Does the operator have the waste disposal document "MARPOL 73/78 convention" on board the vessel? b) Is there a suitable container available (onboard or in the workshop) for transferring bilge rats/oil filters to the waste oil station? <p>Check Transport SA oil recycle records from waste oil stations located in each port & cross reference to the average fleet size in the port to confirm that the local fleet comply with the Standard (South Australia only) (calculation completed by SRL).</p> <ul style="list-style-type: none"> c) Is there adequate suitable on board storage for waste? d) Is there a bilge rat present or available? Is there a sealable storage container available for placing oil filters & bilge rats?
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¹⁰ For example, the legislation in South Australia is the Environment Protection Act 1993. Version 3, 28th February 2007

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- e) Check the bait on hand and check for bait straps. If bait straps are present, ask the vessel operator to demonstrate how they ensure that no bait straps are taken to sea or how they are contained at sea and disposed of on land.
- f) Check that chemicals are approved by SRL and ask how they are used and for what purpose.
- Examine any available rubbish studies for the port as additional verification.

12. REFUELLING

12.1 All crew shall be trained and competent in safe refuelling procedures.

12.2 Spill kits shall be available in each port or close to the refuelling vehicle and it is recommended that a minor spill kit be stored onboard the vessel. All crew shall be trained and be competent in their use.

12.3 All vessel operators to record incidents in the Clean Green Record or management plan.

12.1) Ask the vessel operator to demonstrate their refuelling techniques and to describe the training methodology.

12.2) Ask how the vessel operator would clean-up a oil or fuel spill (check if a spill kit is available for use, eg. spill kits are predominately kept at Waste Oil Stations in SA). The vessel operator to give a verbal description. Check if minor spill kit is kept on board.

12.3) Examine the Clean Green Record or management plan.

STANDARD**AUDITING GUIDELINES****13. TRAINING**

13.1 Fishers shall have the following minimum qualifications and/or induction:

Skipper:

a) the appropriate command ticket and marine engine driver's qualification documented under the relevant State Act and Regulations¹¹; and

b) successful completion of the 2-day Clean Green training program.

13.1)

a) Check that the vessel operators have completed the appropriate command ticket and marine engine drivers qualification.

b) Check that the vessel operator and crew has completed the 2-day Clean Green training program or annual refresher.

c) Check if the workplace safety inductions (Skipper and crew), GMP

¹¹ For Example, in South Australia the legislation applicable to this standard is the Harbors and Navigation Regulations 1994, under the Harbors and Navigation Act 1993.
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inductions and/or refresher (once every five years).

Crew:

- c) successful induction against the Clean Green, GMP and workplace safety inductions.

Visitors:

- d) workplace safety induction.

inductions & training record has been completed.

- d) Check visitors (including auditors) receive workplace safety induction.

14. A SAFE WORKING ENVIRONMENT

14.1 All vessels shall have a documented industry analysis of workplace safety hazards available for their vessel prior to the commencement of each season, covering all work place safety hazards stated under the Industry OHS & W code as per the relevant State Occupational Health, Safety and Welfare Act and Regulations¹².

14.2 The vessel shall have a documented industry management plan that details how identified hazards shall be controlled, in particular those that are assessed to be high risk. The management plan shall include:

- a. OH&S safety material for Duty of Care to staff and visitors
- b. The requirement for at least one crew member to complete the Clean Green or emergency first aid certificate, with a update completed every 3 years;
- c. Drug and alcohol policy;
- d. Personal hygiene requirements;
- e. A vessel safety checklist; and
- f. Clean Green refresher for all the above.

14.3 Safety procedures for specific hazards shall be documented and clearly

14.1) Check that the industry analysis of workplace safety hazards for rocklobster vessels is available, a workplace safety hazard analysis has been completed, and all hazards have been identified and are controlled, i.e. that the plan is adequate and has been implemented.

14.2) Check that the vessel has an industry management plan that details how identified hazards will be controlled with regard to staff and visitors.

- a. Check the vessels survey certificate is available.
- b. Check that at least one crew member has a current first aid certificate.
- c. Check that the vessel has a drug and alcohol policy and that it is known by crew.
- d. Check that management plan covers personal hygiene.
- e. Check that the vessel safety checklist for owners and skippers has been completed.
- f. Check if crew have completed Clean Green training course and/or annual refresher.

¹² For Example, in South Australia the legislation applicable to this standard is the Occupational Health, Safety and Welfare Act 1996 and OHS & W Regulations 1995.

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visible in locations where hazards may occur aboard each vessel.
14.4 The Industry OHS&W Code is on board the vessel and procedures in the Code are followed.
14.5 All vessel operators to record accidents in the Clean Green Record, management plan or ships log.

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- 14.3) Check the Management Plan and verify if documented high risk hazards have the appropriate signage detailing the safety procedures. Check for minimum of 1 sticker outlining high risk workplace safety hazards and the eye protection plate.
- 14.4) Check the Industry Code is accessible and its use is evident (vessel procedures & safe working practices)
- 14.5) Check the Clean Green Record, management plan or ship's log for accident reports.

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15. MAXIMISE PRODUCT QUALITY

- 15.1 The vessel operator shall employ Good Manufacturing Practice (GMP)¹³ when handling product on the vessel. Practices shall include:
- activities that don't induce chronic stress in the lobsters;
 - maximum holding times¹⁴ in the vessels well or tanks:
 - < 18 days in Autumn, Winter & Spring
 - < 7 days in Summer;
 - maximum holding times¹⁵ (fish quality may reduce maximum holding times) in corfs¹⁶.

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- 15.1) Audit the vessel against the requirements of the Primary Production and Processing Standard for Seafood, 4.2.1 Division 2 General Seafood Safety Requirements Clause 3, 4, 6 (2), 7 (2), 8, 12, 13, 14 and Export Control (Fish and Fish Products) Orders 2005 Schedule 4 Part 2, 26.1, 26.2, 26.3 Catcher Boats. This can be done using the following checklist;
- Hygiene & GMP (Supplied by SRL)
- And examining the following procedures/documentation;
- On Board GMP induction
 - Waste Management Plan
 - Cleaning and Sanitation Plan
 - Maintenance Plan
- Subsequent audits shall check for ongoing demonstration that the vessel operator is employing GMP on board the vessel.

¹³ Good Manufacturing Practice (GMP) give guidance on how food safety and suitability management practices and procedures may be implemented by a Clean Green Category to achieve compliance with the Standard.

GMP may be define good management practices relating to:

(a) particular food safety and suitability outcomes required under the standard

(b) the harvesting or handling of *Jasus Edwardsii*

(c) other activities relevant to seafood safety or suitability.

¹⁴ Holding times may vary due to harvest depth (white verses red) & product quality (time harvested)

¹⁵ Holding times may vary due to harvest depth (white verses red) & product quality (time harvested)

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- a) < 5 days in Autumn, winter & spring
- b) < 2 days in Summer;
- d. limiting product's time on deck to less than 10 minutes (during fishing operations);
- e. limiting trip duration in proportion to vessel carrying capacity (cc);
- f. cc & water flow factors must be adequate for summer temperature fluctuations;
- g. holding lobsters in a low light environment;
- h. not exposed to the direct wind or sunlight
- i. no possible contamination with harmful substances;
- j. correct handling practices to maximise quality;
- k. use of appropriate bins to avoid leg loss (e.g. fine mesh placed inside the fish bin);
- l. separation of large and small lobsters (e.g. different bays within the tank or well) if feasible;
- m. comfortably (2/3 full) stacked into suitable holding bins to minimise excessive weight on the product when removed from the vessel;
- n. fully submerging in water while in the holding tanks prior to pack-out;
- o. minimal handling from the vessel to the Regional receiver is employed to reduce stress on the animals and minimise leg loss;
- p. wet hessian bags are placed on top of each bin if the temperature is above 27 °C (application from point of unloading to a temperature controlled environment);.
- q. compliance with the principles of GMP — including minimising the use of

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15.1) (a to q) Review evidence captured through the traceability system (eg. mortality details, rejected lobsters or verbal comments from the regional receivers regarding lobster quality on arrival at the Regional receiver) to confirm conformance.

The auditor will be supplied with a checklist to confirm compliance of a Clean Green Fisher against the Standard.

Review training records to establish mandatory GMP induction training has been completed.

Conduct simulation/demonstration activities with crew on how to handle live lobsters. Handling techniques are outlined in the CG training. Check the vessel operator has completed the CG training certificate.

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exposed wood.

16. TRACEABILITY

16.1 The vessel operator shall comply with all SRL traceability requirements for product destined for a recognised¹⁷ market. Practices shall include:

- a) Application of an approved horn tag¹⁸ to product meeting the market specification(s) and is harvested from a pot not containing octopus;
- b) The tag shall only be applied to Rocklobsters that meet the specifications;
- c) Tags shall be removed from Rocklobsters that no longer meet the specifications or are consigned to an uncertified Australian Southern Rocklobster Regional Receiver / Consolidator; and
- d) Damaged tags are not permitted.

16.2 The vessel operator must record all damaged tags by entering the unique tag number into the Southern Rocklobster website (www.southernrocklobster.com.au) or call Southern Rocklobster on +61 8 8357 7569.

16.3 In accordance with Primary Production and Processing Standard for Seafood, 4.2.1 Division 2 General Seafood Safety Requirements Clause 11, tags shall comply with Export Control (Fish and Fish Products) Orders 2005, Schedule 5, Part 4, 31.1 & 31.2 Packaging and Identification.

16.1, 16.2 & 16.3) Check the vessel operator is using only approved tags and is applying them only to product meeting the specification. Check that the disposition of all tags is recorded.

16.1c) Check traceability report.

16.1d) Check for absence of damaged tags.

¹⁷ A recognised market is one targeted by SRL e.g. USA

¹⁸ Scanned, certified and issued to a certified Clean Green fisher by SRL
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<p>17. WATER QUALITY</p> <p>17.1 The vessel operator shall ensure that the water in holding tanks meets the following specifications:</p> <ul style="list-style-type: none"> a. correct water flow rate per given Rocklobster density (check Catch Disposal Record to verify maximum stocking densities); b. greater than 70% oxygen in holding tank; and c. temperature is maintained at a level that will not induce stress. <p>17.2 A vessel operator with a wet well shall ensure that the well meets the following specifications:</p> <ul style="list-style-type: none"> a. auxiliary aeration / flow capacity can be added to the well in the event that oxygen requirements are not conformed to. b. adequate spacing between the well holes and floor to avoid any potential restrictions to flow at maximum stocking levels, unless the vessel catches small quantities or unloads on a daily basis. 	<p>17.1 a & b) Check live holding tank report completed by SRL</p> <p>(c) The auditor to ask where the vessel draws its water. Eg, 5 NIM to sea is good; in Robe harbour is not suitable. Check with the Regional Receivers and traceability records to identify if live lobsters are landed in accordance with specifications.</p> <p>b) SRL to create a database to establish DO levels in wet wells and create a management plan.</p> <p>17.2) Check if the vessel can add auxiliary aeration / flow capacity if required, and the spacing between well holes and floor.</p>
<p>18. LIVE HOLDING SYSTEM</p> <p>18.1 The vessel operator shall ensure that water flow in live holding tanks is not restricted by poor flow design (dynamics) and or the use in them of bins that restrict the water flow.</p>	<p>18.1) Check the flow dynamics (water needs to flow through the lobsters – top to bottom or vice versa and bins used in the holding tanks must allow flow through them). Refer to “water quality, vessel hygiene & sanitation” flip card.</p>
<p>19. ON-BOARD MAINTENANCE & CLEANING SCHEDULE</p> <p>19.1 The vessel operator shall have a documented vessel cleaning, sanitation and maintenance plan or plans¹⁹.</p> <p>19.2 The vessel operator shall ensure all plans are implemented and effective.</p>	<p>19.1) Check the cleaning & sanitation plan and maintenance plan are available.</p> <p>19.2) Check for ongoing records that demonstrate the plans are implemented and effective.</p>

¹⁹ Cleaning, sanitation and maintenance plan can be verified by checking the vessel hygiene certificate
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<p>20 LANDED PRODUCT</p>	
<p>20.1 Landed tagged lobsters shall be alive and comply with the product specification (Appendix 6).</p>	<p>20.1) Review evidence from the traceability system reports and Regional Receiver (eg. mortality details or verbal comments regarding lobster quality on arrival at the Regional receiver).</p>
<p align="center">CATEGORY: CLEAN GREEN REGIONAL RECEIVER & CONSOLIDATOR - LIVE</p>	
<p>21. COMPLIANCE WITH THE PRIMARY PRODUCTION AND PROCESSING STANDARD FOR SEAFOOD AND/OR THE EXPORT CONTROL (FISH AND FISH PRODUCTS) ORDERS 2005</p>	
<p>21.1 Compliance with the relevant sections of the Primary Production and Processing Standard for Seafood and/or the Export Control (Fish and Fish Products) Orders 2005 pertaining to their business and scope of registration, is mandatory.</p> <p>21.2 Authorities shall be granted to AQIS and State auditing bodies, in writing if necessary, to allow the CAB auditor access to audit reports and to obtain clarification of audit findings.</p>	<p>21). Examine latest audit reports relating to the Primary Production and Processing Standard for Seafood and/or the Export Control (Fish and Fish Products) Orders 2005. Liaise with the State authority and/or AQIS if clarification is required.</p>
<p>22. TRANSFERRING LIVE LOBSTER PRODUCT TO THE REGIONAL RECEIVER OR CONSOLIDATOR</p>	
<p>22.1 Live transport vehicles shall comply with the Primary Production and Processing Standard for Seafood , Division 2 Seafood Safety Requirements Clause 7 (2) Seafood Transportation and Export Control (Fish and Fish Products) Orders 2005 Schedule 5, Part 6 Transport, 34.2.1 Live Fish Transport.</p> <p>22.2 Live lobster shall be transported in closed, dust proof trucks where transport exceeds 1 hour from the vessel holding tank. Transport conditions shall meet the following specifications:</p> <ul style="list-style-type: none"> a. lobsters shall be packed comfortably, so that the bins are no more than 2/3 full, in clean, impermeable containers; b. the storage temperature during transporting shall remain between 7°C 	<p>22.1) Check audit outcomes referred to 21 above.</p> <p>22.2) Check that the transport vehicle can be closed and is dust proof.</p> <ul style="list-style-type: none"> a) Check packing of bins at less than 2/3 full, eg. a 72litre bin will have between 27-34 kg per bin. The auditor will understand suitable packing techniques after completion of the Clean Green Training. b) Examine records (recorded through the traceability system) of temperatures in containers on receipt at the regional receiver. Examine records of continuous temperature logging instruments, if used. c) Determine transport times to the regional receivers from various pick-up

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<p>and 12°C where transport exceeds 1 hour from the vessel holding tank;</p> <p>c. transportation time shall not exceed 6 hours (where this standard is not conformed to an exemption may be applied and approved by SRL for by the regional receivers / consolidators) when there is adequate scientific evidence proving that the quality and safety of the product meets the applicable standard) and this shall be documented to demonstrate ongoing compliance with the product specification;</p> <p>d. a moist (cool humid) environment must be maintained; and</p> <p>e. any other GMP and/or personnel practices which may be applicable here, in addition to the above.</p>	<p>points to confirm conformance.</p> <p>d) Physical checks of quality, temperature, etc</p> <p>e) Check compliance with general GMP (hygiene, cleanliness etc)</p> <p>Where the temperature and/or transport time has been exceeded but quality has not been compromised, a corrective action shall be raised to ensure future transport temperatures and times conform to best practice standards.</p>
STANDARD	AUDITING GUIDELINES
23. RECEPTION & GRADING	
<p>23.1 The regional receiver / consolidator shall inspect all tagged lobsters on receipt at the factory against the product specification(s).</p> <p>23.2 Where practical, handling of the product shall be minimised by using reverse weighing²⁰.</p> <p>23.3 Receipt and grading practices shall also comply with Primary Production and Processing Standard for Seafood, Division 2 clause 10 sub clauses 1 & 3 and Export Control (Fish and Fish Products) Orders 2005 Schedule 8 Part 2, 4.1 Sourcing Fish and Fish Products.</p> <p>23.4 Segregate and / or dispose of rejected product.</p>	<p>23.1 & 23.3) Check lobster grading reports generated through the SRL traceability system. The report will provide information on rejects and mortalities of each vessel operator's product.</p> <p>23.2) Check weighing system</p> <p>23.4) Check procedure for segregating and / or disposal of rejected product.</p>
24. PRODUCT HANDLING	
<p>24.1 To avoid loss of appendages, best practice product handling techniques shall be used (e.g. by using lifting gear & baskets to avoid leg loss).</p>	<p>24.1) Check practices to ensure leg loss is minimised. (Eg. avoiding use of dip nets where possible, and instead using lifting gear or carrying baskets.)</p>

²⁰ Reverse weighing is a process whereby weight is measured by taking the difference between the initial weight and remaining weight after a portion of weight has been removed from the initial weight.

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<p>25. WATER QUALITY STANDARD</p> <p>25.1 Where product is held at the regional receiver / consolidator, the water in holding tanks shall meet the following specifications:</p> <ul style="list-style-type: none"> a. temperature 9°C-13°C – optimum 10-12°C; b. oxygen concentration greater than 70%; c. ammonia concentration less than 0.5 mg/L; d. nitrite concentration less than 1 mg/L; e. nitrate concentration between 100 and 140 mg/L; f. alkalinity concentration between 100mg/L and 200 mg/l; g. pH between 7.8 and 8.2; h. ORP between 300 – 400; and i. salinity between 30 and 38 ppt – optimum (35-36ppt) <p>25.2 Where these specifications have not been met there shall be documented procedures for remedial action (Appendix 10 & 11) or re-direction of product to another holding tank. Records shall be kept to provide evidence of remedial actions.</p> <p>25.3 The regional receiver / consolidator shall remove any waste material / dead lobsters from the tanking system on a daily basis.</p> <p>25.4 Water quality records shall be entered into the traceability system in accordance to the monitoring system.</p> <p>25.5 The regional receiver / consolidator shall have appropriate back-up systems (e.g. generators, pumps and oxygen) to comply with the water quality specifications.</p>	<p>25.1) Observe water testing and check water quality parameters conform to the Standard.</p> <p>25.2, 25.4) Review water quality reports (established through the traceability system). Request operator to describe remedial or product relocation practices. Check traceability records.</p> <p>25.3) Check that the holding tanks are free from waste and the traceability records show that dead lobsters have been continually remove of the system.</p> <p>25.5) Check that there is an appropriate back-up system to deal with pump or power failures.</p> <p>Action point: develop a manual for water quality re-medial procedures (document procedures) / control product (details how control the product and modified / control the process.</p>

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26. LICENSING

26.1 The regional receiver / consolidator shall have a licence to process fish in accordance with the State Fisheries Act and Regulations.

26.2 The consolidator shall operate within certified premises, in accordance with:

- a. Export Control (Fish and Fish Products) Orders 2005 Part 4, Division III Export Standards, 45 Premises, equipment and vehicles as specified in Schedule 3 Part 1, Division 1, 2,3,4 and
- b. Primary Production and Processing Standard for Seafood Division 2, Clause 14 Seafood Premises and Equipment (1) a, b, (2) a, b.
- c. Importing country requirements (e.g. USFDA).

The Regional Receiver shall operate within certified premises, in accordance with:

- d. Export Control (Fish and Fish Products) Orders 2005 Part 4, Division III Export Standards, 45 Premises, equipment and vehicles as specified in Schedule 3 Part 1, Division 1, 2,3,4 and/or
- e. Primary Production and Processing Standard for Seafood Division 2, Clause 14 Seafood Premises and Equipment (1) a, b, (2) a, b.

26.3 Where a standard(s) is not conformed to an exemption may be applied for, and approved by SRL, when there is adequate scientific evidence that proves that the quality and safety of the product is equivalent or above the applicable standard and is formally documented and this shall be documented to demonstrate on compliance to the Clean Green Standard.

26.4 Any contraventions of State/AQIS or other legal requirements are to be reported to SRL for urgent correction. Copies of these reports shall be held on the relevant premises together with a record of any remedial actions.

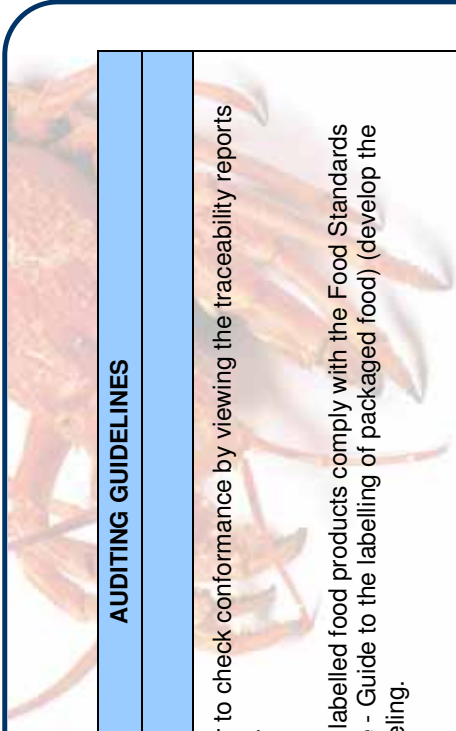
26.1 & 26.2) Check if the regional receiver / consolidator has a licence to process fish and is certified by the following, as appropriate:

- AQIS; and/or
- State health certification
- USFDA certification

Check that any AQIS certification or State Health certification covers the scope of the processes carried out by the regional receiver / consolidator. Check that the factory has the required AQIS Approved Arrangement and meets requirements of the PP&P Standard (www.foodstandards.gov.au). If this evidence is not available a detailed compliance audit will be required – this will require completion of a GMP checklist

26.3) Check if there is adequate scientific evidence available to determine whether an exemption is appropriate.

26.4) The auditor to report all contraventions to SRL



STANDARD	AUDITING GUIDELINES
<p>27. IDENTIFICATION AND TRACEABILITY</p> <p>27.1 The regional receiver / consolidator shall comply with all traceability requirements for product destined for a recognised market. Practices shall include:</p> <p>a) Electronic scanning of tagged lobster on entry and exit of the factory to:</p> <ul style="list-style-type: none"> • confirm the and complies to the market specification(s) required for a particular marketplace; and • down / up - grading of lobsters against the product specifications. <p>b) Removal of the tag if:</p> <ul style="list-style-type: none"> • product quality doesn't meet the product specification(s); and • the tag is damaged. <p>c) The regional receiver / consolidator shall log all records into the traceability system e.g. removal of tags, up/down-grading.</p> <p>d) Exporting / transferring to a Clean Green certified category.</p> <p>27.2 Packaged seafood shall be labelled in accordance with the requirements of Standard 3.2.3 of the Food Standards Code and include (food premises and equipment):</p> <ol style="list-style-type: none"> a. the name of the food, supplier details / immediate recipient details in accordance with Standard 1.2.2 of the Food Standards Code; b. statement of ingredients in accordance with 1.2.4 of the Food Standards Code; and c. use by date in accordance with 1.2.5 of the Food Standards Code; directions for use and storage in accordance with 1.2.6 of the Food Standards Code. 	<p>27.1) The auditor to check conformance by viewing the traceability reports provided by SRL.</p> <p>27.2) Check that labelled food products comply with the Food Standards Code (Reference - Guide to the labelling of packaged food) (develop the checklist) for labeling.</p> <p>27.3) Labelling guide is documented in the factories approved arrangement (check the labeling requirements for the USA.</p> <p>27.2) Check that live and processed (if applicable) is labeled correctly. Check if lobsters have a tag – this confirms conformance to the standard.</p> <p>27.3) Refer to the requirements in the food standards code and AQIS requirements.</p> <p>27.4 & 27.5) Auditor to check SOP (GMP procedures) for calibration of scales and confirm 3rd certification of the scales.</p>

27.3 Labelling and packaging shall comply with the regulatory requirements of the export markets and other seafood labelling laws. (e.g. Code of Federal Regulations – USFDA)

27.4 Packaged seafood must be true to weight as listed on the package and provide information about the weight of the product in accordance with relevant export, country and state legislation (e.g. Australian trade practices legislation).

27.5 The regional receiver / consolidator shall maintain calibrated scales in accordance with the manufacturer's recommendations and any legislative, regulatory or market requirements.

27.6 The regional receiver / consolidator shall comply with the export, importing country and state traceability requirements for all products intended to be sold under the Clean Green brand.



STANDARD

28 FOOD SAFETY AND GMP

28.1 The regional receiver / consolidator shall employ Good Manufacturing Practice (GMP)²¹ and have the SRL Food Safety Plan for live holding tanks, the general area associated with live holding facilities and the packing area as a minimum.

28.2 The consolidator shall have an AQIS Approved Arrangement which incorporates the requirements of SRL Food Safety Plan and GMP.

28.3 The regional receiver /consolidator shall maintain records to demonstrate that all Critical Control Points (CCP) are being monitored and controlled and that there are appropriate corrective and preventative actions.

AUDITING GUIDELINES

28.1) Review the GMP procedures and records to confirm conformance

28.2) Check that the consolidator has an Approved Arrangement which incorporates the requirements of the SRL Food Safety Plan and GMP.

28.3) Check the records of monitoring of Critical Control Points (identified through the facility risk assessment) and subsequent actions.

²¹ Good Manufacturing Practice (GMP) gives guidance on how food safety and suitability management practices and procedures may be implemented by a Clean Green Category to achieve compliance with the Standard.

GMP may be defined as good management practices relating to:

- (d) particular food safety and suitability outcomes required under the Standard
- (e) the harvesting or handling of *Jasus Edwardsii*
- (f) other activities relevant to seafood safety or suitability.

STANDARD

AUDITING GUIDELINES

29. PACKING FOR EXPORT - LIVE

29.1 The regional receiver / consolidator shall comply with Export Control (Fish and Fish Products) Orders 2005 Schedule 4, Part 6, Live Fish, and the following:

Regional Receiver:

- a) Live animals shall be tested 15 minutes prior to packing to ship to the consolidator to ensure conformance with the product specifications, including:
 - Liveliness / tail strength
 - All appendages intact
 - No damage
 - Tail shape
 - Shell hardness
 - Correct weight
- b) Live product shall be chilled to 7°C - 9°C and maintained at this temperature for a minimum of 40 minutes prior to being packed to the transport specifications (Appendix 12)

Consolidator:

- c) Live animals shall be tested 15 minutes prior to packing for export to ensure conformance with the product specifications, including;
 - Liveliness / tail strength
 - All appendages intact
 - No damage
 - Tail shape
 - Shell hardness
 - Correct weight
- d) Live product shall be chilled to 7°C -9°C and maintained at this temperature for a minimum of 40 minutes prior to being packed to export specifications (Appendix 13).
- e) one temperature logging device shall be placed in each AV (780kg) shipment of Clean Green lobsters.

29.1) Check records and audit against Export Control (Fish and Fish Products) Orders 2005 Schedule 4, Part 6, Live Fish.

- a – d) Observe pre-pack-out / pack-out checks, and check traceability reports to confirm compliance with the product specifications.
- e) Check traceability report to confirm data loggers are used and that data logger information is downloaded to the traceability database.
- f) Check if product is being packed into AVs on site.

f) lobsters shall be packed into the AV on site where possible.

STANDARD

30. TIME MANAGEMENT IN DISTRIBUTION TO THE CONSOLIDATOR OR FOOD SERVICE SECTOR - LIVE

30.1. The time and temperature of product storage and transportation to the food service sector shall be controlled and recorded, and shall not exceed the following specifications:

a) live²²: < 36 hours @ between 5°C (~41 ° F) & 10°C (~50 ° F);

30.2. Live lobsters shall be held in a holding tank for the following minimum time periods:

- a) Prior to exporting > 48 hours
- b) Delivery to the domestic Food Service sector > 24 hours
- c) Transportation for re-tanking within Australia > 12 hours if the transit time does not exceed 10 hours.

30.1) Check traceability report to confirm conformance of time and temperature.

30.2) Check traceability reports to confirm time spent in the tank.

²² Live means living (undertaking all normal functions)
Version 3, 28th February 2007

CATEGORY: CLEAN GREEN REGIONAL RECEIVER & CONSOLIDATOR - PROCESSING

31. HACCP SYSTEM

31.1 The regional receiver / consolidator shall have a HACCP plan based on the codex Alimentarius principles and reference shall be made to relevant legislation, codes of practice or guidelines covering:

- a) Slaughter, cooking, chilling, draining & freezing
- b) GMP including;
 - a. Pest Control;
 - b. Hygiene and Sanitation;
 - c. Preventative maintenance program;
 - d. Calibration of scales and equipment used to measure water quality;
 - e. Chemicals and MSDS;
 - f. Glass Policy; and
 - g. Staff training in a – f.
- c) Records of conformance and corrective action resulting from non-conforming product.

31.1)

- a) Check the regional receiver / consolidator's has a HACCP plan covering Slaughter, cooking, chilling, draining and freezing.
- b. Check that staff are trained in GMP.
- c) Check the records of monitoring of Critical Control Points (identified through the facility risk assessment) and subsequent actions

32. SLAUGHTER PROCEDURE

32.1 The regional receiver / consolidator shall have a documented lobster killing procedure in accordance to the industry best practice for humane killing of lobster (Appendix 7 – Clean Green Humane Killing Procedure).

- 32.1 Check that the facility has a documented humane killing procedure. Observe the slaughter procedure.

STANDARD

AUDITING GUIDELINES

33. COOKING, CHILLING AND DRAINING PROCEDURES

33.1 The regional receiver / consolidator shall have a documented procedure for cooking, chilling and draining product to ensure that the following specifications are met:

- a. product is cooked to a core temperature of 72°C for a minimum of 2 minutes. (eg. approximately 1 minute cooking per 100 grams for up to 2kg and slightly less for animals over 2 kg – see Appendix 8);
- b. product is cooled to 20°C within 30 mins of removal from the cooker, and to between -1°C and 4°C within 2 hours of removal from the cooker;
- c. product (live, green, and cooked) is drained for a minimum of 5 minutes before packing.
- d. Where a standard(s) is not conformed to an exemption may be applied for, and approved by SRL, by the regional receiver / consolidator when there is adequate scientific evidence that proves that the quality and safety of the product is equivalent or above the applicable standard and this shall be documented to demonstrate ongoing compliance to the Clean Green Standard.

33.2 Temperature records shall be kept to demonstrate compliance with 33.1 a & b).

33.1 a., b. & c. Check that the factory has documented cooking, chilling and draining procedure; this will be incorporated in the SRL or AQIS food safety plan.

Each regional receiver / consolidator will need to validate that they comply with 33.1 a & b. The validation requires the operator to monitor temperature / time during the cooking and cooling procedure to confirm compliance with the standard. This type of validation is not generic and needs to be done for each site as the cooking / cooling equipment and procedures varies from site to site.

The auditor to observe a demonstration of cooking, chilling and draining operations or request a verbal description.

33.2 Check temperature records

33.3 Check that a HACCP plan for cooking and processing

34. FREEZING

34.1 Where product is to be frozen the chamber temperature must be minus 18°C or lower before the product is placed in the freezer.

34.2 Temperature records shall be kept to demonstrate compliance with 34.1.

34.1 & 34.2 Check freezer temperature and temperature log.

35. PACKING FOR EXPORT – PROCESSED

35.2 The Facility shall comply with Export Control (Fish and Fish Products) Orders 2005, Schedule 4, Part 7, Uncooked Fish.

35.3 The Facility shall comply with Export Control (Fish and Fish Products) Orders

35.2) Check records and audit against Export Control (Fish and Fish Products) Orders 2005 Schedule 4, Part 7, Uncooked Fish.

35.3) Check records and audit against Export Control (Fish and Fish Products)

AUDITING GUIDELINES

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Orders 2005 Schedule 4, Part 8, Cooked Fish

2005, Schedule 4, Part 8, Cooked Fish, and;
 a) Frozen or chilled tails shall be individually wrapped and packed into food grade packaging material.

a) Check that frozen and chilled tails are individually wrapped in food grade packaging.

36. TIME MANAGEMENT IN DISTRIBUTION TO THE CONSOLIDATOR, DISTRIBUTOR AND FOOD SERVICE SECTOR - PROCESSED

36.1. The time and temperature of product storage and transportation to the wholesaler or retailer shall be controlled and recorded, and shall not exceed the following specifications:

36.1) Check traceability report to confirm conformance of time and temperature.

- a) frozen²³: < 6 months @ <-18°C (~0 °F);
- b) fresh green²⁴: < 24 hours @ between 1°C (~34 °F) & 4°C (~39 °F); and
- c) fresh cooked²⁵: < 3 days @ between 1°C (~34 °F) & 4°C (~39 °F).

STANDARD

AUDITING GUIDELINES

CATEGORY: CLEAN GREEN IMPORTER / DISTRIBUTOR - LIVE

37 FOOD SAFETY AND GMP

37.1 The distributor shall employ Good Manufacturing Practice (GMP)²⁶ and the SRL Food Safety Plan for live holding tanks, the general area associated with live holding facilities and the packing area. The GMP requirements shall comply with USFDA regulations: CFR 21 Parts 110 and 123.

37.3) Check that GMP is implemented in the facility
 37.2) Check the distributor has a food safety plan and the plan contains a risk assessment – contained in SRL's Food Safety Plan or equivalent.

²³ Frozen means preserved by freezing.

²⁴ Green means dead (not undertaking normal functions), but not cooked.

²⁵ Cooked means dead (not undertaking normal functions), but cooked.

²⁶ Good Manufacturing Practice (GMP) give guidance on how food safety and suitability management practices and procedures may be implemented by a Clean Green Category to achieve compliance with the Standard.

GMP may define good management practices relating to:

- (g) particular food safety and suitability outcomes required under the standard
- (h) the harvesting or handling of *Jasus edwardsii*
- (i) other activities relevant to seafood safety or suitability.

STANDARD**AUDITING GUIDELINES**

37.2 The distributor shall have either the SRL Food Safety Plan and GMP, or equivalent.

37.3 The distributor shall maintain records to demonstrate that all Critical Control Points (CCP) are being monitored and controlled and that there are appropriate corrective and preventative actions.

37.3) Check the records of monitoring of Critical Control Points (identified through the facility risk assessment) and subsequent actions.

38 TRANSIT TIME

38.1 The distributor shall retrieve and tank lobsters within 4 hours of customs clearance at the airport.

38.2 All lobsters shall be in transit for less than 3 hours from pick-up at the airport and their temperature during transporting shall remain between 7°C (48 ° F) and 12°C (54 ° F).

38.1) Review flight arrival, pick-up and scanning times in the traceability system.

38.2) Check downloads from tag loggers and temperature records at the distributor's receipt site.

39. RECEPTION & GRADING

39.1 The distributor shall grade and inspect all tagged animals on receipt at the facility against the product specification(s).

39.2 Where practical handling of the product to be minimised by using reverse weighing.

39.3 The ambient temperature inside the shipping box shall be taken on arrival at the distributor's premises and the temperature data logger uploaded into the traceability system.

39.1 & 3) Check traceability records provided by SRL.

39.2) Observe product handling or request verbal description.

39.3) Where the temperature and/or transport time has been exceeded but quality has not been compromised, a corrective action shall be raised to ensure future transport temperatures and times conform to best practice standards.

40. TRACEABILITY

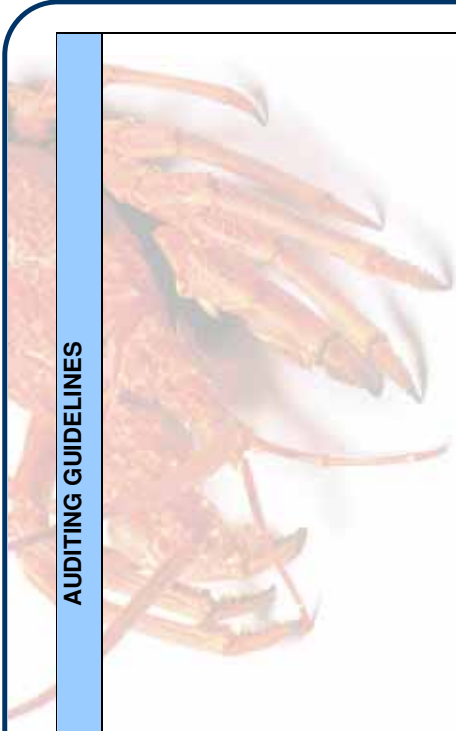
40.1 The distributor shall comply with all traceability requirements for product destined for a recognised market. Practices shall include:

a) Electronic scanning of tagged lobster on entry and exit of the distributor's facility to:

- confirm the product complies to the market specification(s) required for a particular marketplace; and

40.1) Check conformance by viewing the traceability reports provided by SRL.

40.2) Check the lobster traceability system meets USFDA and/or any other applicable requirements.



AUDITING GUIDELINES

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- down / up - grading of lobsters against the product specifications.
- b) Removal of the tag if:
- product quality doesn't meet the product specification(s); and
 - the tag is damaged.
- c) Scanning all box barcodes and or lobster tags on entry and exit of the distributors premises.
- d) The distributor must log all records into the traceability system e.g. removal of tags, mortalities, up/down-grading and box scanning upon delivery to the marketplace.
- 40.2 The distributor shall comply with USFDA and any other state and local regulations for traceability of all Clean Green processed lobster products, when applicable.

41. PACKAGING AND LABELLING

- 41.1 Packaged seafood shall be labelled in accordance with the requirements of USFDA regulations and any other state and local regulations, when applicable.
- 41.2 Packaged seafood must be true to weight as listed on the package and provide information about the weight of the product in accordance with relevant US FDA regulations and any applicable state and local regulations.
- 41.3 The distributor shall maintain calibrated scales, which include third party certification.

- 41.1) Confirm compliance with USFDA and other requirements regarding packaging and labelling, this is required when exporting the product
- 41.2 & 3) Check that the scales have been calibrated and have received 3rd party certification.

STANDARD

42. WATER QUALITY STANDARDS

- 42.1 Where product is held at the distributor the water in holding tanks shall meet the following specifications:
- a. temperature 9 °C (~48 °F) - 13 °C (~55 °F) – optimum 10 °C (50 °F) - 12 °C

AUDITING GUIDELINES

- 42.1) Observe water testing and check water quality parameters conform to the Standard.
- 42.2) Check records of test results and remedial actions. Request operator

<p>(54 °F);</p> <ul style="list-style-type: none"> b. oxygen concentration greater than 70%; c. ammonia concentration less than 0.5 mg/L; d. nitrite concentration less than 1 mg/L; e. nitrate concentration between 100 and 140 mg/L; f. alkalinity concentration between 100mg/L and 200 mg/l; g. pH between 7.8 and 8.2; and h. ORP between 300 – 400; and i. salinity between 30 and 38 ppt – optimum (35 – 36ppt). <p>42.2 Where these specifications have not been met there shall be documented procedures for remedial action (Appendix 10 & 11) or re-direction of product to another holding tank. Records shall be kept to provide evidence of remedial actions.</p> <p>42.3 Water quality records shall be entered into the traceability system.</p> <p>42.4 The distributor shall not exceed the maximum holding capacity of the live holding system and only hold <i>Jasus edwardsii</i>.</p> <p>42.5 The distributor shall have a back-up system (e.g. generators, extra pumps and oxygen) to ensure compliance with the water quality specifications.</p>	<p>to describe remedial or product relocation practices.</p> <ul style="list-style-type: none"> 42.3) Check traceability records. 42.4) Check for compliance with SRL guidelines for maximum holding capacity for live lobster. Check shipment quantities through the traceability system. 42.5) Check there is an appropriate back-up water quality system.
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STANDARD	AUDITING GUIDELINES
<p>43. LICENSING</p> <p>43.1 All distributors shall have a license to process fish in accordance with the USDA regulations 21 CFR Part 123 as well as any applicable state and local regulations.</p> <p>43.2 The distributor shall use safe handling practices, in accordance with those regulations.</p>	<p>43.1 & 43.2) Check if the Facility Food Safety plan complies with the following:</p> <ul style="list-style-type: none"> • 21 CFR 110 – GMP Standards for food plants • 21 CFR 123 – Seafoods HACCP as well as Applicable State and

<p>43.3 The facility shall undertake all processing in certified premises, in accordance with;</p> <ul style="list-style-type: none"> a. US FDA regulations 21 CFR Parts 110 and 123 and b. applicable State Regulations and c. any applicable county and/or city regulations <p>43.4 Where a standard(s) is not conformed to an exemption may be applied for, and approved by SRL, by the distributor when there is adequate scientific evidence proving that the quality and safety of the product is equivalent or above the applicable standard and this shall be documented to demonstrate ongoing compliance with the product specification.</p>	<p>local regulations(which vary with each state)</p> <p>43.3) Review the past FDA or State inspection reports. If this evidence is not available a full compliance audit will be required. SRL will make a checklist available if this case arises.</p> <p>43.4) Check if there is adequate scientific evidence available to determine if an exemption is appropriate.</p>
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STANDARD	AUDITING GUIDELINES
<p>44. PACKING FOR DISTRIBUTION - LIVE</p> <p>44.1 Live lobsters shall be checked 15 minutes prior to packing for shipping to the food service sector to ensure conformance with the product specifications, including:</p> <ul style="list-style-type: none"> • Liveliness / tail strength • All appendages intact • No damage • Tail shape • Shell hardness • Correct weight <p>a) Live product shall be chilled to 7°C (44°F) -9°C (48°F) and maintained at this temperature for a minimum of 40 minutes prior to being packed to food service specifications (Appendix 14).</p>	<p>44.1 Check traceability system reports to confirm distributors are packing to the product specifications.</p> <p>a) Observe a pack-out and check if product is being packed to the product specifications.</p> <p>Observe pack-out operation to confirm conformance with standards</p>
STANDARD	AUDITING GUIDELINES
<p>45. TIME MANAGEMENT IN DISTRIBUTION TO THE FOOD SERVICE SECTOR - LIVE</p> <p>45.1 The time and temperature of product storage and transportation to the food service sector shall be controlled and recorded, and shall not exceed the following specifications:</p> <p>a) live²⁷: < 36 hours @ between 5°C (41°F) & 10°C (50°F)</p> <p>45.2 Live lobsters shall be held in a holding tank for a minimum of 24 hours and maximum of 3 weeks prior to being transported live.</p>	<p>45.1) Check the traceability report which will clearly show when the product was in and out of the facility. Check destinations and transportation times.</p> <p>45.2) Temperature to be confirmed by data logging and temperatures log.</p>

²⁷ Live means that the lobster is living (undertaking all normal functions)
Version 3, 28th February 2007

CATEGORY: CLEAN GREEN IMPORTER / DISTRIBUTOR - PROCESSING

AUDITING GUIDELINES

STANDARD

46. HACCP

46.1 The distributor shall have a HACCP plan based on the codex Alimentarius principles and reference shall be made to relevant legislation, codes of practice or guidelines covering:

1. Slaughter, cooking, chilling, draining & freezing
2. GMP including;
 - a. Pest Control;
 - b. Hygiene and Sanitation;
 - c. Preventative maintenance program;
 - d. Calibration of scales and equipment used to measure water quality;
 - e. Chemicals and MSDS;
 - f. Glass Policy; and
 - g. Staff training in a – f.
3. Records of conformance and corrective action resulting from non-conforming product.

46.1)

- a) Check the distributor has a HACCP plan covering slaughter, cooking, chilling, draining and freezing.
- b) Check that staff have been training in GMP.
- c) Check the records of monitoring of Critical Control Points (identified through the facility risk assessment) and subsequent actions

47. SLAUGHTER PROCEDURE

47.1 The distributor shall have a documented lobster killing procedure in accordance to the industry best practice for humane killing of lobster (Appendix 7 – Clean Green Humane Killing Procedure).

47.1 Check that the facility has a documented humane killing procedure. Observe the slaughter procedure to confirm compliance with the standard

48. COOKING, CHILLING AND DRAINING PROCEDURES

48.1 The regional distributor shall have a documented procedure for cooking, chilling and draining product to ensure that the following specifications are met:

- e. product is cooked to a core temperature of 72°C (162° F) for a minimum of 2 minutes. (eg. approximately 1 minute cooking per 100 grams for up to 2kg and slightly less for animals over 2 kg – see Appendix 8);
- f. product is cooled to 20°C within 30 mins of removal from the cooker, and to between -1°C and 4°C within 2 hours of removal from the cooker;
- g. product (live, green, and cooked) is drained for a minimum of 5 minutes before packing.
- h. Where a standard(s) is not conformed to an exemption may be applied for, and approved by SRL, by the regional receiver / consolidator when there is adequate scientific evidence that proves that the quality and safety of the product is equivalent or above the applicable standard and this shall be documented to demonstrate ongoing compliance to the Clean Green Standard.

48.2 Temperature records shall be kept to demonstrate compliance with 48.1 a & b).

49. FREEZING

49.1 Where product is to be frozen the chamber temperature must be minus 18°C (~0 °F) or lower before the product is placed in the freezer.

49.2 Temperature records shall be kept to demonstrate compliance with 49.1.

50. TIME MANAGEMENT IN DISTRIBUTION TO THE FOOD SERVICE SECTOR - PROCESSED

50.1. The time and temperature of product storage and transportation to the Food service sector shall be controlled and recorded, and shall not exceed the following

48.1 a., b. & c. Check that the factory has documented cooking, chilling and draining procedure; this will be incorporated in the SRL or AQIS food safety plan.

Each regional receiver / consolidator will need to validate that they comply with 48.1 a & b. The validation requires the operator to monitor temperature / time during the cooking and cooling procedure to confirm compliance with the standard. This type of validation is not generic and needs to be done for each site as the cooking / cooling equipment and procedures varies from site to site.

The auditor to observe a demonstration of cooking, chilling and draining operations or request a verbal description.

48.2 Check temperature records

48.3 Check that a HACCP plan for cooking and processing

49.1 & 49.2 Check freezer temperature and temperature log.

50.1) Check traceability report to confirm conformance of time and temperature.

specifications:

- a) frozen²⁸: < 6 months @ <-18°C (~0 °F);
- b) fresh green²⁹: < 24 hours @ between 1°C (~34 °F) & 4°C (~39 °F); and
- c) fresh cooked³⁰: < 3 days @ between 1°C (~34 °F) & 4°C (~39 °F).



²⁸ Frozen means preserved by freezing.
²⁹ Green means dead (not undertaking normal functions), but not cooked.
³⁰ Cooked means dead (not undertaking normal functions), but cooked.
Version 3, 28th February 2007



STANDARD		AUDITING GUIDELINES
CATEGORY: CLEAN GREEN FOOD SERVICE		
51. CONFORMANCE TO THE CLEAN GREEN STANDARD		
<p>51.1 The food service operator shall maintain the following documentation:</p> <ul style="list-style-type: none"> a. a current Clean Green standards manual for Trade Mark use on site; b. purchase records of Clean Green product kept for a minimum of 3 years (SRL invoices); c. authenticating documentation supporting product being dispatched as Clean Green and visual evidence (eg. the tag) and menu explanation. <p>51.2 The food service operator shall ensure product integrity by:</p> <ul style="list-style-type: none"> a. clear identification of Clean Green product; b. clear segregation of Clean Green & non-Clean Green product; c. staff training in handling of Clean Green product. 	<p>51.1) Refer to the audit checklist provided by SRL</p>	
52. FOOD SAFETY, PREMISES / EQUIPMENT AND HYGIENE		
<p>52.1 The food service operator shall demonstrate compliance with applicable state and country legislation for food safety and hygiene in the market of sale.</p>	<p>52.1) Check that the food service operator is licensed to sell food and process on their premises.</p> <p>Auditor to check the check GMP.</p>	
53. STORAGE		
<p>53.1 The food service operator shall comply with requirements for storage of live lobsters:</p> <ul style="list-style-type: none"> a. storage for a maximum of 60 hours in accordance to the following conditions: <ul style="list-style-type: none"> a. between 1 °C (~34 °F) and 4 °C (~39 °F); b. in the original packaging, e.g. polystyrene box; c. covered with a damp towel and not under direct air-flow; d. in a single layer. 	<p>53.1 & 53.5) Check that lobsters on site are being stored in accordance to the standard.</p> <p>53.1b & 53.2) Refer to food service audit checklist and SRL complaints monitoring procedures.</p> <p>53.3) Observe water testing to check water quality parameters are conforming to the Standard.</p> <p>54.5) Check delivery date of live lobsters held in the tank – enter tag number in the website – www.cglobb.com</p>	

STANDARD

AUDITING GUIDELINES

- b. not to be stored if;
 - a. badly damaged;
 - b. weak (i.e. limp legs and tail); or
 - c. dead or recently moulted (that is, if the shell flexes easily when pressed).

53.2 Dead lobsters (i.e. natural mortalities) shall not be used for human consumption.

53.3 Where lobsters are held in tanks the water quality shall meet the following specifications:

- a. temperature 9 °C (~48 °F) - 13 °C (~55 °F) - 10 °C (50 °F) - 12 °C (54 °F);
- b. oxygen concentration greater than 70%;
- c. ammonia concentration less than 0.5 mg/L;
- d. nitrite concentration less than 1 mg/L;
- e. nitrate concentration between 100 and 140 mg/L;
- f. alkalinity concentration between 100mg/L and 200 mg/l;
- g. pH between 7.8 and 8.2; and
- h. ORP between 300 – 400; and
- i. salinity between 30 and 38 ppt – optimum (35 – 36ppt)

53.4 Where these specifications have not been met there shall be documented procedures for remedial action or re-direction of product to another holding tank.

53.5 Lobsters must not be stored in tanks for longer than 7 days.

AUDITING GUIDELINES

STANDARD

54. HANDLING

54.1 The food service operator shall employ Good Manufacturing Practice (GMP)³¹ when handling and holding live product (Appendix 15) and comply with state and federal food safety regulations. Practices shall include:

- a. No cross contamination
- b. Not storing near strong scented food
- c. Maintaining clean and hygienic facilities and a high standard of personal hygiene.
- d. Handling live lobsters by holding securely at the base of the antennae or taking a firm grip of the carapace –not applying excessive force to the sides of the carapace as this leads to structural damage and bleeding of the gills.
- e. Handling the product with care (e.g. not dropping or crushing the lobster)

54.2 Where these specifications have not been met there shall be documented procedures for remedial action or re-direction of product (e.g. disposal).

54.3 The food service organization must kill lobsters humanely (Appendix 7).

55. TRACEABILITY

55.1 The food service operator shall provide feed-back on unsatisfactory Clean Green product or service by entering the unique product identification number in the SRL website (www.southernrocklobster.com.au) or contact SRL if the quality or service is not adequate.

54.1 & 54.2 Refer to food service checklist

54.3 Observe demonstration of their humane killing procedure

55.1 The auditor to review complaints and seek a demonstration from the food sector how to provide feed-back to SRL regarding the product.

³¹ Good Manufacturing Practice (GMP) give guidance on how food safety and suitability management practices and procedures may be implemented by a Clean Green Category to achieve compliance with the Standard.

GMP may define good management practices relating to:

- (j) particular food safety and suitability outcomes required under the standard
- (k) the harvesting or handling of *Jasus Edwardsii*
- (l) other activities relevant to seafood safety or suitability.

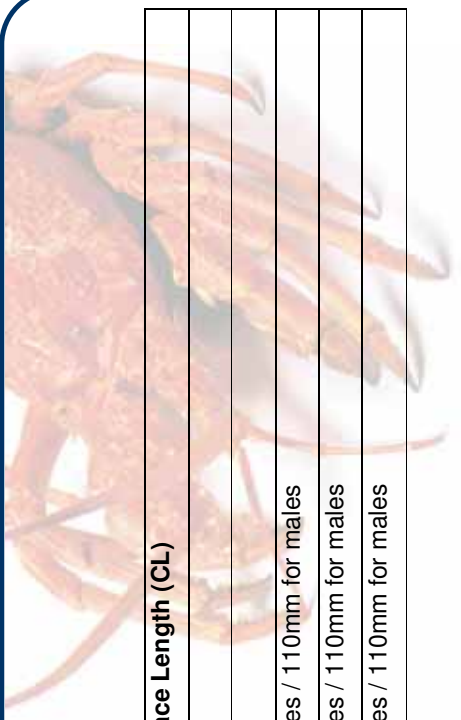
Version 3, 28th February 2007

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APPENDIX 1 – DIFFERENCES IN ROCKLOBSTER LICENCES BETWEEN STATES



APPENDIX 2 – SOUTHERN ROCKLOBSTER MINIMUM LEGAL LIMITS



Fishery	Minimum Carapace Length (CL)
South Australian Northern Zone	98.5 mm
South Australian Southern Zone	105 mm
Victorian Western Zone	105 mm for females / 110mm for males
Victoria Eastern Zone	105 mm for females / 110mm for males
Tasmania	105 mm for females / 110mm for males

APPENDIX 3 – VOLUNTARY CATCH DATA

Fishery		
South Australian Northern Zone	Information recorded in the fish returns log regarding by-product / by-catch.	Voluntary Catch sampling (3 pots) – escape gaps closed
South Australian Southern Zone	Information recorded in the fish returns log regarding by-product / by-catch.	Voluntary Catch sampling (3 pots) – escape gaps closed
Victorian Western Zone	Information recorded in the fish returns log regarding by-product / by-catch.	Not Applicable
Victoria Eastern Zone	Information recorded in the fish returns log regarding by-product / by-catch.	Not Applicable
Tasmania	Information recorded in the fish returns log regarding by-product / by-catch.	Some individuals tender to do the Rocklobster surveys.

APPENDIX 4 - CLEAN GREEN SUSTAINABLE BAIT SOURCES

- European carp (introduced pest)
- Bony Bream (introduced pest)
- Australian Salmon (quota managed fishery)
- New Zealand Mackerel (quota managed fishery)
- Barracouta Heads (quota managed fishery)
- Pilchards (quota managed fishery)
- Tuna heads (processed whole tuna)
- Fish waste (heads, skeletons etc)



APPENDIX 5 - CLEAN GREEN APPROVED CHEMICALS

MOST DESIRABLE:

- Chlorine (Sodium Hypo Chlorite)
- Hydrogen peroxide
- Citrus 8000
- Citra-Force (citrus base cleaner and degreaser)
- Diesel
- Oil
- Coolant

LEAST DESIRABLE:

- Marine Clean
- All Brite
- Gel Coat Restorer



APPENDIX 6 – CLEAN GREEN PRODUCT SPECIFICATION - FISHER

Flip card in the on boat induction manual



APPENDIX 7 – CLEAN GREEN HUMANE KILLING PROCEDURE

Regional Receiver / Consolidator / Importer:

Drown lobsters in an fresh water (0‰) ice slurry (until mouth is motionless) 20-40 mins

Food Service sector:

To avoid stress on the rocklobster and achieve the best eating qualities (e.g. sweetness and soft flesh) humanely kill the rocklobster, as follows:

STEP 1:

The most humane way to achieve insensibility³² is by chilling the animal, either by air or using an ice slurry. Chilling reduces the body temperature of the animals, producing insensibility.

Chill the rocklobster (in a refrigerator³³ or freezer³⁴) at a temperature below 39°F (4 °C) for approximately 30 minutes or until rendered insensible

STEP 2:

After chilling, the insensible crustacean should be killed immediately by splitting or head spiking to quickly destroy the animals nerve centres. This is most easily achieved by cutting through the centerline of the head and abdomen (splitting the lobster in half) or inserting a knife into the head of the animal (spiking).

³² As a general guide, if the abdomen or tail can be easily extended or manipulated without resistance, and the outer mouthparts can be moved without resistance, then the animal may be considered insensible.

³³ Air - When chilling by air, use a fridge or freezer at a temperature of below 4 °C (39 °F)

³⁴ Freezer - Chilling in air at deep freeze temperatures of -15 °C (5 °F) for longer periods will result in the eventual death of the animal.



APPENDIX 8 - CLEAN GREEN COOKING PROCEDURE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER



STEP 1: Drown lobster in large bucket (with lid) in fresh water (until mouth is motionless) 20-40mins.

STEP 2: In a large cooking pot, bring fresh water to boil, simmer, add salt to ensure 36ppt, bring salty water to boil (3 tbsp salt per 1 gallon (4 litres) of water).

Please note: Vegetables and white wine can be added for extra flavor.

STEP 3: When water is boiling add lobster.

STEP 4: When water returns to gentle boil start timing.

Weight range - lbs	Weight range - grams	Cooking time (minutes)
1.32 - 1.76	600 –800	9 to 10 minutes
1.76 – 2.2	800 - 1000	11 to 12 minutes
2.2	1000	12 minutes
For every 0.22 lb over 2.2 lbs	For every 100 grams over 1000 grams	Add another minute
4.4 lb	2kg+	22 minutes
For every 0.22lb over 4.4lb	For every 100 grams over 2 kgs grams	Add another 0.75 minutes

STEP 5: After cooking for required time place lobster in ice salt water to cool (to prevent further cooking) - approx 20 mins

STEP 6: After cooling place lobsters on its back cover & place in refrigerator (or on ice).

STEP 7: Shelf life is 3 days or wrap in newspaper & plastic and freeze for up to 3 months.

APPENDIX 9 - CLEAN GREEN PRODUCT SPECIFICATION – REGIONAL RECEIVER / IMPORTER / CONSOLIDATOR / DISTRIBUTOR

Flip card in the Regional Receiver, Consolidator & Importer / Distributor manuals



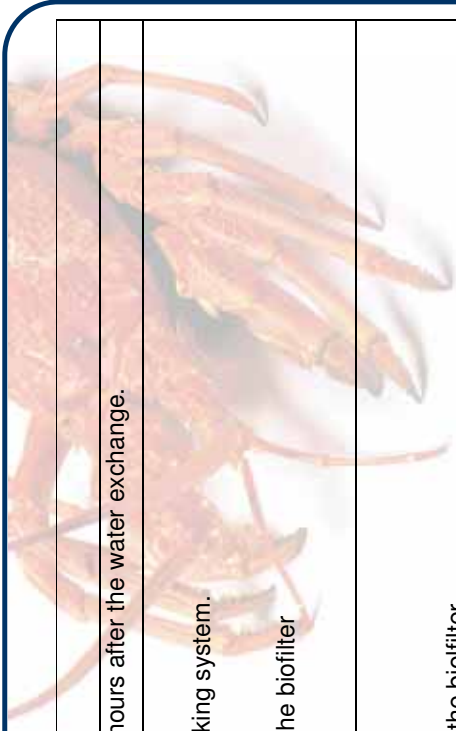
APPENDIX 10 – WATER QUALITY TESTING FREQUENCY TABLE

WATER QUALITY PARAMETER	UNITS	RANGE	OPTIMUM	TESTING INSTRUMENT	FREQUENCY
Temperature (° F)	°C / ° F	9°C (~48 °F) - 13°C (~55 °F)	(52 f)	Fixed digital thermometer	Daily
Oxygen concentration (%)	% saturation	> 70%	> 80%	Dissolved oxygen probe	Daily
ORP	mV	300 - 400	350	ORP meter	
Ammonia concentration (mg/L)	mg/L	< 0.5 mg/L	0	Ammonia test kit	Daily
pH	units	between 7.8 and 8.2	7.8	Ph probe	Daily
Salinity (ppt)	ppt	30 and 38 ppt	35 – 38ppt	Refractometer / Salinity probe	Monthly
Nitrite concentration (mg/L)	mg/L	> 1 mg/L	0.25	Nitrite Test Kit	Fortnightly
Nitrate concentration (mg/L)	mg/L	between 100 and 140 mg/L	<100	Nitrate Test Kit	Weekly
Alkalinity concentration (mg/L)	mg/L	between 100mg/L and 200 mg/l	160 mg/l	Alkalinity Test Kit	Weekly

Note: The testing frequency may change depending on different operations (water exchange, system change, change in water sources etc) and once a database has been established and the system is operating appropriately.

APPENDIX 11 – MANAGEMENT OF THE RECIRCULATION TANK SYSTEM BASED ON OBSERVATIONS OF THE ROCKLOBSTER

OBSERVATION	POSSIBLE CAUSE	POSSIBLE MANAGEMENT
Crowding around water inflow/aerators	<ul style="list-style-type: none"> low oxygen parasite/disease high ammonia or nitrite 	<ul style="list-style-type: none"> check dissolved oxygen in tank examine fish with symptoms check ammonia and nitrite concentrations
Excitable erratic movement	<ul style="list-style-type: none"> Temperature above 60 °F excess or intense sounds light parasite high ammonia and deterioration in other water quality parameters 	<ul style="list-style-type: none"> reduce sound level/pad side of tank/light intensity examine fish with symptoms check ammonia concentration and other parameters (temperature, oxygen concentration, gas saturation, hardness, pH, heavy metals, alkalinity)
Discolored tail (underside)	<ul style="list-style-type: none"> high nitrite 	<ul style="list-style-type: none"> examine fish with symptom; add 5 to 6 ppm chloride for each 1 ppm nitrite
Tail blisters	<ul style="list-style-type: none"> high / low salinity Bacterial build - up 	<ul style="list-style-type: none"> check salinity level tank contamination, water quality, husbandry problems
Leg loss	<ul style="list-style-type: none"> high / low salinity High ammonia and or nitrite 	<ul style="list-style-type: none"> Remove dead lobsters or legs from the tank Conduct a 20% water exchange and repeat water quality testing 2 hours after the water exchange
Lobster death	<ul style="list-style-type: none"> High Ozone levels 	<ul style="list-style-type: none"> Turn off ozone Conduct a 20% water exchange and repeat water quality testing 2 hours after the water exchange
POSSIBLE MANAGEMENT OPTIONS BASED ON WATER QUALITY PARAMETERS		
WATER QUALITY ISSUE	POSSIBLE MANAGEMENT	
Low dissolved oxygen (less than 70%)	<ul style="list-style-type: none"> Increase aeration Check the blower, which is mounted on the wall Check diffuser efficiency, water flow rates, stocking density, water circulation to remove dead spots, water temperature (oxygen solubility decreases with increasing temperature) 	
High carbon dioxide (above 20 ppm)	<ul style="list-style-type: none"> Add air stripping column Increase aeration 	
Low pH (less than 7.5)	<ul style="list-style-type: none"> Add alkaline buffers (sodium bicarbonate, baking soda) ~ ¼ of lb pound which is pre-mixed in salt water from the mixing tank. 	



	<ul style="list-style-type: none"> • Check ammonia and nitrite concentrations • Conduct a 20% water exchange and re-measure the pH level 2 hours after the water exchange. • Exchange 20% of the systems water. • Remove all dead lobsters or broken legs and waste from the tanking system. • Check biofilter. • Check biofilter, pH, alkalinity, hardness and dissolved oxygen in the biofilter • Watch for symptoms of new parasite/disease
High pH (greater than 8.3)	<ul style="list-style-type: none"> • Exchange 20% of the systems water • Add 5 to 6 ppm chloride per 1 ppm nitrite • Check biofilter, pH, alkalinity, hardness and dissolved oxygen in the biofilter • Watch for symptoms of new parasite/disease
High ammonia (above 0.75 mg / l)	<ul style="list-style-type: none"> • Exchange 20% of the systems water • Add 5 to 6 ppm chloride per 1 ppm nitrite • Check biofilter, pH, alkalinity, hardness and dissolved oxygen in the biofilter • Watch for symptoms of new parasite/disease
High nitrite (above 0.5 mg/l)	<ul style="list-style-type: none"> • Add alkaline buffers (Calcium carbonate) • Add sodium bicarbonate, calcium carbonate, or calcium chloride.
Low alkalinity	
Low hardness	
High bacterial build-up	<ul style="list-style-type: none"> • Cleaning procedure to prevent microbial problems: <ul style="list-style-type: none"> • Step 1: Wash down with strong detergent + elbow grease • Step 2: Rinse • Step 3: Fill with fresh water and add sodium hypochlorite disinfectant at 10ppm for overnight treatment, or 50 ppm for 4 hrs, or 200 ppm for almost instantaneous effect

References:

Crear, B and Allen, G (2002) *Guide For The Rock Lobster Industry No. 1 – Optimising Water Quality*, Tasmanian Aquaculture & Fisheries Institute, University of Tasmania

Crear, B., Cobcroft, J and Battaglione, S (2003) *Guide For The Rock Lobster Industry No. 2 - Recirculating Systems*, Tasmanian Aquaculture & Fisheries Institute, University of Tasmania

Stephens, F., Fotedar, S. and Evans, L. (2003) *Rock Lobster Health and Diseases: A Guide for the Lobster industry*, Curtin University of Technology

APPENDIX 12 – PACKAGING, HANDLING & DISTRIBUTION SPECIFICATIONS - REGIONAL RECEIVER TO CONSOLIDATOR

Flip card in the Regional Receiver, Consolidator & Importer / Distributor manuals



APPENDIX 13 – PACKAGING, HANDLING & DISTRIBUTION SPECIFICATIONS - CONSOLIDATOR - IMPORTER

Flip card in the Regional Receiver, Consolidator & Importer / Distributor manuals



APPENDIX 14 – PACKAGING, HANDLING & DISTRIBUTION SPECIFICATIONS – REGIONAL RECEIVER, CONSOLIDATOR & DISTRIBUTOR TO FOOD SERVICE SECTOR

Flip card in the Regional Receiver, Consolidator & Importer / Distributor manuals



APPENDIX 15 – STORAGE, KILLING AND HANDLING SPECIFICATIONS - PLATE

Flip card located in the Food Service Manual – Version 2



Product Specifications

Product Name	Jumbo Porcelain Lobsters
Description	Large live speckled Lobsters
Country Of Manufacture	Australia
Allergies	Crustacean
Colour	Speckled (Shell) / Translucent (Meat) (See Example 1)
Branding	A tag issued by SRL to be attached to the left horn above the first joint (See Example 2)
Smell	Fresh seafood smell
Size	2.2kg (4.8lb) – 3.0Kg (6.6lb) (Carapace Length: 155mm – approx 175mm)
Liveliness/ Tail Strength	One prompt tail curl or spreading of appendages within 5 seconds (See Example 3)
Tail Shape	No major differential in shape between the top (directly below the Carapace) and base of tail (See Example 4)
Shell Hardness	Shell to be firm or hard
Harvested	Between 1st January and 31st October from South Australia, Tasmania or Victoria
Appendages	All appendages intact (See Example 5)
No Damage	No damage to Carapace, Legs, Feelers, Horns & Tail (See Example 6)

1 Colour



Speckled shell



Translucent meat

3 Liveliness/ Tail Strength



One prompt tail curl or spreading of appendages within 5 seconds

2 Branding



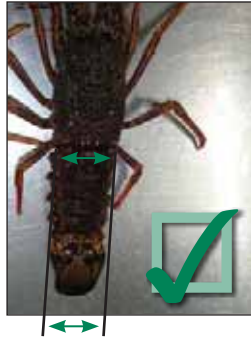
A tag issued by SRL to be attached to the left horn above the first joint

4 Tail Shape

Wedge tail



Consistent tail width



No major differential in shape between the top (directly below the Carapace) and base of tail

5 Appendages



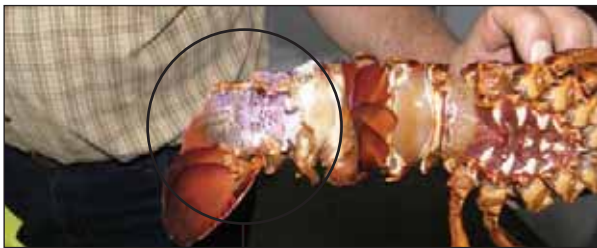
All appendages must be intact

6 No Damage

Lobsters tagged to be in premium condition



Tail damage



Eaten tail



Hole in the tail fan

Shell damage



Cracked shell



Dropped product

Appendage damage



Broken appendage



Broken horn

■ Packaging Specifications

Packaging - Box	15kg Foam Box (<i>see example 1</i>)
Dimensions	350mm x 250mm
Packaging - Material	1 x 500ml Gel Pack (<i>see example 2</i>) Wood Wool (<i>see example 2, inset</i>)
Packaging - Technique	Pack comfortably facing head to head – approximately 12.5kg per box (<i>see example 3</i>)
Barcode Number	Computer generated barcode
Label Markings (Label Size: 85mm x 125mm)	PRODUCT OF AUSTRALIA, FRAGILE – LIVE SOUTHERN ROCKLOBSTER, KEEP CHILLED, CLEAN GREEN TRADE MARK, PRODUCT NAME, PRODUCT NO, BARCODE, WEIGHT (NET) & NO OF PIECES, PACKED ON DATE, STORAGE INSTRUCTIONS, PACKED BY, CONTACT DETAILS (WEBSITE), AQIS REGISTRATION NO. (<i>see example 4</i>)
Maximum Shelf Life	Live product: recommend consumption within 1 week of delivery - only if product is held in accordance to live storage conditions

1 Packaging - Box



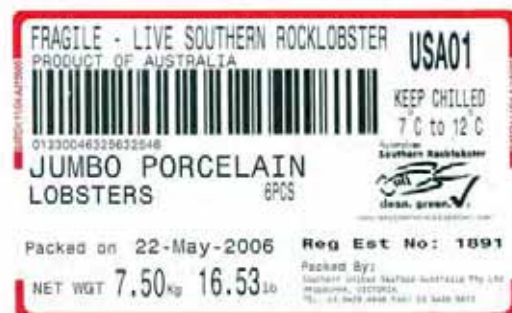
2 Packaging - Material



3 Packaging - Technique



4 Label Markings



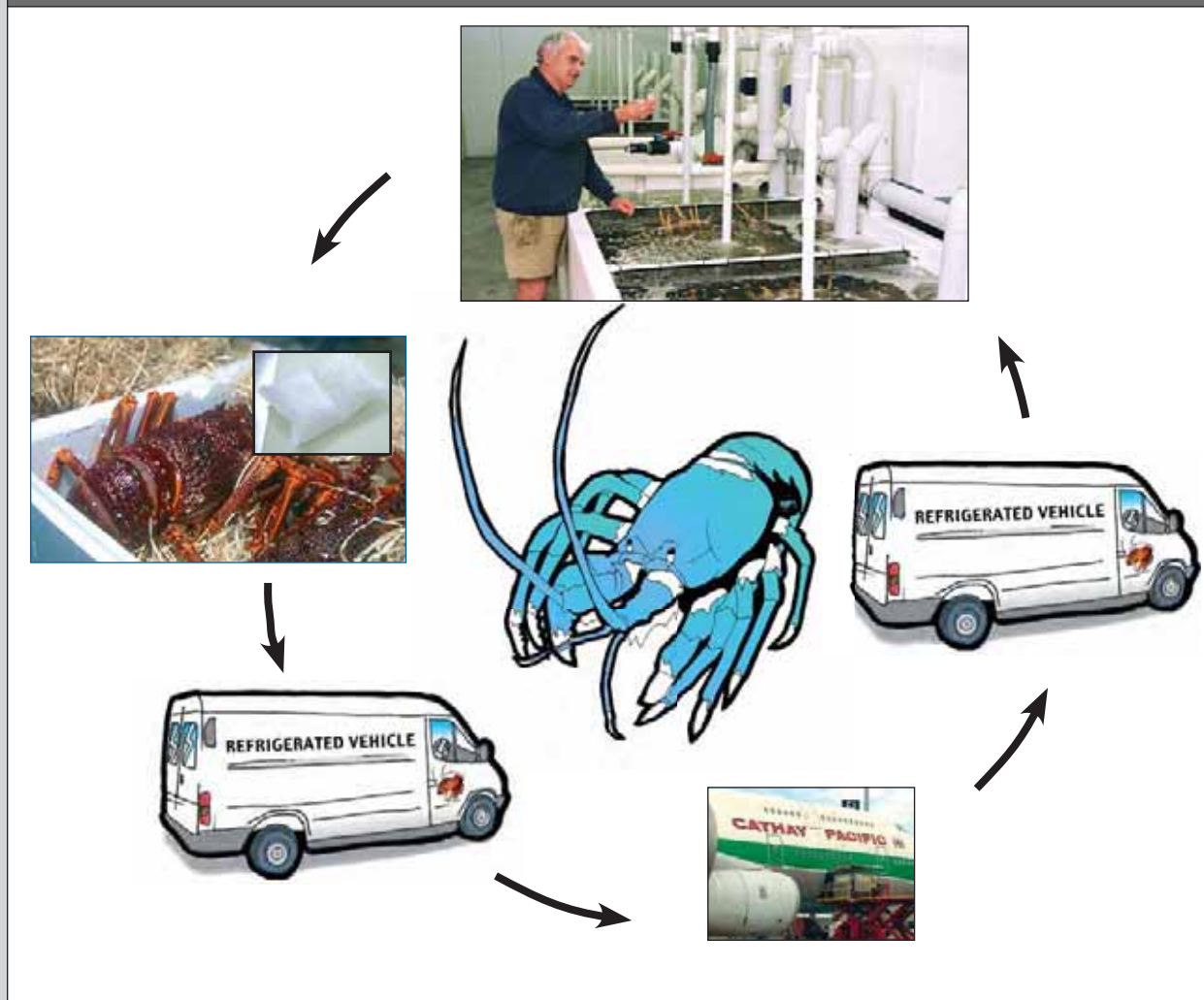
Handling and Distribution

Live Storage Conditions	Live storage conditions (see example 5) TEMPERATURE: 11-12°C OXYGEN: > 80% saturation, preferably this should be 100% AMMONIA: < 0.5mg/l NITRITE: < 1 mg/l NITRATE: 100 – 140 mg/l ALKALINITY: 100 – 200 mg/l PH: 7.8 – 8.2 SALINITY: 35 – 38ppt
Handling	Maintaining the cold supply chain (between 9°C - 12°C)
Distribution Method	Refrigerated transport or suitably packaged with refrigerant (see example 7)

Ingredients

100% LIVE ROCKLOBSTER (*Jasus edwardsii*) HARVESTED FROM AN AUSTRALIAN FISHERY

7 Live Storage Conditions/Cold Supply Chain/Live Storage Conditions



Packaging Specifications

Packaging - Box	35lb Foam Box (see example 1)
Dimensions	28" x 14 ¹ / ₈ " x 11 ³ / ₄ "
Packaging Material	1 x 17.6oz (500ml) Gel Pack (see example 2) Wood Wool (see example 2, inset)
Packaging Technique	Pack comfortably facing head to head – approximately 22lb (10kg) per box (see example 3)
Barcode Number	Computer generated barcode
Box Branding	The shipping box to be wrapped in the Clean Green sleeve (see example 4) The <i>Plate Flip Card</i> to be placed under the sleeve
Maximum Shelf Life	Live product: recommend consumption within 1 week of delivery - only if product is held in accordance to live storage conditions

1 Packaging - Box



2 Packaging - Material



3 Packaging - Technique



4 Box Branding



Handling and Distribution

Live Storage Conditions	Live storage conditions (see example 5) TEMPERATURE: 11-12°C OR 51-53°F OXYGEN: > 80% saturation, preferably this should be 100% AMMONIA: < 0.5mg/l NITRITE: < 1 mg/l NITRATE: 100 – 140 mg/l ALKALINITY: 100 – 200 mg/l PH: 7.8 – 8.2 SALINITY: 35 – 38ppt
Handling	Maintaining the cold supply chain (between 41°F (5°C) - 50°F (10°C))
Distribution Method	Refrigerated transport or suitably packaged with refrigerant (see example 7)
Rocklobster Handling	Use correct handling techniques to maximise product quality (see example 6)

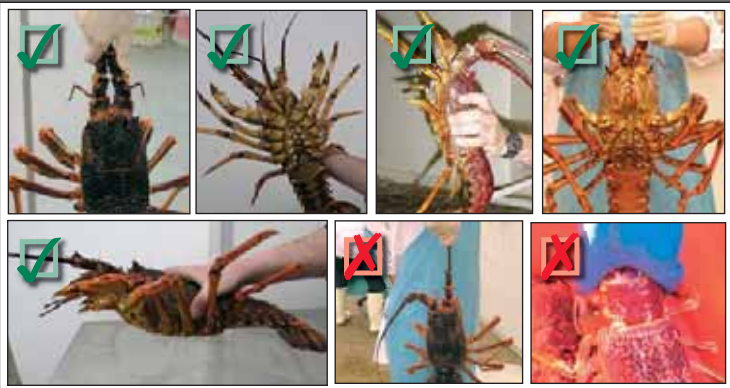
Ingredients

100% LIVE ROCKLOBSTER (*Jasus edwardsii*) HARVESTED FROM AN AUSTRALIAN FISHERY

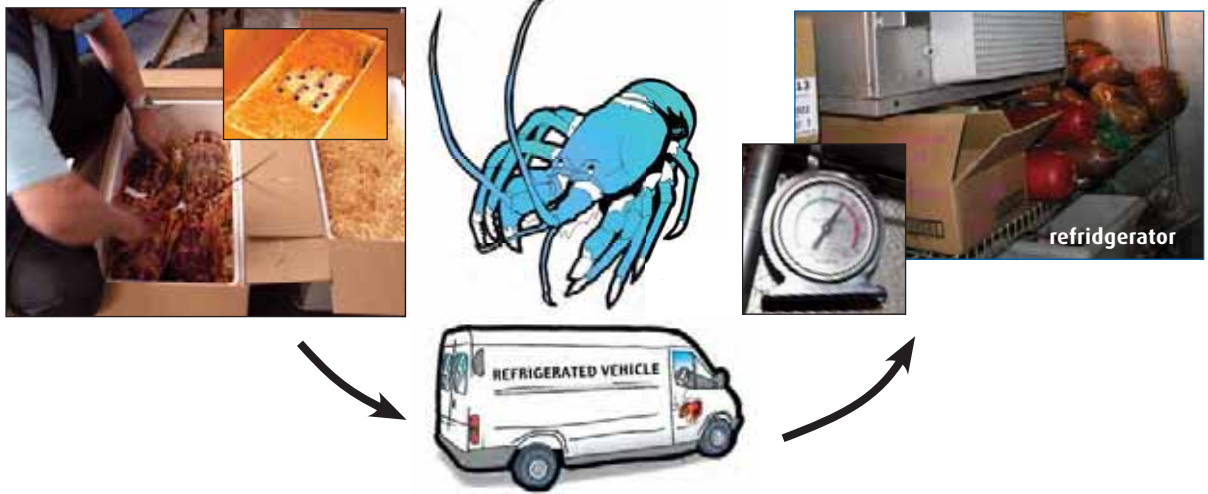
5 Live storage conditions



6 Correct handling



7 Cold Supply Chain/Distribution



Following these 7 rules will help keep Australian Southern Rocklobsters Clean and Green

1 Storage



Fresh Cooked:

< 3 days - between 1°C (~34°F) and 4°C (~39°F)

Frozen:

< 6 months - <-18°C (~0°F)

Live (dry storage):

To enjoy maximum taste and freshness, consume live lobsters at the earliest convenience. However live lobsters will last up to 2-3 days if stored between 1°C (~34°F) and 4°C (~39°F)

Live (wet storage):

TEMPERATURE: 11-12°C OR 51-53°F

OXYGEN: > 80% saturation, preferably this should be 100%

AMMONIA: < 0.5mg/l

NITRITE: < 1 mg/l

NITRATE: 100 - 140 mg/l

ALKALINITY: 100 - 200 mg/l

PH: 7.8 - 8.2

SALINITY: 35 - 38ppt

Crear & Allen 2002



Processed: store below 41°F (5°C) or above 140°F (60°C)

2 Storage Tips



- Leave the lobsters in packaging received in, e.g. polystyrene box
- To prevent drying of live lobsters, cover with a damp towel and do not place near direct air-flow and keep in a single layer
- Do not store if a lobster is badly damaged, weak (limp legs and tail), dead or recently moulted (that is, if shell flexes easily when pressed)
- Lobsters found dead should not be eaten
- It is recommended that live lobsters should not be held longer than one week in holding tanks. Please note lobsters will survive longer, but will lose condition

3 Cook lobsters thoroughly



The flesh of correctly cooked lobsters must be white not translucent

4 Don't cross contaminate



Rocklobsters are generally free of bacteria unless exposed through cross contamination to other food with bacteria

Avoid storing lobsters near other strong scented foods

5 Facilities hygiene

Clean all equipment thoroughly after use



Use food safe facilities such as stainless steel benches, exhaust fans and sanitised food areas

6 Personal hygiene

Follow good hygiene procedures



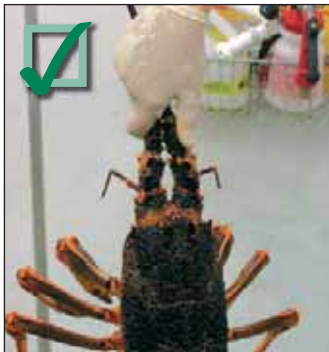
Wash hands after going to the toilet



Avoid handling food when ill

7 Correct Handling

FRAGILE: handle live lobsters with care - do not drop or crush



Hold securely at the base of the antennae or take a firm grip of the carapace - do not provide excessive force on the sides of the carapace as this leads to structural damage and bleeding of the gills



Avoid opening the tail of cooked product as this can lead to structural damage of the meat

APPENDIX 9: FRDC PROJECT 2006/216 INTERIM REPORT

INTERIM REPORT

**Implement & Establish the USA Market
Development Platform to Enable Trade of
Certified Clean Green Australian Southern
Rocklobster -**

Extension of FRDC Project 2006/216

Mr Matthew Muggleton



Australian Government

**Fisheries Research and
Development Corporation**

Project No. 2006/216

**Implement & Establish the USA Market Development Platform to Enable Trade of
Certified Clean Green Australian Southern Rocklobster -
Extension of FRDC Project 2006/216**

Matthew Muggleton
Market Development Manager
Southern Rocklobster Limited
Level 1, 16 Unley Road
Unley SA 5061
Telephone 1300 853 880
Facsimile (08) 8272 7767
Email matthew@corvel.com.au

31/05/2007

Southern Rocklobster Limited

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Non Technical Summary

The project has created an import platform model which has now been implemented and trialled for 6 months. Supply chain, distribution and communication tools to support entry of live Australian Southern Rocklobster into the Super-Premium-Fine-Dining / Steakhouse and Gaming sectors in the USA have been incorporated into the platform. Performance has been measured and adjustments made.

Market research (Fisheries Research and Development Corporation (FRDC) Project 2004/215) identified opportunities to create new markets for Australian Southern Rocklobster (ASR) within the global western fine dining market. The research confirmed the culinary capabilities of ASR to be positioned within the Super-Premium-Fine-Dining (SPFD) sector. The research highlighted the need for industry to invest in market development. The approach recommended was summarised as follows:

- **Product** - Acknowledge that the product is more than the lobster. How the industry handle, grade and pack the product will provide the platform to create value and allow ASR to command a premium price.
- **Distribution** - Develop a network that meets the highest quality standards. Check and manage distribution to create exclusivity and mystique and
- **Communication** - Communicate and create the relationships with the chefs and reinforce ASR position and the value proposition.

Based on this information, in July 2005 a detailed Market Development Program (MDP) was developed with 4 fundamental planks as follows:

1. Positioning in the SPFD segment to attract price premiums through communication, product development and relationships with key influencers – chefs in the SPFD segment;
2. Replacing the gate keepers – large importer distributors with industry managed niche distributors to guarantee service;
3. Guaranteeing the supply and quality offered via facilitating and managing the supply chain – catchers will maintain product ownership and therefore commitment through to the customer; and
4. Implementing the Clean Green product certification, branding and traceability program through the supply chain.

The USA was established as the priority market, with price and distance to market relative to Europe and other potential destinations key factors.

The initial stage of the research and development (FRDC Project 2006/216 - Development of supply chain, distribution and communication tools to support entry of Australian Southern Rocklobster into the Super-Premium-Fine-Dining sector in the USA), focused on creating the “building blocks” necessary for delivering on the USA component of the MDP. The work:

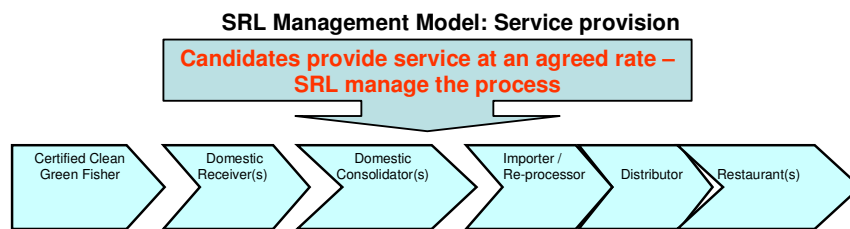
- Confirmed the culinary acceptance of the Certified Clean Green ASR by SPFD/Steakhouse and gaming chefs in the USA.
- Established in principal commitment from existing supply chain members in Australia and USA to handle Southern Rocklobster on a fee for service to guarantee the offer to the USA marketplace.
- Established in principal commitment from 50 – 75 certified Clean Green fishers to provide a percentage of their quota to the program.
- Identified a range of potential accounts in the USA to purchase porcelain lobsters and
- Developed communication tools to support the project.

The project recommended the initial target market was the USA West Coast region incorporating San Francisco, the Napa Valley, Los Angeles and Las Vegas.

In addition an independent part of the initial research prepared by Australia Business Limited (ABL) (previously supplied), recommended implementation of a Southern Rocklobster Limited (SRL) management model for the market development program using existing in-house resources.

The recommended "SRL Management Model" (Figure 1) involves engaging supply chain partners through contracts to provide services to agreed specifications at an agreed rate. Service providers are required to provide services to "Clean Green" specifications. In addition the fisher owns the product until it reaches the end user (restaurant) which then becomes a debtor to the fisher.

Figure 1 SRL Management Model



The model also involves SRL management of the total US market development process. This includes activities such as Australian service provider management, implementation of communication strategies and account management services which include debtor management and in-market service administration.

This second stage of the research and development (FRDC 2006/216 Implement and establish the USA market development platform to enable trade of Certified Clean Green Australian Southern Rocklobster - extension of FRDC Project 2006/216) involved a mix of USA platform development drawing on the outcomes of the initial work, and implementation of the platform based on the recommended management model. The platform elements developed and implemented include the following:

1. quality management systems
2. coordinated supply
3. managed distribution
4. communication and education program
5. a financial model
6. risk management systems and
7. measurement and performance reporting.

On implementation SRL in-house resources were used to fill a number of roles / positions created under the project in order to deliver on all scheduled platform activities. Specifically the following positions were created: Project or (Platform) Manager, Account Manager, Supply Manager, Quality Manager and a Transactional and Administration Manager. A position description for each of these roles and their relationship to each other is detailed in Appendix 3.

A legal and financial framework to allow SRL to facilitate trade while ensuring all contractual and legal obligations and requirements are met by the fishers who maintain ownership, has been developed as part of the project.

Various communication tools have been developed and education and communication programs have been developed and implemented.

Risk management strategies covering key risks of exchange rate, mortalities, logistics and payment defaults have been established.

The platform development was completed for trialling in January 2007 and implementation followed. Implementation has involved considerable ongoing adjustments. A range of start up and ongoing development issues have occurred. Performance to date can be summarised as follows:

- In excess of 6,000 kilograms of Australian Southern Rocklobster has been managed through the import platform.
- 72 Clean Green Certified fishers have participated in the platform.
- 6 supply chain partners have participated in the platform operating to Clean Green supply chain standards.
- Communication and education program activities have occurred with forty potential accounts established.
- Thirty two new accounts have received certified branded, traced large (2kg+) porcelain Australian Southern Rocklobster through the start up trial.
- Implementation has contributed to a lift in the order of 40% of the beach price for lower valued lobster across the entire harvest.
- An estimated 25% increase in export returns to Australia for the product above the traditional chain is being achieved.
- The costs of the program to date including clean green program, market research, chain development, traceability and platform are estimated at \$2,214,000.
- The returns after 4 months annualised are estimated at \$20,272 or 6.4% on the start up infrastructure costs of \$314,000.
- Platform deficiencies in cash flow, promotion and marketing investment, securing chain partners during start up and capacity to remain in market for sufficient time to build volumes have been identified.
- Mortality management and further deterioration of the exchange rate are major issues requiring specific and immediate management responses.

The next steps for the market development program proposed are as follows:

1. Expand the research and development and implementation process geographically to new target markets;
 2. Establish suitable cash flow support;
 3. Secure chain partners through additional support and
 4. Deal with exchange rate and mortality risk.
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Acknowledgements

- Department of Agriculture, Fisheries and Forestry (DAFF)
- FarmBis – South Australia, Tasmania and Victoria
- SA Rocklobster Advisory Council (SARLAC)
- Tasmanian Rock Lobster Fishermen's Association (TRLFA)
- Victorian Rock Lobster Association (VRLA)
- Department of Primary Industries – Victoria (DPI)
- Seafood Services Australia (SSA)

This project has been undertaken based upon information provided from the following sources:

1. Fisheries Research and Development Corporation (FRDC) Project No: 2006/216 - **Development of supply chain, distribution and communication tools to support entry of Australian Southern Rocklobster into the Super-Premium-Fine-Dining sector in the USA** completed by ABL and CORVEL.
2. Department of Primary Industries Victoria Traceability Project.
3. FRDC Project No: 2004/216 – **Extending innovation in integrated environment and product management: implementation of value chain management and traceability in the Australian Southern Rocklobster Industry.**
4. FRDC Project No: 2004/251 “**Identification of New Market Opportunities for Southern Rocklobster**” Final Report 2005.
5. **Market Development Workshop** – Southern Rocklobster Limited (SRL) March 2005.

The project was conducted parallel to the Department of Agriculture, Fisheries and Forestry's (DAFF) “**Integrated supply chain management as a strategy to niche market Development – Australian Southern Rocklobster**” project. There are numerous synergies and the outputs and activities of this project are indestructibly linked.

Background

In March 2005, SRL concluded market research (FRDC 2004/215) which identified opportunities to create new markets for Australian Southern Rocklobster (ASR) within the global western (USA and Europe) fine dining market. This research included holding a sensory evaluation focus group in the Napa Valley with leading chefs from the San Francisco and Napa Valley. The trial confirmed the culinary capabilities of ASR to be positioned within the SPFD sector.

The research highlighted that establishing the culinary and commercial capability of the ASR and gaining acceptance within this market would require a commitment to a comprehensive campaign to deal with the supply and logistics issues. The need for an underpinning aggressive and well defined communication and education strategy was also highlighted. The approach required was summarised as follows:

1. Product - Acknowledge that the product is more than the lobster. How the industry handle, grade and pack the product will provide the platform to create value and allow ASR to command a premium price.
 2. Distribution - Develop a network that meets the highest quality standards. Check and manage distribution to create exclusivity and mystic.
 3. Communication - Communicate and create the relationships with the chefs and reinforce ASR position and the value proposition.
-

Based on this information a market development plan (MDP) with 4 fundamental planks was developed as follows:

- Positioning in the SPFD segment to attract price premiums through communication, product development and relationships with key influencers - chefs in the SPFD segment;
- Replacing the gate keepers – large importer/distributors with industry managed niche distributors to guarantee service;
- Guaranteeing the supply and quality offered through facilitating the supply chain – catchers will maintain product ownership and therefore commitment through to the customer; and
- Implementing the Clean Green product certification, branding and traceability program throughout the supply chain.

The USA was established as the priority market, with price and close proximity to market relative to Europe and other potential destinations being the key deciding factors.

The plan embodies a series of research and development activities aimed at dealing with the complexities of marketing of a premium food Product, Distribution and Communication to create the “Ultimate Offer and Guarantee”. In particular the program is focussed on establishing industry capacity to consistently deliver on the promise - ***“Australian Southern Rocklobster - finest in the world”***.

The research and development work in 2005/06 created the “building blocks” necessary for establishing an import platform in the USA component of the MDP. These blocks included:

Product:

- Certified Clean Green Australian Southern Rocklobster (SRL) program development (SRL/DAFF/FarmBis)
- Traceability system (DPI Victoria & FRDC 2004/415)
- Supply chain standard development (DAFF 2006 & FRDC 2006/216)
- Chain partners (FRDC 2006/216)
- Supply model (FRDC 2006/216)

Distribution:

- Traceability system (DPI Vic & FRDC 2004/415)
- Chain partners (FRDC 2006/216)
- Supply chain standard development (DAFF 2006 & FRDC 2006/216)

Communication:

- Asset development and testing (FRDC 2006/216)
- Chef education on the ASR culinary capabilities and utilisation (FRDC 2006/216)
- Program development (FRDC 2006/216)
- Certification and branding (FRDC 2006/216)
- Traceability system (DPI Vic & FRDC 2004/415)

This research focussed on developing a platform for the main economic centres of the Western United States including San Francisco, Napa Valley, Los Angeles and Las Vegas. These centres represent not only the economic and demographic focus of the West Coast but encompass the majority of exclusive fine dining establishments in that area. In addition, Los Angeles is the main entrance for West Coast importation and acts as a hub for the other potential target markets.

The research and development activities identified and demonstrated through trials that a significant opportunity exists in the US and suitable supply chain partners were ready to work with SRL to handle the product through the supply chain continuum.

The 2005/06 work can be summarised as follows¹:

Product – In-market trials and testing indicated a ready culinary acceptance of the ASR however it is essential to have a product with consistent and appropriate quality, delivered every time. SRL's **Clean Green** program was identified as the vehicle suitable for ensuring that the lobsters are of a consistently high quality meeting market requirements – requirements as confirmed throughout the investigation.

Distribution – The industry needs to establish and work with partners that understand the requirements of industry crucial for success in the US market. Designing a distribution system utilising these partners is another thing. The ASR industry needs to think “outside the square” and consider an implementation program that gives control of the supply chain back to its Clean Green members. By using existing resources within the industry and working with qualified, enthusiastic partners an ultimate guarantee can be made to the US market, “from pot to plate”.

Communication – A robust communications and educational campaign is crucial for market penetration. This is not about mass marketing or promotion; but about educating the end users (chefs) and other key influencers about the qualities of the product. High quality communication tools such as the educational DVD can be refined and dovetailed with new and exciting programs such as the track and trace system. These will reinforce to the market that the ASR industry is in the US “for the long run”.

SRL Management Model

In this model (Figure 1 above) SRL manages the total US market development process. This includes activities such as supply coordination, chain service provider management, clear communications and education and account management services which include debtor management and in-market service provision and administration.

The model reflects the approach developed by the SRL Board at the March 2005 workshop as embodied in the Market Development Program - V8 (August 2005), and at the June 6th 2006 meeting the SRL Board agreed to adopt the “SRL Management Model” and manage the program in-house using the current resources to implement the program.

The “SRL Management Model” activities involve engaging each supply chain partner through contracts to provide their service to an agreed specification at an agreed rate. The fisher owns the product until it reaches the end user (restaurant) which then effectively becomes a debtor to the fisher. The key advantage of this model is that the industry has some or more control over the market they are creating in the US. Given the service providers have less responsibility to “sell” the product they cannot dictate to the industry on how, why and when the product will be sold.

Service providers are required to provide their service to “Clean Green” specifications. This is vitally important as the Clean Green branding of ASR is a key communication message in the market and by contracting the in-market service provider SRL can ensure product is delivered to required specifications.

Target Markets

The initial target market was the USA West Coast region incorporating San Francisco, the Napa Valley, Los Angeles and Las Vegas. SPFD Restaurants in the region currently serve lobster products as both entrée and main courses. These products command a premium price due to taste and reputation. ASR is well suited to this market because of its culinary capability, sustainability and quality.

¹ FRDC 2006/216 – Australia Business Limited

SRL's selected target market is the SPFD sector and Gaming / Steakhouse markets. This is a similar target segment to US producers and other competitive imports. This sector was selected following on from previous research and has been confirmed through the process of telemarketing and in-market assessment. The product research has indicated there is a keen anticipation for the ASR in the SPFD, Gaming / Steakhouse markets.

There are currently over 450 SPFD, Premium Steakhouse and Premium Gaming restaurants in the target market region, many of these sell lobsters. Whilst the initial focus has been on the SPFD & Steakhouse markets, there is significant potential for other areas of the gaming restaurant market.

Initially, because of the production capacity available and the volumes required to develop the supply chain, the Steakhouse and Gaming markets were considered for their capacity to underpin the volumes necessary to support the SPFD in Los Angeles, San Francisco and Napa Valley. These SPFD markets have been integral to the development of the brand positioning of ASR as a premium seafood.

Considerations for this market included - the culinary aspirations of the operators, the price tolerance of both the operators and their customers; and the unique aspirations of both the operators and customers for a unique experience.

A further 770 SPFD, Premium Steakhouse and Premium Gaming restaurants exist in the Chicago/Mid-West and over 1,200 in the New York / Philadelphia / Boston regions. Subject to the ongoing success of the platform, additional targets may be established and additional appropriate supporting market research and development undertaken.

Need

It is apparent that success in the USA market and a subsequent rise in returns to regional economies lies with the industry's commitment and capacity to consistently deliver "the promise" of supply and quality. It must invest in and establish the appropriate infrastructure to effectively service the needs of this high end market sector.

Alternative markets for live ASR have not been developed because the structure of many small licences holders combined with many small exporters has evolved to a commodity selling approach into the single dominant market.

To remain in business exporters require volume through their export factories. Development of the USA market requires long term commitment to supply and substantial investment in distribution. While in the long term a higher average price is on offer in the USA market for example, short term beach price driven by the current commodity market can be higher on any given day, thereby attracting the supply.

The small business structure of the industry and the current commodity selling environment does not lend itself to development and maintenance of new niche markets.

The industry driven "SRL Management Model" is required to overcome the deficiencies with the current trading system. To SRL's knowledge there is no alternative but for a whole of industry approach through SRL to develop the USA market opportunity.

Objectives

The project objectives were:

1. To develop a mechanism to establish a new supply chain system (SRL Management Model).
 2. Assess performance of the new supply chain (SRL Management Model).
-

Methods

Phase 1 - Platform Development

Development of the USA import platform involved establishing a formal business, operational and legal structure for each section of the supply chain; fishers, regional receiver(s), consolidator(s), USA importer / distributor and an overarching SRL management structure.

The template followed was as recommended by ABL through FRDC project 2006/216.

Supply chain tools developed through previous projects (2006/216), DAFF Supply Chain Development, including the Clean Green standards, traceability system and communication tools, and data compiled about the market requirements (2004/415), were integrated into supply chain operation to create the platform.

To establish a commercial platform, development of the contractual, financial, communication and risk management arrangements at each level of the chain by SRL were established. The platform was trialled and fine tuned as part of the project.

Achieving the project objectives involved the following activities:

Implement quality assurance systems to guarantee product quality throughout the supply chain continuum.

Implementation of the Clean Green Product Certification Program from pot to plate.

Supply chain standards (based on the principles contained in the original Clean Green product standard), the overarching program management model, audit guidelines for processor 'categories' (Regional Receiver, Consolidator, USA Importer / Distributor) were reviewed and finalised and training materials were developed for each 'category' along the supply chain. This was contributed to substantially through the DAFF Industry Partnerships program. (Appendix 4 - see enclosed manuals).

Issues regarding required changes to the standard for each supply chain category were documented and redrafting of the standard to resolve any identified issues was undertaken. Supply chain partners contributed to the review and final Clean Green Product Certification program. Product quality specifications, identified 'in-market', such as behavioural characteristics and requirements for tagging, size, presence of all appendages, colour preference and the importance of tagging / branding were established (Appendix 5).

The Project Team (Appendix 2) worked closely with each group along the supply chain to manage, maintain and ensure delivery of a high quality product i.e. the development of the aforementioned manuals containing the standard, audit protocol, listed certified organisations, communication tools, as well as detailing the process to ensure a cycle of continual improvement throughout the Clean Green supply chain.

The Clean Green product certification program was then implemented amongst the supply chain through training activities. Fishers were excluded as they have already undertaken and achieved certification against the Clean Green standard. Training specifically focussed on ensuring the maintenance along the chain of those quality requirements identified through consultation with the marketplace. The program was implemented drawing on the training / operational manuals

developed for each category. These detail how that category would meet the requirements of the standard - i.e. industry best practice information was collated at each level of the chain and incorporated into the manuals.

Protocols and policies were developed for validating quality across the supply chain e.g. how a second or third party would verify whether one of the various chain categories is meeting the requirements of the standard.

The independent third party audit system for supply chain categories was also trialled and placed under review with a view to completing formal supply chain audits in remaining facilities. The audit ensures that all supply chain categories are meeting quality standards to ensure the quality of certified ASR destined for the newly established US fine dining market.

Implementation of the traceability system from pot to plate

The traceability system requirements, both the supply chain (back-end) and website interface (front-end), were reviewed and finalised. This was achieved by: liaison with all supply chain categories to document the functionality (data entry, reporting requirements and front end display [web interface]) of the traceability system. The traceability systems specifications were reviewed by all supply chain categories, the SRL Board, SAI Global (external audit body) and JABA Multimedia (web interface construction) with feedback then consolidated and reviewed as part of the process to finalise the specifications - back-end to front-end.

Once the requirements of the traceability system had been finalised it was possible to then finalise the budget for the implementation of the system across the supply chain. Quotations from both service providers were sought for implementation and sign-off on both the budget and the mechanism to fund implementation of the system was undertaken and finalised at the SRL Board level.

Development of the traceability system then commenced with SASTEK commissioned to finalise the development of the data capture component and JABA commissioned to develop the web interface.

As of January 2007 development of the traceability system was at a level which would allow the capture of the most basic information to track and trace the trade of lobsters and allow monitoring and control of stock throughout the chain and also facilitate payment to fishers. Manual analysis and compilation of traceability information was still required in order to fully complete traceability system functions at the time. System development remains dynamic with feedback from supply chain categories incorporated into revisions and adjustments to ultimately improve system efficiencies on an ongoing basis.

The Project Team in conjunction with supply chain partners, SRL and SASTEK, completed physical implementation of the system at each location as required. Initially this included the South Australian Southern Zone Regional Receiver (Stanke Ociana Seafoods), the Consolidator (Ocean Wave Seafoods) and the USA Importer / Distributor (Pacific Pride Seafood). This involved the organisation of staff at each category, establishment of services (electricity, phone etc) at each site and the provision of support and ongoing communications and access to SASTEK expertise. On-site training as required to category staff on operations and trouble shooting was provided.

Finalise and implement traceability hardware

Development of the Clean Green horn-tag and applicator was reviewed with a view to finalising prior to implementation of a production run. (This drew on outputs from FRDC project 2004/451).

Following initial trials with fishers, the Project Team documented all required changes to tag design prior to a final production run. Tag production was completed, specific tag numbers allocated against individual fishers and recorded on a central database. Tags were then distributed to fishers based on the contracted supply volume for any particular fisher.

Following the distribution of the initial tag run, further feedback was gained from fishers after applying the product in the field. Subsequent tag production runs took this feedback into account with further refinements made to tag design to increase the quality, durability and 'useability' of the product. All tags were distributed with 'how to use' information, and also information detailing the conditions of tag use. A water proof product quality specification (Appendix 6) was also distributed with the tags.

The production of an applicator for the Clean Green horn-tag was undertaken in conjunction with tag production. A prototype applicator was produced however the applicator only allowed for the loading and application of one tag at a time and required one hand to operate the applicator leaving only one hand to control the animal. This prototype was found to be laborious and time consuming to use. Alternative tag application options were investigated, however were found to be cost prohibitive and outside of the scope of the project budget.

This remains an area for further development.

Coordinate supply - DOMESTIC

Supply management

Establishing guaranteed supply was a critical part of the platform involving contract development, supply scheduling and ongoing communication.

Supply contract models utilised by Riversun, Pink Lady and grain traders were assessed. A contract was then drafted based on these documents to assist in guaranteeing an agreed supply volume over an agreed supply period from fishers. Suitably qualified contract lawyers revised the contract.

The draft contract was then reviewed by the SRL Board and a number of industry members and following this 'internal' review process, the contract was forwarded to the lawyer for further revision and finalisation. The contract developed is shown in Appendix 6.

All certified Clean Green fishers were communicated with via phone to determine;

- a) whether they were interested in participating under the market development program
- b) if so, what volume of product they would be prepared to commit to the program, and
- c) when (preferred supply period) they were prepared to supply this volume of product.

The information gained from fishers was utilised to compile a supply database detailing required personal information on fishers, information on payment i.e. ABN numbers, GST information etc and also a supply schedule across the three states detailing overarching volumes and supply periods.

Following the finalisation of supply contracts, information from the supply database regarding contracted volumes, agreed supply periods, point of landing and price was entered into contracts and contracts distributed to fishers. All fishers were communication with about the key aspects of both the actual supply contract and the terms and conditions annexed prior to the contract prior to them receiving the paperwork.

Contracts and terms and conditions were distributed with an explanatory cover letter, relevant insurance information, Clean Green product quality specifications (Appendix 5) and explanatory notes on the market development program. The receipt of a signed copy of the contract was sought from each fisher to supply product under the program in order to guarantee consistent supply of high quality product to the marketplace.

Chain partner coordination

The development a supply and dispatch schedule across SA, TAS and VIC, all service providers, nationally were communicated with in writing to identify their level of interest in participating in the program as a supply chain partner and also to identify the scope of their potential service provision e.g. lobster holding capacity, coverage (region that the lobster could be picked up from) and their mechanism for transport to either Melbourne or the USA as well as their current packing techniques.

From the responses received initial relationships were established with supply chain partners - the Project Team liaised with these partners to further develop a supply program for Regional Receivers committed to receive, grade, fold and freight certified Clean Green Australian Southern Rocklobster. The following supply chain partners were identified:

- Regional Receiver (SA Southern Zone): Stanke Ociana Seafoods
- Regional Receiver (SA Northern Zone - Kangaroo Island): Ferguson Australia
- Regional Receiver (SA Northern Zone - Port Lincoln): Australian Bight Seafood
- Regional Receiver (TAS): Coastal Waters Seafoods & Red Rocklobster
- Regional Receiver (TAS - King Island): Fox Fishing & King Island Seafoods
- Consolidator - Melbourne: Ocean Wave Seafoods Trading
- USA Importer Distributor: Pacific Pride Seafood

A service provision contract for supply chain partners was developed and is shown in Appendix 6. The same steps were taken as for the fisher contract with appropriate adjustments for each level of the chain.

Commitment from the above service providers was then established through the distribution and return receipt of service provision contracts from across SA, TAS, VIC and the USA to tranship product from Southern Australia rocklobster ports to a consolidation hub in Melbourne and then exported to Los Angeles.

Industry & chain communication

A communication system to coordinate the receipt of supply from fishers to the Regional Receiver and then the shipment of product along the chain through to the USA Importer / Distributor was developed. Please refer to Appendix 7 - 'USA Supply Management - Flows & Actions' and attached documents.

Manage distribution - USA

Chain partner coordination

Development of a receival and dispatch procedures for the USA (West Coast) was undertaken in conjunction with Pacific Pride Seafood to clearly identify the receival and dispatch requirements for the USA including: receival procedures (No. AVs / week, clearing times and temperature control), lobster holding capacity, distribution system and transit times.

Advice was commissioned from Pacific Pride Seafood on the receipt and dispatch schedule to assist with the development of procedures detailing USA operating practices – these were then incorporated into the supply chain manual developed for the USA Importer / Distributor category.

A service provision contract was developed along the same lines as for the regional receiver/consolidator. The contract was aimed at establishing the service provider as a 'one-stop-shop' to provide a fee for service in the USA to receive and distribute certified Clean Green Australian Southern Rocklobster to the marketplace.

The Project Team confirmed, via receipt of signed service provision contract, that Pacific Pride would meet the contractual obligations (Appendix 6).

USA live lobster holding criteria were established to ensure that product quality and integrity were maintained (Appendices 4 and 5) and live holding tank system specifications for Pacific Pride Seafood were documented e.g. holding capacity, water quality, back-up power / O2 and water supply specifications. This process was undertaken using Australian references and also in consultation with the Australian Regional Receivers and Consolidator. This information was used to assist in creating the supply chain manual for the importer / distributor supply chain category (Appendix 4) and drew heavily on the DAFF action partnerships project.

Service providers to install a holding system at Pacific Pride and latent tank capacity in Los Angeles already meeting the required specifications were assessed. A suitable system plan was commissioned from Seawater Visions in the USA which was reviewed by the SRL Board in conjunction with Australian Regional Receivers and Consolidator.

A suitable location for the holding system was identified at Pacific Pride's premise and contingencies were developed and incorporated into the system i.e. suitable back-up for both oxygen and water, multiple pumps, elimination of contaminants and other factors which may have caused failure.

The live holding system was then installed at Pacific Pride and bio-filtration systems established for as long as practicable prior to the receipt of the first shipment of lobster from Australia.

Market efficiency program (EEP)

An analysis of the pros and cons of establishing EEP in the USA was undertaken and feedback sought from fishers and processors. Information was gathered from Riversun and Horticulture Australia Limited and a formal proposal for EEP was prepared and presented to the Government for consideration.

A briefing document describing the "market failure", SRL objectives and the need for EEP to support SRL's activity in the USA was developed.

The proposal was presented to DAFF and the wider industry.

The Government response has been to require that SRL secure national support for the concept across all rocklobster species, and that a comprehensive cost benefit analysis is undertaken regarding the proposal.

The momentum stalled at this point and additional resources will be required to meet the requirements of the Government.

Implement the USA communication and education program

The process of education and communication developed is a highly targeted one, involving direct chef education in market about SRL's commitment and offer. Volume forecasts and requirements for the SPFD sector were developed through this direct consultation and engagement with chefs.

A market analysis breaking down the opportunity was developed and based on this information a market entry strategy into the USA was scheduled - this incorporated supply requirements, communications and an implementation date.

Part of the project was to investigate the opportunity for ASR outside of the West Coast. A qualified industry expert (Market Developer - Appendix 6) was retained to assist in the identification of new options and the scoping of new destination markets for establishing the platform has occurred.

SRL had a presence at the National Restaurant Association (NRA) show in Chicago and has conducted preliminary chef communication and education activities in both Chicago and Dallas as part of the project.

Create communication / education assets

A communication and education tool kit has been developed using contracted graphic designers and web developers under guidance from the Market Developer. Various revisions of the material have occurred with updates following market feedback. The assets are as follows:

- A consistent overall design or 'look' of communication materials
- Speaker PowerPoint presentation suitable for chef training
- Instructional DVD including industry profile, dissection instructions and handling / storage instructions
- Recipes
- Restaurant box wrap
- Track and Trace Web interface
- Website
- Media database
- Branded corporate clothing
- Chef education manual (enclosed)

Schedule the implementation of (and implement) communication and education activities

A communications plan in line with the program recommended in the first stage of FRDC 2006/216 was developed. Implementation of the communications program included:

- The development of relationships with key influencers (chefs) and fisher visits to the marketplace.
- Chefs were supplied with development product to assist with menu creation.
- Wait staff training activities and chef and group tastings were undertaken.
- A range of branded education materials were also distributed (hats, shirts, DVD's and educational information on both the product and the industry).

Ongoing communications across the domestic portion of the supply chain has been vital to ensure long-term support for the program and the successful establishment of the market development platform. The following activities have been utilised to ensure that all levels of the supply chain are informed as to the progress of the market development program:

- Regional or port meetings
-

- Newsletters quarterly (through FRDC 2006/215) to all lines holders and processors
- Industry profiling events – Restaurant 06, Shanghai and Chicago.
- Web site
- Facsimile updates – weekly update to Clean Green members and
- Phone calls to industry leaders / influencers.

Account management

Training and capacity building within the USA for Pacific Pride has occurred to receive, handle, manage live lobster system and market accounts.

Training included:

- correct product handling,
- management and grading of stock,
- understanding the differences of ASR as a product,
- understanding the process, system and requirements behind the SRL track and trace system,
- confirmation of client requirements and delivery times,
- client liaison to ensure product delivery, product quality and high level service,
- expedient product delivery, product assessment with a view to refreshing or repacking if required and general trouble shooting.

Establish and operate the financial model

A key element of the platform is the financial model to track income and ensure appropriate payments. Development of the financial component has involved establishing agreement terms and conditions at all levels of the chain and a management and recording system to support the agreements.

Fishers model

A financial model to support fisher payments for product was developed drawing legal and accounting advice. Payment rules for fishers were also developed based on:

- Lobsters meeting market specifications
- Rejected lobsters
- Mortalities

Clean Green fishers were consulted with and their endorsement sought on the development of payment rules and was incorporated into the final contract (Appendix 6). The SRL Board was consulted and provided final sign-off on the model structure.

Establishment of the model included set-up of Australian and American bank accounts.

Service providers - DOMESTIC

Development of payment terms for domestic service providers (Regional Receivers and Consolidator) involved direct negotiations with service providers. The resultant structure was based on:

- Lobsters meeting market specifications
 - Rejected lobsters
 - Mortalities
-

Clean Green service providers were consulted with and their endorsement sought on the development of payment rules and their feedback was incorporated into the final contract (Appendix 6).

Service providers - USA

Development of payment terms for USA service providers (Importer / Distributor) based on:

- Lobsters meeting market specifications
- Rejected lobsters
- Mortalities
- Tank costs

Potential Clean Green service providers were consulted with and their endorsement sought on the development of payment rules and their feedback was incorporated into the final contract (Appendix 6).

Customers

A customer invoicing and payment system was developed, this involved:

- Liaising with potential accounts to develop invoicing and payment rules
- Development of payment terms and conditions
- The engagement of legal expertise to assist with the development of a contract for restaurants / accounts.

In order to assist with the management of the financial model a comprehensive database was established containing the necessary detail for the following supply chain 'categories':

- Certified Clean Green fishers
- Regional Receivers
- Consolidator
- USA Importer / Distributor
- USA Accounts

In addition a financial management process was developed to guide day today invoicing, collection and payments.

Risk management systems

The key risks identified associated with the entry of ASR into the USA market were:

- Exchange rate
- Mortalities and water loss
- Logistics
- Defaults

Exchange rate risk was approached from several angles as follows:

1. The platform budget was based an exchange rate of US 80c which was well above the rate at the time of start up. The contract arrangements included premiums for additional returns achieved by exchange rate remaining below US 80c to be paid pro-rata to kilogram committed at 30th June each year. This was incorporated in the contract.
 2. All fishers were communicated with about the exposure and provided information about hedging strategies and costs. They were encouraged to consider self insurance.
-

Mortalities and water loss was provision at 10% as part of the contract. The approach was fishers would be allowed up to 10% with no penalty and payment was adjusted for losses in excess of 10%.

Exceptional logistics circumstances eg tank failure, airline delays and truck roll over, credit risk (payment default) and liability are covered by standard insurance policies.

Phase 2 - Platform Performance

Collection of technical and financial data has occurred through the traceability and manual recording through the start up phase. This data includes:

- Tags issued
- Fisher numbers
- Lobster delivered, downgraded and mortalities
- Lobster sold
- Revenue and
- Chain costs

A chart of accounts was established in MYOB accounting package drawing on accounting advice to specifically reflect the unique nature of the SRL model. This operates separately to SRL accounts to ensure complete separation with full reconciliation to the USA and Australian bank accounts.

Standard measures of profit/loss and equity results from the platform have been established for the first 4 months of start up. These are monitored monthly. In addition the total cost of establishing the program has been estimated and compared to the returns to date.

Performance of the new supply chain model has also been assessed by other non financial measures including fisher involvement, volumes and product performance through the chain.

Results/Discussion

Phase 1 - Platform Development

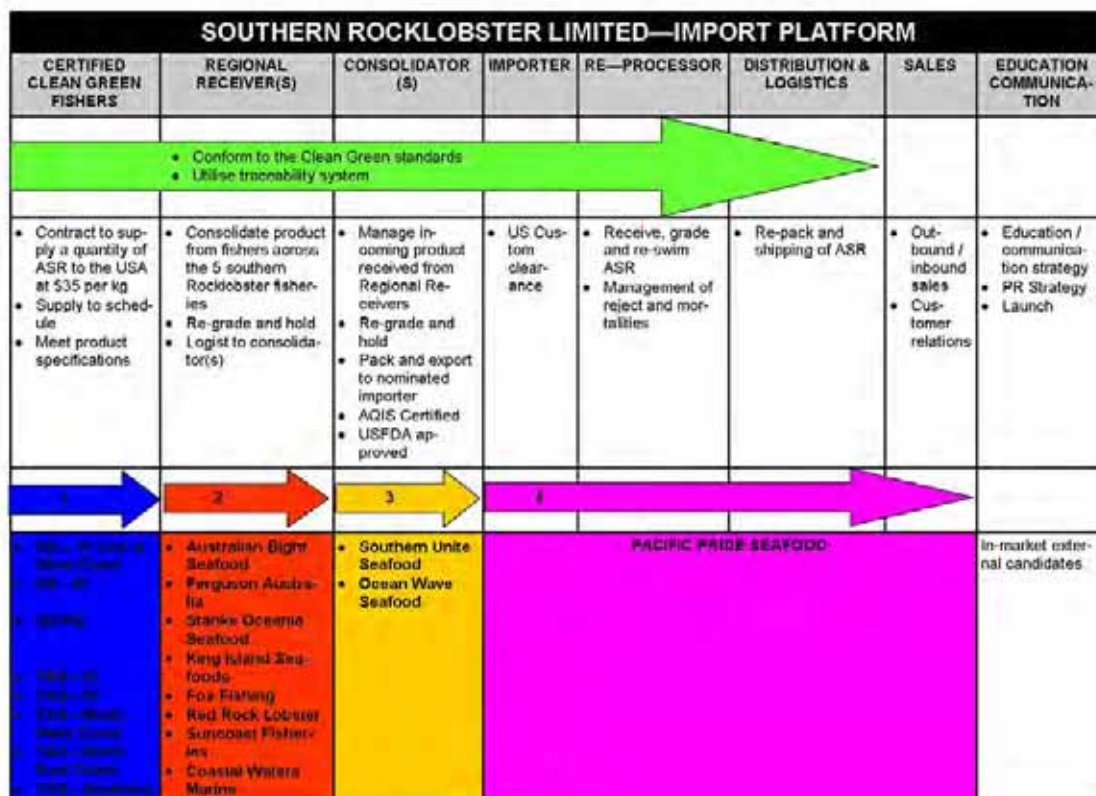
The key output from the project has been the development of a USA import platform to support commercial trade. The model has been implemented and adjusted over a 4 month start-up trial period. Trade of large porcelain lobster has occurred through the platform at substantial premiums above the previous season.

The platform includes:

1. Contractual Arrangements
2. Information Management
3. Risk Management
4. Financial System
5. Business Structure
6. Communication and Education
7. Platform Performance Monitoring

The platform is depicted in Figure 2 and the various elements developed are described in detail below.

Figure 2 - SRL Import Platform



1. Contractual Arrangements

Contractual arrangements have been established with all supply chain partners and also external service providers to ensure the success of the platform and the delivery of agreed services as follows:

Fishers - 'Master Supply and Facilitation Agreement'

The need was questioned during initial consultations with fishers regarding the development of this agreement - understanding was reached that for SRL to facilitate the trade during the trial, a firm offer of consistent supply was required i.e. it would not be possible for SRL to provide an offer to the market without a confirmed source of supply.

At the same time as providing a tool to guarantee supply to the market, fishers also highlighted the need for flexibility within the agreement regarding scheduled supply volumes and periods. This was a key point of SRL's communication strategy to the fishers in overcoming those unforeseen obstacles to meet contracted supply volumes. Communication between the fisher and the Project Team was crucial to ensure that any gaps in supply could be avoided.

In the start up period, SRL maintained this flexible approach with regard to contracted supply volumes, and through a strong communication link direct to contracted fishers, ensured that supply targets were met. This approach to supply, and the provision for this within the agreement, was highlighted to fishers at every opportunity.

Please refer to Appendix 6a.

Regional Receivers - 'Regional Receiver Service Agreement'

Agreements have been established with all Regional Receivers of certified Clean Green product to guarantee the maintenance of product quality and integrity and to ensure the implementation of satisfactory logistical practices throughout the chain without the need for SRL (or fishers) to take ownership of any actual infrastructure. The Regional Receiver Agreement serves to ensure strict operating practices i.e. pick-ups, holding and delivery, are in place to guarantee the offer to the market and are carried in accordance to Clean Green standards.

Please refer to Appendix 6b.

Consolidator - 'Consolidator Service Agreement'

The same comments apply as for the Regional Receiver Service Agreement(above).

Please refer to Appendix 6c.

USA Importer / Distributor - 'USA Importer / Distributor Service Agreement'

The same comments apply as for the Regional Receiver Service Agreement(above).

Please refer to Appendix 6d.

Tank Manufacturer - 'Purchase Agreement Among Sea Water Visions, Pacific Pride Seafood and Southern Rocklobster Limited'

This is a 3 way cost sharing arrangement with the tank manufacturer, Seawater Visions, SRL and Pacific Pride Seafood (USA Importer / Distributor) with SRL purchasing live holding tanks in the USA.

Ultimately the total cost of the system will be borne by SRL (in effect by the fishers for the length of time required to cover the cost), however a portion of the initial cost was to be borne by Pacific Pride Seafood to be repaid by SRL at a rate per pound, subject to the success of the trading platform.

Structuring the agreement in this fashion also ensured that Pacific Pride and the tank supplier had a fiscal interest in seeing the development of the new platform succeed and that capital investment required from SRL was minimised.

Please refer to Appendix 6e.

Tag Manufacturer (HARCOR) - 'Tag Agreement'

This agreement was developed to ensure that SRL (and in effect fishers) was not responsible for any of the developmental costs involved with finalising tag design and production. The structure of the agreement includes a higher initial cost to cover developmental expenses and once this is recouped then tag price will revert to a discounted rate.

The initial number of tags to be purchased was agreed, however SRL is not subject to a minimum purchase order thereafter - tags will then be paid for on an as used basis.

Please refer to Appendix 6f.

Significant feedback has been received from fishers and processors regarding the quality, functionality and useability of tags - this has been fed into design modifications for subsequent production runs.

Further development of the tag and a fisher friendly applicator is required as with larger volumes of lobster being tagged at the individual level, manual application will be impractical. In addition damage to the tags is occurring while the lobster are in the tanks which results in the tag being illegible and unable to be scanned.

Traceability System Developer (SASETK) - 'Purchase and Licence Agreement between SASETK Pty Ltd and Southern Rocklobster Limited'

The agreement with SASETK details a payment schedule, based on service delivery, whereby SRL will purchase services and equipment through a combination of lump sum and base payments over a three year period.

Also, following full payment of the balance SRL is required to pay SASETK a royalty fee (per kg traded) for as long as the system remains useful in facilitating trade of product through the market development platform.

Please refer to Appendix 6g.

The traceability system is discussed further later.

Management (CORVEL) - 'Management Agreement'

The Management Agreement details the terms and rate at which CORVEL will be engaged to manage the implementation and ongoing operation of the import platform for SRL.

Under the agreement CORVEL is responsible for the business management, contract management, financial, risks and communications systems elements of the platform, as well as chain communications, monitoring and reporting systems.

Please refer to Appendix 6h.

Market Developer (Fish Heads) - ‘Market Development Service Agreement’

The Market Developer service agreement contracts Fish Heads to identify new potential customers for certified product, assist SRL to efficiently and economically create orders from those customers and provide advice on the market development programs including specific in market development and communication strategies.

Please refer to Appendix 6i.

Customers / Accounts - ‘Master Supply Agreement’

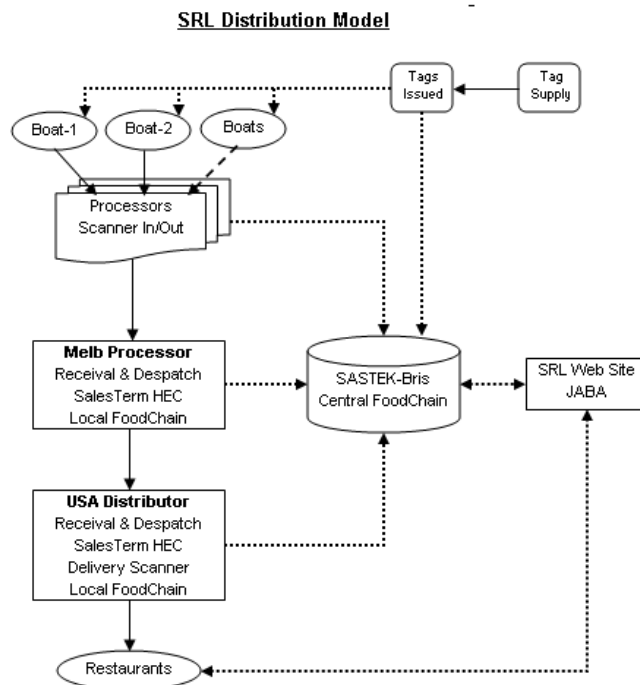
The purpose of this agreement is to provide mechanism that would guarantee payment for the product. The development of payment terms is standard business practice but in this case potentially more complicated with the high price of the product and issue to do with quality and mortalities.

Please refer to Appendix 6j.

2. Information Management

The development, establishment and implementation of the SASTEK traceability system (Figure 3) provides the potential vehicle for management of all distribution information required to facilitate the operation of the market development platform.

Figure 3: Diagrammatic representation of SASTEK traceability system.



At the point of entry into the system the following information is recorded:

- date of entry
- fisher name, boat name and licence number
- port of landing
- tag number
- lobster weight
- size grade (H1, H2, or H3)
- whether the fish has been downgraded as not meeting Clean Green specifications (sick / damaged / missing limbs / lethargic / mortality)

As the lobster moves along the chain i.e. held in the tank or to the next 'category', the traceability system provides for the following functions:

- the downgrading of any lobster for reasons detailed above that may have deteriorated while being held in the tanks – including recording of any mortalities
- regarding of any downgraded sick lobster that may have recover allowing their entry back into the system for sale
- the 'retagging' of any lobster which may have either lost their tag or the number and barcode on the tag has become unreadable.
- Recording the entry of the product at the next 'category' along the chain.

At any time the system allows the operator (Account Manager / Supply Coordinator) to check:

- the total stock on hand across the supply chain (any stock currently in transit is displayed as still residing at the previous 'category')
- the total stock on hand at any given category
- the total stock scanned out to any destination code (account)
- total downgraded stock
- total mortalities
- all of the above information is also attainable on the individual fisher level

The system facilitates payment to fishers through allowing the extraction of the following information:

- total volume of lobster delivered by an individual fisher
- total volume of lobster downgraded to receive the applicable beach price
- total volume of lobster downgraded to receive the applicable downgraded rate
- total volume of lobster downgraded as a mortality for which no payment is received
- the volume of lobster sold (scanned out) to any particular destination code – these are fish for which the fisher will be paid the agreed rate for fish meeting the clean green specifications.

The system facilitates the creation of accounts by allowing the extraction of the following information:

- the total volume of lobster scanned out to a specific location / account on a given date - this corresponds to the date on a specific invoice created by the Account Manager and ensures that fishers are only paid for lobster which have been sold and not for fish which remain in the system i.e. a cross check is required against individual fishers to determine which tag numbers were scanned out to that location on that date.

Data is captured via an electronic hand-held scanner, at present some level of manual entry i.e. fish weight and size and quality grade selection, is required to be made on the scanner interface for each animal by factory staff.

At present the scanner is simply a tool for data capture - it does not communicate with the traceability system. Files are transferred from the scanner to the SASTEK administration centre in Brisbane, via email, where the files are uploaded and the captured information is entered onto the

actual system.

New 'screens' have been developed and implemented at relevant categories which cut down on the requirement for such manual entry e.g. now, instead of having to manually select a size grade this is automatically generated as soon as a weight is entered.

Information on the system is accessed via a remote desktop connection installed on both a laptop, and PC based in the SRL office. This ensures that SRL staff are able to access the system and the information generated by it from any location provided it is possible to obtain a wireless internet connection.

The functioning of the traceability system has encountered critical issues which have reduced confidence of outputs to a point where a manual back up has been implemented. These issues include:

- The system is only as good as the information entered onto it - accuracy of the system is dependent upon timely data entry from each of the categories i.e. fishers cannot be paid for fish which have not been scanned in or out of the system.
- Access to the system can be an issue during events such as power failures either in Adelaide or Brisbane.
- Inaccuracy of recorded information. Double or other multiple entries for a single tag have occurred and this could result in overpayment to fishers in the absence of manual checks.
- Incorrect manual entries – operators may enter incorrect tag information as a best guess when faced with an illegible tag number, this creates false information, potential for double entries, and the potential for a fisher to not receive payment for an animal as it has wrongly been allocated against another fisher.
- Report Generation. The food-chain program on which the system is based is still largely drawn from the current meat and livestock traceability system. The reports generated by the system are therefore not specific to the requirements of the newly established market development platform. Therefore the generation of multiple reports from the system and subsequent manual manipulation is required at present to complete certain tasks e.g. payment to the fisher.
- Also some category (Regional Receiver) locations i.e. Kangaroo Island and King Island have elected not to install the traceability hardware primarily due to start up cost constraints. This has required the development of simple manual systems for data capture which will still provide the required information to track individual lobsters along the chain.
- Equipment failure in the USA location and a slow response time to repair the system created an information gaps as sales continued during the failure.
- Server failures occurred regularly during start up and while stock movements and sales continued gaps were created in the database.

The system when operating accurately can achieve the information management benefits described. The information captured by the system can allow the operator to identify individual fishers and categories with product quality issues and also provide meaningful and timely feedback to both fishers and processors regarding product quality.

At this time confidence in the accuracy of the system is low and as on May 1st 2007 a manual system of individually tracking each lobster has been implemented to ensure accuracy.

A workshop is scheduled for June with the tag manufacturer and SASTEK to address the operating issues. In addition an AusIndustry grant has been prepared aimed at dealing with the technical issues.

3. Risk Management

Risk management, specifically reducing any chance of exposing the financial outcomes for fishers involved, was a key consideration in development of the platform.

Strategies to mitigate risk were developed in the following areas:

- Account payment defaults
- Supply of a consistently high quality product, superior to anything else currently in the market.
- Exchange rate variations
- Lobster mortality/downgrades
- Water loss (weight loss) from product along the chain
- Transit issues
- Product liability issues
- Supply scheduling
- Intellectual property

Management of these risks ensured sufficient confidence amongst the fishers to participate in the start up implementation phase. It should be noted exceptional insurance costs were dealt with as start up platform costs in the first year, given that the bulk of the risk was associated with the uncertainty of the market outcomes and chain operating effectiveness. To start up these costs were to be incurred regardless of the chain and market outcome and are seen as platform maintenance costs.

Mortality downgrade management and further deterioration of the exchange are major issues requiring specific and immediate management response.

Additional detail about outcomes each of the risk areas is presented below.

Account payment defaults

Arrangements were put in place with an international credit verification agency, Atradius, to ensure that prior to SRL engaging with any potential account in the USA, or other market location, adequate background checks were put in place to verify the credit / payment 'track record' of these groups.

Based on this level of certainty, Atradius provided an appropriate level of credit insurance to ensure that in the case of non-payment by any verified account 90% of the value of the consignment would be returned to fishers.

Supply of a consistently high quality product, superior to anything else currently in the market.

In order to ensure the supply of a high quality product quality specifications for all levels of the supply chain were implemented (refer to Appendix 5). In developing the quality specifications it was acknowledged as unrealistic to assume that all product would reach the market in the same condition as which it was landed at the beach. Therefore the development of the quality specifications for each level of the chain allowed for some, minimal, deterioration of product quality as it progressed along the chain, but with the final product meeting market requirements.

Essentially this meant fishers delivering lobsters in perfect condition, and finally the USA Importer / Distributor being supplied with specifications which ensured that all product leaving that facility destined for an account was of a suitable quality to meet / exceed market expectations.

Participating at each level of the supply chain involved acting as a point of inspection for the product allowing the reassessment of quality parameters.

Product was also graded at the market end to ensure that the more refined requirements of the market i.e. certain size requirements, could also be met. For example within the 2 to 3kg acceptable size range for Clean Green specification fish, product was further graded on receipt into three 'internal' size grades:

- H1: 2000g – 2250g
- H2: 2251g – 2500g
- H3: 2501g – 3000g

Product graded at any level of the chain and found to be outside of these size specifications was allocated the applicable beach price being paid at that processing facility on the day – this was paid to the fisher. Product that was outside of the Clean Green quality specs and rejected because of this received the agreed contracted rate for downgraded product - this was paid direct to the fisher. Fishers received no payment for mortalities along the chain.

Exchange rate variations

The exchange risk was to be borne 100% by the fisher and an exchange rate sensitivity analysis was developed to assist them to determining their strategy and potential impact on beach price payment - please refer to Table 1 below.

Table 1: Exchange rate sensitivity analysis.

Exchange Rate Sensitivity Analysis				
Exchange rate	required sell price	fixed sell price	Gain / loss	Beach Price
0.85	\$28.91	\$27	-\$4.14	\$30.86
0.84	\$28.63	\$27	-\$3.32	\$31.68
0.83	\$28.35	\$27	-\$2.49	\$32.51
0.82	\$28.06	\$27	-\$1.66	\$33.34
0.81	\$27.78	\$27	-\$0.83	\$34.17
0.8	\$27.50	\$27	\$0.00	\$35.00
0.78	\$26.93	\$27	\$1.66	\$36.66
0.77	\$26.65	\$27	\$2.49	\$37.49
0.76	\$26.36	\$27	\$3.32	\$38.32
0.75	\$26.08	\$27	\$4.14	\$39.14
0.74	\$25.80	\$27	\$4.97	\$39.97
0.73	\$25.51	\$27	\$5.80	\$40.80
0.72	\$25.23	\$27	\$6.63	\$41.63
0.71	\$24.95	\$27	\$7.46	\$42.46
0.7	\$24.66	\$27	\$8.29	\$43.29
0.69	\$24.38	\$27	\$9.12	\$44.12
0.68	\$24.10	\$27	\$9.95	\$44.95
0.67	\$23.81	\$27	\$10.78	\$45.78
0.66	\$23.53	\$27	\$11.61	\$46.61
0.65	\$23.25	\$27	\$12.43	\$47.43

The market development platform and supply agreements with fishers, were based on a benchmark exchange rate against the US Dollar of \$0.80 (Appendix 6). If the average exchange rate over a fishers contracted period of supply is above the benchmark exchange rate, the fisher must bear the difference in conversion caused by any fluctuations and their contracted price per kilogram would be adjusted accordingly.

If the average exchange rate is below the benchmark, any surplus revenue generated as a result is held and paid out to all fishers, on a pro-rata per kilogram basis, at the end of each financial year via a 'premium payment'.

The exchange rate varied from around \$0.77 prior to implementation to in excess of \$0.83 to the end of May 2007. The resultant exchange rate payment will be determined at June 30th and it should be noted that a further margin to \$0.84 was built into the chain cost, as a buffer aimed at ensuring the contract price was achieved.

The critical issue gleaned during start up is that should the exchange rate exceed the budgeted chain allowance, then fisher payments will need to be adjusted downwards.

The viability of the chain is dependent on supply and fisher commitment will in the end be driven by price achieved against supplying alternative markets. A movement of a further 5c upwards in the dollar would see the payment to fishers equal with a current beach price.

Additional exchange rate movement above \$0.89 will challenge returns and see supply withdrawn thereby threatening the long term viability of the platform. This is an immediate threat requiring management action.

Lobster mortality

A mechanism for risk mitigation against lobster mortality was also built into the supply agreement put in place with fishers. An allowance of 7.5% mortality was costed into the sell price for the product to the market i.e. if a fisher incurred exactly 7.5% mortality along the chain, they would still receive the supply rate as detailed in their supply agreement.

If their mortality was below 7.5% the difference up to that point would be 'added' to their contracted supply rate i.e. a fisher with 0% mortality would receive an additional 7.5% on top of their contracted supply rate per kg. If a fisher exceeded 7.5% their supply rate would be negatively adjusted to reflect the percentage mortality above the allowance.

At times there were additional losses in the order of 15% associated with start up which were outside the control of the fisher and these are included as project costs. These losses were primarily due to the exceptional need when starting up such program of ensuring high levels of stock to meet unknown market demand.

The demand that eventuated was at about 25% of anticipated and hence stock initially was held in all locations for period that resulted in extra ordinary losses. The stock holding strategy was subsequently adjusted to more closely align stock to sales.

The losses were exacerbated by the "newness" of the entire chain, with new chain partners not with a full understanding of each others detailed operating systems, new equipment including tanks in the USA and the traceability handling requirements. These issues took several months to overcome and further improvement throughout the entire chain is needed.

Contracts post start up for 2007-08 will be adjusted to include a higher allowance for mortalities to further mitigate this risk. In addition the planned project FRDC 2006/214 will deal with operational issues through the chain aiming to increase survivability.

Mortality and downgrade management and minimisation remains a major management issue beyond start up.

Water loss

The strategy to deal water loss was based on the same principles as for mortality. The allowance costed into the sell price for the product for water loss was 2.5%. This has not proven to be an issue.

Transit issues

Given the business structure of the platform, there was additional risk involved for both the fisher, through maintaining product ownership through the chain, and also for SRL in being responsible for the facilitation of trade.

The movement of product along the chain was identified as an area where SRL was at an increased level of risk / liability in the event of any product loss.

SRL obtained transit insurance through Australian Insurance Brokers to accommodate this. SRL is now covered for any liability resulting from loss of shipments while in transit at any point along the chain. The product is also covered for a limited period of time while being held in tanks with the Consolidator. This policy provides cover to the tune of \$50,000 for product, per shipment, while in transit.

One shipment was delayed in Sydney and returned to Melbourne. The incident did not result in a claim.

Product liability issues

As above the nature of the market development program increases the level of risk attributable to the fisher because of their maintenance of ownership along the chain. In securing supply fishers were advised both verbally and in writing of this increased level of risk and many did so.

Those without product liability insurance were advised that from SRL's perspective this would be a beneficial type of cover to have should they intend to supply product under the new platform. Information was provided to all participating fishers regarding the cost of the policy, level of cover as well as a potential policy provider.

SRL established cover for any exposure it may have as the party facilitating the trade.

Supply Scheduling

It was necessary to forward schedule supply in order to confidently provide an offer to the market - it would not have been possible for SRL to facilitate trade of product for which supply and support from fishers had not been confirmed. A supply management process was developed and implemented.

Essentially, the strategy was to contract supply in excess of projected sales in order to avoid supply shortages and disappointment in the market place with fishers communicated with on a weekly, and sometimes daily basis to ensure that supply was managed to a suitable level. Considerations included market requirements, tank holding capacity both domestically and in Los Angeles as well as holding times and effects on product quality.

Fishers were at times ‘washed-out’ of contracted supply volumes in order to avoid over supply and this was carried out in an equitable fashion across all contracted fishers. Please refer to Appendix 7 for a detailed breakdown of the supply coordination process and also the documentation used to communicate with fishers regarding required supply volumes.

The support and flexibility of fishers was exceptional.

Intellectual property

The development of service agreements with the various service providers has ensured that SRL will have capacity to retain any intellectual property developed through the establishment of the platform and continue to meet the requirements of the market should service providers change.

4. Financial System

The financial system developed involves funds flow from the USA to Australia with payments to service providers and fishers. The standard MYOB accounting package with a tailored chart of accounts is used to record all transactions.

As discuss previously information collected from both the traceability and manual systems for recording lobster movements etc, underpin the financial management process. A “flow and action” process ‘USA Trade Financial Management - Flow & Actions’ was developed to guide day to day financial management activities. (Please refer to Appendix 8)

Figures 4 and 5 below show the SRL Import Platform payment system and funds flows respectively.

Figure 4: SRL Import Platform - payment system

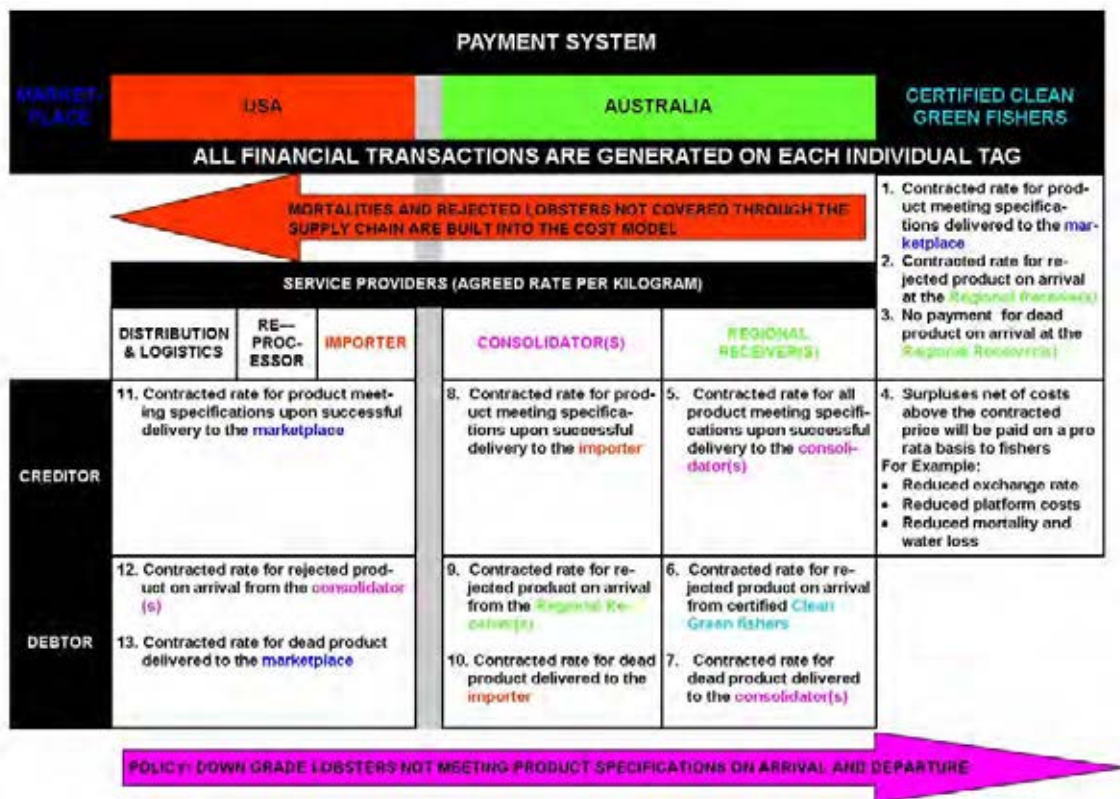
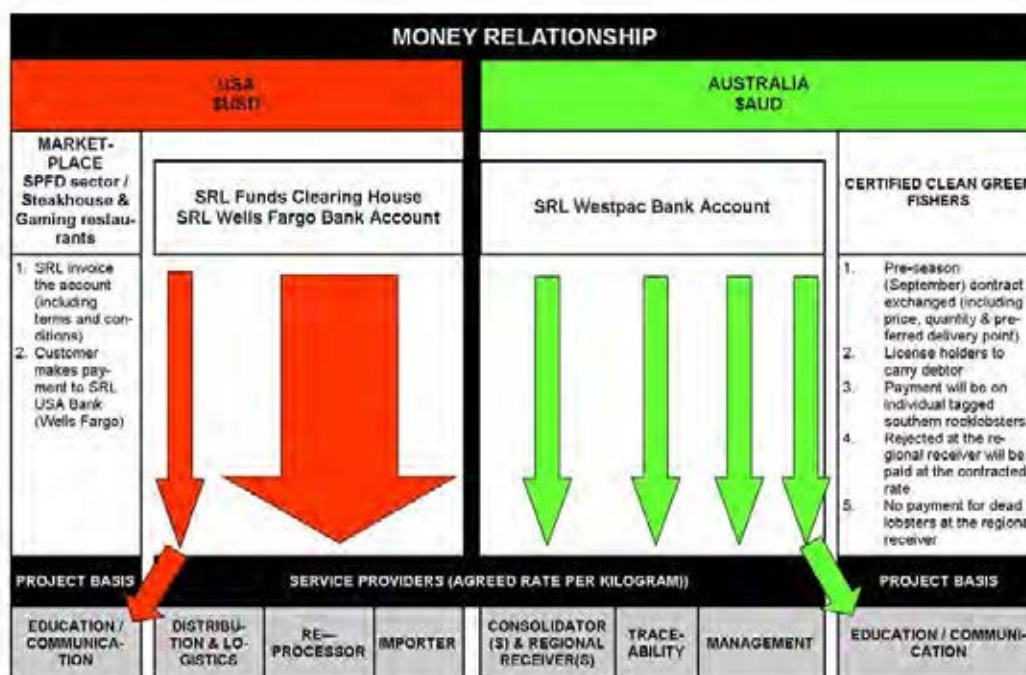


Figure 5: SRL Import Platform – Funds Flow



In summary the system is established to:

- guarantee payment from accounts in line with the Master Supply Agreement
- support fisher ownership through the chain
- integrate data collected through the supply chain to pay the fisher
- disbursement of surplus monies net of costs and the reconciliation process
- ensure payment for service provision in accordance with the contracts
- generate funds to pay for start up infra-structure over time, tag production, traceability system establishment, insurance, tanks, market development and facilitation of trade
- establish system to invoice product dispatch to accounts and collect on debtors
- establish system to ensure payment for facilitation of trade (Appendix 6)

5. SRL Business Structure

The SRL Business in relation to the Import Platform was established with the following key features:

- SRL manages the entire platform on a rate per kilo basis facilitating trade
- Fisher ownership of the product throughout the chain from the point of capture through to the point of sale.
- All legal responsibility and liability rests with the fishers.
- No legal ownership of the product at any point along the chain by SRL.
- Separate bank account to essentially function as a 'clearing house' where funds from the sale of product are received and then distributed to the fishers and all service providers.
- SRL is a company limited by guarantee and is not for profit.
- The platform returns all profits after infrastructure cost to the fishers in the form of an annual premium on a pro-rata per kg basis.

SRL is owned by the respective State licence holder organisations of Victoria, South Australia and Tasmania.

6. Communication

The establishment of the import platform was dependent on a strong communications strategy at the three levels namely: market, chain and fishers. A range of communication and education activities have been undertaken as part of the project.

The market end education and communication program is based on targeting key high profile chefs and establishments to build long term relationships and awareness within the market. The communications strategy is aimed at building a luxury image around the product and has included the following key features:

- The need to generate a message that differentiates ASR from other competing products internationally.
- Defining the ASR proposition inclusive of brand values (encompassed in the Clean Green program) and superior positioning.
- Distribution of and communication about materials such as the training materials (manuals), websites (www.southernrocklobster.com)
- Demonstration of the culinary characteristics of the product.
- Wait staff training.
- Provision of product for recipe development.
- Engagement of distributors, restaurants and chefs whenever and wherever possible.
- Direct in-market one to one communication for development of relationships.
- Customer engagement through the web site and unique tags linked to fisher and port information.

Support materials produced from the project include the following:

- Speaker PowerPoint presentation suitable for chef training;
- Instructional DVD including industry profile, dissection instructions & handling/storage instructions;
- Restaurant box wrap;
- Track & Trace web interface;
- Web site
- Media database;
- Clean Green tag and
- Food service manual

Information about the fishery, the clean environment and sustainability, history and individual Clean Green members has been included as well factual information about the product.

The Clean Green product certification program was and is central to the positioning strategy and 'building the promise' and delivering on the ultimate offer to the market. ASR has been branded as Clean Green which has served to differentiate the product in-market and ensure brand (quality) values are maintained.

Supply Chain Communication:

Communication with the chain has involved a mix of direct in factory training, telephone contact and support. In addition the SRL newsletter (FRDC 2006/215) provides additional information about the program.

On a day to day basis direct email, fax and/or telephone communication occurs dealing all service providers throughout the chain deal with supplying the platform to ensure consistent delivery, of a consistently high quality product to the market when required (Appendix 7).

Fisher Level Communication:

A communication system to ensure a direct, consistent and functional relationship between SRL and the fishers for all elements of the platform was developed - primarily this relied on one-on-one communication with individual fishers (Appendix 7).

Broader communication occurs through the newsletters (FRDC 2006/215) and a weekly facsimile update is circulated to all Clean Green participants

7. Phase 2 Platform Performance

The following reports on the performance of the Import Platform for the first 4 months of operation. A mix of technical and financial measures are reported.

Participation

Set out in Table 2 shows the breakdown of participation and tonnes received by State. To the end of April 5967.5 kilograms had been received from 72 participants.

Table 2 – Platform Participation and Stock Receival²

Item	SA	TAS	VIC	Regional / Consolidator	Totals
Total number of Tags issued	6130	3360	0	1263	10753
Fisher Participants	55	16	0		72
Stock Receival	5351.08	616.42	0		5967.5
% receival	90%	10%	0%		100%

Please note: stock on hand as at 30th April, 2007 was 580.4kg.

Downgrades and mortalities

Table 3 provides a breakdown of the performance of the animals through the chain by level in terms of failure to meet Clean Green specifications. A key finding is that the over the first four months the mortalities increased as the lobster moved through the chain.

An operational objective has been to downgrade heavily in order to avoid such losses as the cost. The cost of a mortality increases the further down the chain the animal progresses. Improving performance in this area will be essential and FRDC 2006/214 needs to focus on achieving substantial mortality reductions in this chain.

It should be noted that of mortalities where high in the first 2 months of operation and the levels have decreased with time.

Table 3 – Product Chain Performance

Chain Level/Performance	Downgrades	Mortalities
Regional Receivers	446	38
Consolidator	227	156
Importer Distributor	242.12	248.15
Totals	915.12	442.15

² Results for end of 30th April, 2007

Sales Analysis

The total volume of sales through the platform to the end of April has been 3,941 kilogram at an averaged of approximately 250 kilograms per week. This has been achieved with 26% and 74% to the domestic and USA markets respectively.

Prices

The selling prices has been around \$57/kg domestic and \$78/kilogram in the USA and with downgraded product included, the average return has been \$61.94. The fishers have averaged around \$33.55/kilogram at the beach across all lobster delivered which represents an increase on the previous season in the order of 40%.

Returns

The direct returns from the Import Platform have been measured in line with normal accounting practices. Total income received through the platform has been \$303,659.29 with expenses of \$298,201.43. The return to end of April is estimated at \$5,457.86.

Annualised return assuming no change in volumes for the balance of the year is estimated at \$20,272 and when combined with the capital costs to establish the infrastructure was \$314,000 (\$44k tanks and \$270k traceability), produces a return of 6.5%.

It should be noted that any surplus returns above the amounts required to fund infrastructure will be return to fishers on a pro rata basis. The Import Platform unaudited profit and loss and balance sheet to the end of April are presented in Appendix 9.

Chain Costs

The chain costs to the end of April based on all kilograms delivered are shown in Table 4. These are derived from the profit and loss and balance sheet, start up insurance payments and receival records.

Table 4 – Chain Returns and Costs

Item	Amount	/kg
Price	\$300,785	\$61.94
Fisher	\$180,729	\$33.55
Regional Receiver	\$28,173	\$4.72
Consolidator	\$18,269	\$4.64
Freight	\$23,502	\$5.96
USA Importer	\$17,519	\$3.33
Account Management	\$20,727	\$5.26
Bank	\$450	\$0.11
Depreciation	\$1,468	\$0.37
Marketing	\$3,593	\$0.91
Market Developer	\$898	\$0.23
Tanks	\$4,268	\$1.08
Traceability	\$3,953	\$1.00
Insurance	\$12,865	\$3.26

Program Costs

The total costs of all elements of the program are shown in Table 5. It is estimated that approximately \$1,900,000 has been invested in developing the Clean Green Program and Traceability system and further \$314,000 on infrastructure to support the USA component of the market development program.

It is neither sensible nor possible to apportion these costs to the USA as various elements, in particular the Clean Program were not necessarily developed to as a tool to develop the USA market. In addition the investment in the traceability system is a long term one which in time has the potential to accommodate the entire harvest and numerous end markets.

Table 5 – Program Costs

Program Element	Approximate Amount
Clean Green research '97- 98 research	\$150,000
Clean Green Training Materials	\$81,000
Clean Green Training & Initial Audit	\$480,000
Traceability Vic DPI	\$250,000
Traceability SSA	\$30,000
Chain development – DAFF	\$350,000
Market Research - FRDC	\$250,000
Platform Implementation – FRDC	\$309,000
Total R&D	\$1,900,000
Infrastructure - Tanks	\$44,000
Infrastructure - Traceability System	\$270,000
Total Infrastructure	\$314,000
Total Program Development Costs	\$2,214,000

Benefits

The benefits from the project can be classified as follows;

- Increased price - Demand and supply impacts
- Reduced high grading (returning larger lobsters to the water)
- Market Diversification
- Culture change – commodity to product
- Unification of the industry

Increased price for larger animals

Through the market development platform the fishermen have achieved a fixed price of \$35 per kg (across the 5 Australian Southern Rocklobster fisheries) for the larger animals, initially targeting those in the 2 - 3kg range. Historically these fish represent the lower value portion of the catch as a result of the Asian market's preference for smaller, redder fish and the price achieve represents a 40% premium above the previous season's price.

Depending on port of landing and subsequent freight expenses SRL has been able to offer fishers a price of between \$32/kg and \$36.50/kg for these fish. A portion of smaller Clean Green fish i.e. 600 - 800grams have also been traded under the program and have resulted in a price to the fisher of up to \$50/kg.

While, at times of high market demand, these prices may be matched or bettered in current markets, on average they provide a higher return alternative for catchers willing to contribute the larger sized portion of their catch to the program.

The benefit of the program, in terms of price, has occurred from two different economic forces. Firstly, the price has been improved through higher demand from an increased customer base and secondly, reduction in supply to the current markets.

Overall the price in 2006/07 season across the Southern Rocklobster fishery has improved by an estimated 20%, which the SRL program has had contributed to in some way.

Reduced high grading

The increased dollar return for larger animals also has the potential to negate other issues currently affecting various sectors within the ASR industry.

At various catching locations 'high-grading' presents as a serious issue facing industry. High-grading is the practice of fishers returning larger, lower value animals back to the sea so that they are not deducted from their quota. This has the potential to adversely affect size / age distributions amongst lobster stocks. Fishers then have to exert further fishing effort (time, fuel etc) in order to catch the higher value smaller fish and fill their quota. The retention of larger animals by fishers provides the potential to enhance fishing efficiency and lower costs.

Inshore fishing pressure is another relevant issue which may be relieved via fishers receiving a higher price for larger animals. The smaller, traditionally higher value, animals are generally caught on inshore fishing grounds. As a result these areas experience greater fishing pressure as fishers attempt to generate the highest return possible from their quota allocation. This has the potential to result in localised stock depletion.

Increasing the attractiveness of retaining larger fish, generally caught in deeper offshore grounds, to catchers may assist in alleviating this problem also.

Establishment of alternative markets

The current industry is dominated by export markets over domestic markets. Specifically an estimated 90% of the harvest is exported to Hong Kong. This exposes the industry to market disruptions e.g. SARS. Until now, the industry has not had a market diversification strategy to buffer these impacts.

The development of the USA import platform provides an alternative to Asia and an opportunity to reduce the risks associated with the industry's dependence on a single market.

Culture change

The shift by industry to position Australian Southern Rocklobster under a registered trade mark has created capacity and understanding to operate to best practice and think more strategically. This culture change has built industry's capacity and places the industry in a good position to trade outside current markets Asian markets.

Unification of the industry

Until recently, each State industry operated independently as it was not in the interest of the individual State industries to fund national initiatives where all participants in the supply chain across the species stand to benefit. Southern Rocklobster Limited was established in February 2004 to:

- Assist the Southern Rocklobster Fisheries in South Australia, Victoria and Tasmania to value-add and market Southern Rocklobster in such a way that members' practices and product are recognised as the best in the world;
- Maximise economic and social rewards for its members, communities and Australia; and
- Cooperatively identify and achieve objectives of mutual benefit to its members.

The establishment of the market development platform into the USA has achieved against each of these objectives at the national level.

Further Developments

Southern Rocklobster has undertaken the following steps to develop markets;

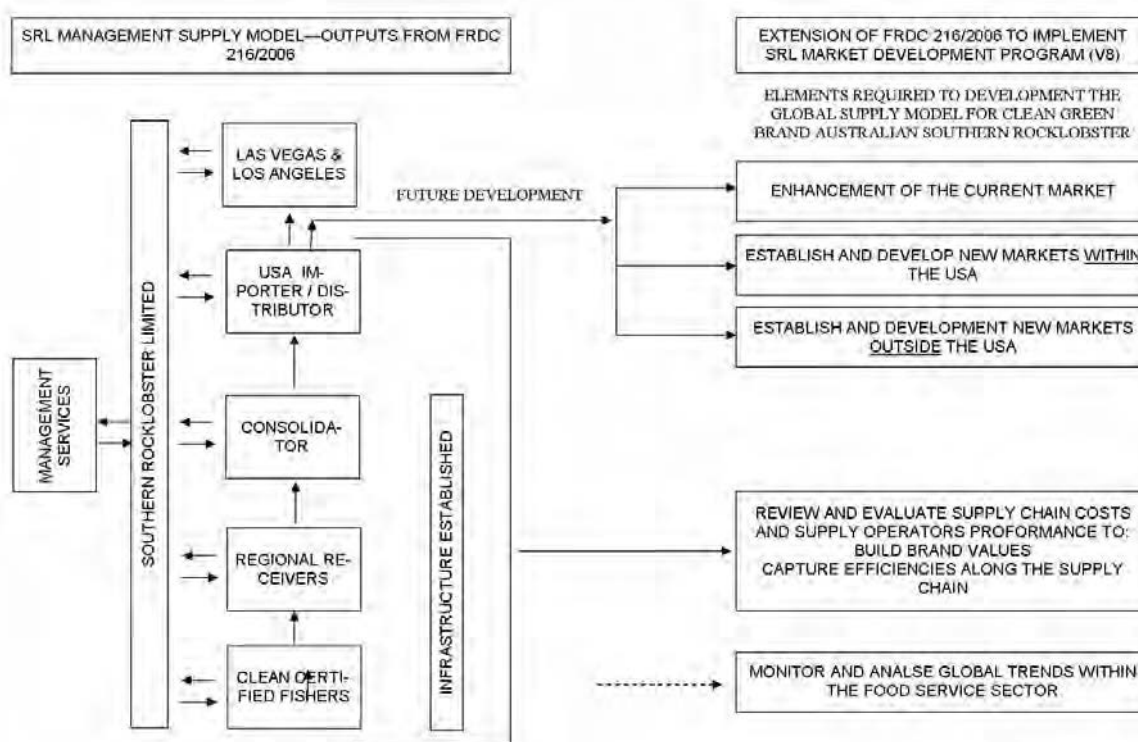
- Market Research conducted by Australian Business Limited – to identify the opportunity in the USA;
- Establishment of the Market Development Program (V8);
- Conducted product trials to test logistic systems (supply chain partners) and culinary capability of the product;
- Designed an implementation program; and
- Developed and established the USA Import Platform to enable trade of Certified Clean Green Australian Southern Rocklobster.

The research and development activity completed by SRL has made a start at establishing a new market for premium branded Certified Clean Green Australian Southern Rocklobster. It has established the tools, structure and programs to establish the import platform in the USA. The supply component to the point of export is complete and only minor fine tuning is anticipated as the import platform is expanded to new markets.

To achieve the over arching outcomes of the Market Development Program (V8) additional investment in research and development is required to enhance volumes with the current accounts, expand the model within new regions in the USA and in other countries.

The future developments required to establish the global supply chain model is best depicted in Figure 6.

Figure 6 Future Development Requirements



Future development elements:

1. Identify and trial mechanisms to enhance increased volumes of sales within the current accounts.
 2. Establish and implement the platform in new markets outside the geographical locations (outside of the USA West Coast market) already established.
 3. Development risk mitigation strategies for:
 - Establishing suitable cash flow support to fund up-front costs;
 - Review supply chain costs and establish efficiencies in the chain;
 - Secure supply chain partners commitment to market development program through additional support and
 - Deal with exchange rate and mortality risk.
 4. Establish and implement SRL management model globally i.e. additional international market alternatives.
 5. Continue development of the traceability solution for live Australian Southern Rocklobster, this includes;
 - A practical and cost effective horn-tag applicator for implementation at the fisher level.
 - The traceability hardware, software and database to provide accurate recording of information along the chain to provide accurate reports on;
 - Stock quantities for each at locations along the chain
 - Mortalities and downgrades
 - Transfer of stock and
 - Sales and payment schedules.
 6. Establishment of a procedure to determine / forecast market volume and potential fluctuations.
 7. Development of alternative (more effective) in-market product differentiation strategies.
 8. Develop a database of key market influencers and a mechanism to monitor changes within the market.
 9. Further develop market opportunities for ASR outside of the USA West Coast market.
-

Planned outcomes

The main outcome planned from the project was the development of an import platform that would allow trade to successfully occur into the SPFD sector in the USA. This has occurred.

Improvement in short term returns was a further key outcome and the project has contributed to returns for the lower value part of the catch increasing by 40% up to \$35/kilogram for the animals traded through the platform.

In the long term increasing returns across the entire chain is the ultimate objective of the market development activity. It can be reported that in the 2006-07 season to date returns are estimated to have increased by around 20%. The establishment of the platform has contributed to this improvement although it is difficult to quantify.

The market development program has generated higher returns for the industry and this will have positive flow on multiplier employment and wealth generation impacts in regional communities throughout coastal Southern Australia.

Conclusion

The SRL managed Import Platform has been created and the supply chain (fisher direct supply program) has been trialled within Australia and USA.

The SRL management model, based on service providers, contracted supply and direct distribution to the end user (Food Service Sector) has been shown to deliver increased beach price and financial return to Australia.

The SRL management model provides the industry with a mechanism to position and build demand, based on a recognisable brand, of Australian Southern Rocklobster as the finest in the world.

The new supply chain model remains subject to external risks, with the key one being the exchange rate. SRL does not have funds to invest in currency hedging activities.

The performance of the new supply chain has been assessed against the current model (ownership change along the supply chain).

The assessment has identified:

- 6.5% return on direct capital costs required for start-up
- 23% downgrades and mortality and
- Supply chain costs exceeded budget costs.

Creating and developing a new supply chain has been extremely difficult and requires significant resources. Without collective investment across the industry to fund the start-up and the small business nature of the export sector, it is highly unlikely the investment in developing new markets would have occurred.

The new supply chain model has contributed to the outcomes of the project by way of increased returns.

Additional investment in the market development program, the import platform and supply chain tools is recommended, along with management action to deal with the risks identified.

References

ABARE, *Australian Fisheries Statistics*, 2004.

Casey E. Bean, Adam Branson, *GAIN Report – China Fishery products Situation 2004*, USDA Foreign Agriculture Service, 2004.

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Fisheries Research and Development Corporation Project No: 2004/251, *Identification of New Market Opportunities for Southern Rocklobster*, Final Report 2005.

Fisheries Research and Development Corporation (FRDC) Project No: 2006/216, *Development of supply chain, distribution and communication tools to support entry of Australian Southern Rocklobster into the Super-Premium-Fine-Dining sector in the USA*, Draft Report 2006.

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FRDC Project No: 2004/216 - *Extending innovation in integrated environment and product management: implementation of value chain management and traceability in the Australian Southern Rocklobster Industry*.

Appendices 1- 9 (REFER CRC 2007/704 APPENDICES)

**Implement & Establish the USA Market
Development Platform to Enable Trade of
Certified Clean Green Australian Southern
Rocklobster -**

Extension of FRDC Project 2006/216

The report provides information strictly confidential to the participants in the platform and is not for distribution without approval of SRL.

Mr Matthew Muggleton



Australian Government

**Fisheries Research and
Development Corporation**

APPENDIX 10: PARTICIPANT CONTRACTS / AGREEMENTS

1. Master Supply and Facilitation Agreement
2. Regional Receiver Service Agreement
3. Consolidator Service Agreement
4. USA Importer/Distributor Service Agreement
5. Purchase Agreement between Sea Water Visions, Pacific Pride Seafood and Southern Rocklobster Limited
6. Tag Agreement
7. Purchase and Licence Agreement between SASTEK Pty Ltd and Southern Rocklobster Limited
8. Management Agreement
9. Market Development Service Agreement
10. Master Supply Agreement

MASTER SUPPLY AND FACILITATION AGREEMENT

PARTIES

The parties to this master supply and facilitation agreement including all annexures as may be amended from time to time ("**Agreement**") are:

Southern Rocklobster Limited ACN 108 116 847
Level 1
16 Unley Road
UNLEY SA 5061
("**SRL**")

and

The person specified in item 1
("**Seller**")

PURPOSE OF AGREEMENT

This Agreement relates to the supply by the Seller of goods specified in Item 2 that conform to the specifications specified in Item 3 during the period specified in Item 4 at the rates specified in Item 5 and the facilitation of such supply by SRL ("**Supply and Facilitation**").

DETAILS OF SUPPLY AND FACILITATION

Item 1 – Seller Details

NAME	
TRADING NAME	
ABN	
CLEAN GREEN CERTIFICATION NO (Office use only)	
LICENCE NO / REGISTRATION NO	
ADDRESS	
HOME PHONE	
MOBILE PHONE	
FACSIMILE	
EMAIL	

Item 2 – Description of Goods

Live Southern Rocklobster (*Jasus edwardsii*)

Item 3 – Specifications

QUANTITY (minimum 250kg – enter amount in the box on the right)		Kilograms
QUALITY	Refer to attached Product specifications ¹	
DELIVERY POINT	Please notify of your delivery ports (Please document all ports)	
Tasmania – mainland		
Tasmania – King Island		
Victoria		
Southern Zone – all ports		
Northern Zone – Kangaroo Island		
Northern Zone – Yorke Peninsula		
Northern Zone – Port Lincoln / Coffin Bay		
Northern Zone – West Coast		

Item 4 – Supply Period

Consistent supply of product is essential for success of the whole program and your assistance is required to schedule supply across the supply period to meet the market requirements.

SRL will be in contact with you to negotiate your supply period for your fishing season.

For start-up SRL will require approximately 3200kg of Southern Rocklobster per month across Southern Australia, based on the shipment of 1AV per week.

June is traditionally a very low supply period and therefore SRL will aim to capture more supply in the month of May and hold this product to guarantee supply in June. Can you please indicate if you are willing to catch extra product in May and hold this over into June.

Prepared to catch rocklobster in May that will be sold in June	
YES	NO

¹ The specifications may be altered in accordance with marketplace requirements as notified in writing by SRL

Item 5 – Rates²

Rates	Delivery Point	\$ per kg
Supply rate - lobster meeting the specifications	Tasmania – mainland	\$35
	Tasmania – King Island	\$38
	Victoria	\$36
	Southern Zone – all ports	\$35
	Northern Zone – Kangaroo Island	\$34
	Northern Zone – Yorke Peninsula	\$34
	Northern Zone – Port Lincoln / Coffin Bay	\$32
	Northern Zone – West Coast	\$31.5
Down Graded Rate -1) Less than 3 legs (not in a row) missing, but still in good health	Beach price (will confirmed at point of delivery)	
Down Graded Rate – 2) lethargic and going to die	\$20 per kg	
Mortalities	No payment at the Regional Receiver (local processor).	

Item 6 – Special Conditions

The parties acknowledge that in order to deliver Goods to fulfil the requirements of the Delivery Order, the Seller may require more than one delivery. SRL will provide confirmation of each delivery to fulfil the Delivery Order.

The parties acknowledge that as the program expands and additional quantities of goods (rocklobster) are required, the seller who committed goods in the first call (this contract), will be given first right to supply additional quantities of goods and renewal for the next supply period.

SRL can not commit to take supply from the seller at the contracted rate if there is less than 1 AV (approximately 780kg) of goods being supplied to a delivery point (specified in item 3).

SELLER ACCEPTANCE

The Seller acknowledges and agrees that upon execution of this Agreement by the Seller:

1. the terms and conditions attached to this Agreement as Annexure A (“**Terms and Conditions**”) (a receipt of a copy of which is hereby acknowledged) shall apply to all transactions and dealings between the Seller and SRL in respect of and in connection with the Supply and Facilitation; and
2. the Seller shall be bound by such Terms and Conditions.

Signed as an agreement

Seller
Dated:

SRL by its Authorised Representative
Dated:

² The Rates for product meeting specifications are the minimum amounts and these will be subject to variations on the market.

ANNEXURE A

TERMS AND CONDITIONS TO MASTER SUPPLY AND FACILITATION AGREEMENT

1. TERMS AND CONDITIONS

These Terms and Conditions are the terms governing the master agreement (**Agreement**) between Southern Rocklobster Limited ACN 108 116 847 (“**SRL**”) and the person specified in Item 1 of the Agreement (**Seller**) and shall be incorporated by reference, deemed part of, and govern all Delivery Orders and all matters for the supply of the goods specified in Item 2 of the Agreement (“**Goods**”) between SRL and the Seller.

2. INTERPRETATION AND DEFINITIONS

In these Terms and Conditions, unless the context otherwise requires:

“**Agreement**” means the master supply and facilitation agreement between SRL and the Seller to which these Terms and Conditions are annexed;

“**ABN**” means an Australian Business Number;

“**AUD**” means the lawful currency in Australia;

“**Benchmark Exchange Rate**” means the Exchange Rate of \$0.80;

“**Business Day**” means a day on which trading banks are open for business in Adelaide, but does not include a Saturday, Sunday or public holiday;

“**Buy Order**” means an order for Goods received by SRL from a Buyer;

“**Buyer**” means any person situated in the Territory who places a Buy Order;

“**CAB**” means a conformance assessment body accredited to perform a certification audit in relation to the Clean Green Certification Scheme;

“**Certification**” means a certification granted by a CAB under the Clean Green Certification Scheme;

“**Certified Supplier**” means a person who holds a current Certification;

“**clause**” means a reference to a clause in these Terms and Conditions;

“**Clean Green Certification Scheme**” means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfied the Clean Green Standard;

“**Clean Green Standard**” means the applicable set of standards used for the Clean Green Certification Scheme which sets the benchmark for Certification;

“Completion of Trade” means the date SRL receives payment from the Buyer in respect of a Buy Order;

“Delivery Date” means the date or period of delivery requested by SRL for delivery of Goods in a Delivery Order;

“Delivery Order” means an order from SRL duly signed by its authorised representative for the supply of Goods resulting from Buy Orders in substantially the same form as the proforma attached to the Agreement as Annexure B;

“Delivery Point” means the point of delivery of Goods specified in a Delivery Order;

“Delivery Record” has the meaning given to that term in clause 6.4;

“Down Graded Goods” means Goods that do not meet the Specifications but are not Mortalities;

“Down Graded Rate” means the rate per kilogram for Down Graded Goods specified in Item 5 of the Agreement as may be varied under clause 9.3;

“Exchange Rate” means the price of USD expressed in terms of AUD;

“GST” means any tax in the nature of a tax on, or on the supply of goods, real property, services or any other value added tax or other government tax or impost whether Federal, State or Local ever levied, imposed, assessed or becoming payable during the term of this Agreement other than interest, fine penalty or other amount imposed on or in respect of the above and including any tax arising pursuant to or as a consequence of the GST Act;

“GST Act” means the *A New Tax System (Goods and Services Tax) Act 1999* and associated legislation;

“Initial Supply Period” means the Supply Period which falls in the calendar year in which this Agreement was executed by the Seller;

“Mortalities” means Goods that are dead on arrival to a Recipient;

“Qualifying Goods” means Goods that meet the Specifications;

“Rates” means the Supply Rate and the Down Graded Rate;

“Recipient” means a person appointed by SRL to receive, handle and transport the Goods to facilitate the Trade and includes the Buyer;

“Specifications” means the specifications as to the quality of Goods to be supplied pursuant to this Agreement as set out in Item 3 of the Agreement and otherwise which conform to the Clean Green Standard;

“Supply Period” means the periods specified in Item 4 of the Agreement applicable in respect of each calendar year during which SRL may issue to the Seller Delivery Orders in accordance with these Terms and Conditions;

“Supply Rate” means the rate per kilogram for Qualifying Goods specified in Item 5 of the Agreement as may be varied in accordance with clause 9.2 of and reviewed under clause 9.3;

“**Territory**” means the USA and any other region nominated by SRL;

“**Trade**” means the sale by the Seller of Qualifying Goods arising from Buy Orders and the completion of which is facilitated by SRL pursuant to a Delivery Order in accordance with these Terms and Conditions;

“**USA**” means the United States of America;

“**USA Supply Price**” means the price payable by the Buyer to SRL for Qualifying Goods the subject of a Buy Order quoted in USD;

“**USD**” means the lawful currency of USA.

3. **ACKNOWLEDGEMENT**

3.1 The Seller acknowledges that:

3.1.1 SRL proposes to enter into contracts with Buyers for the supply of Goods but has no obligation to do so; and

3.1.2 under those contracts SRL will at its discretion charge the Buyer a USA Supply Price based on the Benchmark Exchange Rate to enable it to meet the costs of completing the Trade.

3.2 On the basis of clause 3.1, the Seller agrees that:

3.2.1 the Seller is bound at the time of the Trade by this Agreement;

3.2.2 the other party to the Trade will rely on the Seller being bound by this Agreement; and

3.2.3 SRL does not function as either buyer or seller of the Goods and is merely a facilitator of the Trade.

4. **DELIVERY ORDERS AND FACILITATION OF TRADE**

4.1 The Seller agrees to supply SRL with Goods set out in Delivery Orders issued by SRL from time to time during the Supply Period and expressly accepted by the Seller by virtue of this Agreement.

4.2 Notwithstanding the terms of any Delivery Order submitted by SRL, the Seller acknowledges and agrees that these Terms and Conditions will govern the supply of Goods to SRL, and in the event of any inconsistency or conflict between the terms of any Delivery Order or any other communication between the Seller and SRL and these Terms and Conditions, these Terms and Conditions will prevail.

4.3 SRL will use its best endeavours to promote sales of Goods in the Territory to generate Buy Orders. However, this obligation will not:

4.3.1 restrict SRL’s right to place a Delivery Order with any other Certified Supplier of Goods;

4.3.2 require SRL to deal with and take responsibility for Goods which have been not been supplied by the Seller pursuant to a Delivery Order; or

4.3.3 require SRL to submit any Delivery Orders to the Seller at all.

5. **SRL OBLIGATIONS**

To facilitate Trades, SRL will:

- 5.1 arrange for the:
 - 5.1.1 packaging of and secure and safe storage of Goods supplied by the Seller under this Agreement in accordance with Clean Green Standards; and
 - 5.1.2 delivery of such Goods to the Buyer through the Recipient channels;
- 5.2 establish an administrative and management process to correctly record and deal with Trades including maintaining quality procedures to allow the tracing of Goods in conjunction with the Seller and the Recipients;
- 5.3 ensure that all regulatory approvals or consents as may be required by law or by any public authority or professional association, as are necessary to allow full, lawful and effectual implementation of this Agreement and completion of Trades.

6. **FORECASTS AND DELIVERY**

- 6.1 During the Supply Period, in order to assist the Seller in meeting Delivery Orders SRL will:
 - 6.1.1 regularly monitor and review demand for the Goods within the Territory (including both existing and projected demand); and
 - 6.1.2 keep the Seller advised of the level of such existing and projected demand at such times as agreed with the Seller or when the Seller requests such information.
- 6.2 SRL will ensure that:
 - 6.2.1 Delivery Orders are placed at least 7 days prior to the time for delivery by the Seller; and
 - 6.2.2 Delivery Orders are placed at such times and for such volumes of the Goods as may be necessary in order for the Seller to be in a position to be reasonably able to meet the demand for Goods in the Territory bearing in mind lead up times and any other delays normally experienced in the filling of orders for the Goods.
- 6.3 On receipt of a Delivery Order during the Supply Period, the Seller must:
 - 6.3.1 supply Goods by the Delivery Date at the Delivery Point, unless alternative arrangements have been agreed and confirmed in writing;
 - 6.3.2 notify SRL as soon as the Seller becomes aware that delivery of Goods may be delayed and the cause and likely duration of any such delay.

- 6.4 All quantities of Goods delivered will be recorded at the delivery Point and an electronic record for each quantity of Goods will be generated (**Delivery Record**).
- 6.5 The copy of the Delivery Record generated in accordance with clause 6.4 and any other relevant documentation produced must be signed by an authorised employee of the Recipient.

7. **EXCESSIVE DELIVERY**

Where Goods delivered by the Seller exceed the specified tonnage (+/- 5%) in a Delivery Order SRL reserves the right to allocate the Goods as follows:

- 7.1 against any other existing Delivery Order;
- 7.2 reject the excess tonnage with all expenses of return being to the Seller's account; or
- 7.3 as otherwise mutually agreed.

8. **EFFECT OF DELAY OR NON-DELIVERY**

- 8.1 The Seller acknowledges the importance of complying with the delivery time table and delivery instructions specified in a Delivery Order.
- 8.2 Subject to clause 17, if the Seller cannot, for any reason, supply the Goods ordered in a Delivery Order by the Delivery Date or at all, SRL may procure the supply from any other person that quantity of Goods specified in the Delivery Order.
- 8.3 If clause 8.2 applies, the Seller must account to SRL for any difference between the cost of obtaining the Goods from a third party (plus reasonable charges, expenses or commissions incurred by SRL in connection therewith) or, in the event, that SRL cannot procure supply of the Goods at all, any costs or penalties that may be incurred by SRL arising from or in connection with the Seller's failure to deliver the Goods ordered.

9. **PRICES AND EXCHANGE RATE FLUCTUATIONS**

- 9.1 The Seller acknowledges and agrees that in respect of Goods supplied pursuant a Delivery Order, the Seller:
 - 9.1.1 will receive payment for Qualifying Goods received by the Buyer at the Supply Rate as may be varied in accordance with clause 9.2;
 - 9.1.2 will receive payment for Down Graded Goods delivered by the Seller to the Delivery Point at the Down Graded Rate; and
 - 9.1.3 will not receive any payment for any Goods which have become Mortalities at the Delivery Point.
- 9.2 If the average Exchange Rate applicable over the Supply Period is above the Benchmark Exchange Rate, the Seller must bear the difference in conversion caused by such fluctuation and the parties agree that the Supply Rate shall be adjusted in respect of the Trades made during that Supply Period for this purpose.

- 9.3 The Rates are fixed for the Initial Supply Period and may only be varied by agreement between SRL and the Seller after the expiry of the Initial Supply Period subject to clause 9.4.
- 9.4 Within three months after the expiry of a current Supply Period, SRL and the Seller will review the Rates and must determine new Rates to apply during the subsequent Supply Period.
- 9.5 Subject to clause 9.6, the Seller acknowledges and agrees that:
- 9.5.1 the Rates for the Goods are inclusive of all storage, delivery and transport costs in respect of a Trade;
 - 9.5.2 SRL is not liable to remit to or otherwise pay the Seller any other amounts other than those set out in clause 9.1; and
 - 9.5.3 the Seller is not liable to make any payments to SRL under this Agreement.
- 9.6 If SRL becomes liable to pay any levy otherwise payable by the Seller, the Seller shall immediately pay to SRL the amount of the levy including any penalty and SRL may deduct from any amount owing to the Seller any amount which it is or may become liable to pay in connection with the levy.

10. STATEMENT

- 10.1 Within 5 Business Days after delivery of Goods to the Delivery Point in accordance with a Delivery Order, SRL must render to the Seller a written statement confirming delivery of the Goods (**Order Fulfilment Statement**).
- 10.2 All Order Fulfilment Statements submitted by SRL under clause 10.1.1 must:
- 10.2.1 reference the unique Delivery Order;
 - 10.2.2 specify the quantity of Goods delivered;
 - 10.2.3 specify the quantity of Down Graded Goods as evidenced by the Delivery Record;
 - 10.2.4 specify the quantity of Mortalities as evidenced by the Delivery Record;
 - 10.2.5 specify the Delivery Date and the location of the Delivery Point.
- 10.3 Within 7 Business Days of receipt of payment from the Buyer of Goods in respect of a Trade, SRL will provide to the Seller written confirmation that the Delivery Order has been fulfilled (**Final Statement**).
- 10.4 The Final Statement submitted to the Seller under clause 10.3 must:
- 10.4.1 reference the unique Delivery Order;
 - 10.4.2 specify the quantity of Qualifying Goods;
 - 10.4.3 specify the Supply Rate;

- 10.4.4 specify the total amount payable for the Qualifying Goods;
 - 10.4.5 specify separately the GST amount payable;
 - 10.4.6 include the Seller's ABN; and
 - 10.4.7 otherwise conform to the requirements of clause 18.4.
- 10.5 The Seller acknowledges the statement procedures set out in this clause 10 in respect of all Delivery Orders issued under this Agreement unless the Seller receives written notification from SRL of alternative procedures set by SRL at its absolute discretion.

11. PAYMENT

- 11.1 SRL must pay to the Seller the total amount receivable at the time the Final Statement is issued.
- 11.2 For the avoidance of doubt, the Seller acknowledges and agrees that:
- 11.2.1 the Seller will not receive any payment for Goods supplied above the 7.5% mortality rate and/or 2.5% weight loss;
 - 11.2.2 all Down Graded Goods will be purchased by the receiver of the Down Graded Goods at the Down Graded Rate; and
 - 11.2.3 the Seller will bear exchange fluctuations in accordance with clause 9.2.
- 11.3 In addition to payments made under clause 11.1 and subject to clause 11.4, SRL will pay the Seller a premium payment which will be calculated as at 30th June in each year (**Premium Payment**) and such payment will be made no later than 31st October in each year.
- 11.4 The Premium Payment will be:
- (a) made in any year in which there is a surplus net of costs borne by SRL in respect of the supply of Goods to the Territory facilitated by SRL (**Surplus**);
 - (b) distributed back to those sellers of such Goods in proportion to the quantities of Goods supplied by such sellers
- 11.5 By way of example, a Surplus will be calculated on the basis of the following principles (but not limited to):
- 11.5.1 reduced average exchange rate below the Benchmark Exchange Rate over the Supply Period;
 - 11.5.2 reduced mortality and water loss calculated and applicable for the Supply Period;
 - 11.5.3 reduced supply costs as a result of SRL's facilitation of the supply of Goods to the Territory;

11.5.4 increases in the selling price of Goods to the Buyer during the Supply Period; and

11.5.5 taking into account all costs incurred by SRL in respect of and in connection with Trades made during the Supply Period.

12. **OWNERSHIP AND RISK**

12.1 Subject to clause 12.2:

12.1.1 the title to Qualifying Goods will not pass to a Buyer until all money owing by the Buyer to SRL pursuant to the relevant Buy Order has been received in full by SRL; and

12.1.2 the Seller bears the risk of loss or damage to Qualifying Goods until the receipt of such Goods by the Buyer.

12.2 The risk in and title to Down Graded Goods shall pass to a Recipient upon delivery of the Down Graded Goods to the Recipient.

12.3 Where SRL is in actual or constructive possession of the Goods for the purposes of carrying out its obligations under this Agreement:

12.3.1 SRL will not deliver them or any document of title to the Goods to any person that is not a Recipient or the Buyer of the Goods; and

12.3.2 it is in possession of those Goods as a bailee of those Goods and owes the Seller the duties and liabilities if a bailee except as otherwise specified in this Agreement.

12.4 The Seller shall be responsible for insuring to its full insurance value Goods supplied under a Delivery Order against loss or damage and against all usual and reasonably foreseeable risks to the full insurable value of such Goods until such time title passes to the Buyer or the Recipient (as the case may be).

13. **WARRANTY AND INDEMNITY**

13.1 The Seller warrants that Goods supplied pursuant to a Delivery Order are not subject to any mortgage, lien, encumbrance or charge whatsoever.

13.2 The Seller shall indemnify and keep indemnified SRL against any claim or demand by any person claiming an interest in Goods supplied by the Seller pursuant to a Delivery Order.

14. **TERM AND TERMINATION**

14.1 Subject to clause 14.2, this Agreement commences on the date the Seller signs these Terms and Conditions ("**Commencement Date**") and is automatically renewed on the anniversary of the Commencement Date each year unless terminated by either the Seller or SRL providing at least 30 days notice prior to the annual anniversary.

14.2 This Agreement will immediately terminate if:

14.2.1 either party materially breaches any terms or conditions of this agreement and does not remedy that breach within 7 Business Days of receiving written notice to do so;

14.2.2 either party ceases, or threatens to cease, to carry on business.

14.3 Upon termination of this Agreement, the Seller still has an obligation to supply all Goods the subject of outstanding Delivery Orders issued by SRL prior to the date of termination.

15. **RELATIONSHIP OF PARTIES**

Each party is an independent contractor. This Agreement does not create any partnership or joint venture between the parties and neither party has authority to represent or bind the other party except as expressly authorised under this agreement.

16. **ASSIGNMENT**

16.1 SRL may assign this Agreement or all or any of its rights and obligations hereunder to any related body corporate or to any entity that succeeds to all or part of SRL's business or assets.

16.2 The Seller may not assign or otherwise transfer this Agreement or all or any of its rights and obligations hereunder without the prior written consent of SRL.

17. **FORCE MAJEURE**

A party will not be liable for any delay un performing any of its obligations under this Agreement if such delay is caused by circumstances beyond its reasonable control (including, without limitation, acts of God, civil or military authority, accidents, earthquakes, strikes, the elements, fire, flood, tempest and war) and it will be entitled to a reasonable extension of time for the performance of such obligations.

18. **GST**

18.1 In this clause, a word or expression defined in the GST Act has the meaning given to it in that Act.

18.2 SRL, on behalf of the seller, must provide a recipient created tax invoice (**RCTI**) (in accordance with the requirements of the GST Act) in respect of any supply made under or in connection with this Agreement.

18.3 The RCTI must clearly state:

18.3.1 the words 'recipient created tax invoice';

18.3.2 SRL's ABN;

18.3.3 the Seller's ABN; and

18.3.4 all of the information required for a tax invoice under the GST Act.

18.4 The parties acknowledge and agree that:

18.4.1 SRL will issue tax invoices in respect of supplies;

- 18.4.2 the Seller acknowledges that the Seller is registered for GST when the Seller enters into this Agreement and that the Seller will notify SRL if the Seller ceases to be registered for GST;
- 18.4.3 SRL acknowledge that it is registered for GST when it entered into this Agreement and SRL will notify the Seller if SRL ceases to be registered for GST; and
- 18.4.4 SRL must not issue a document that would otherwise be an RCTI, on or after the date when SRL or the Seller has failed to comply with any of the requirements listed in this clause 18.4.

19. NOTICES

All notices which are required to be given under this agreement must be in writing and must be sent to the Seller's address set out in Item 1 of the Agreement or such other address as the Seller may designate by notice in accordance with the provision of this clause. Any such notice may be delivered personally by pre-paid letter, by email or facsimile transmission and will be deemed to have been served if by hand when delivered, if by post 48 hours after posting and if by email or facsimile transmission when despatched.

20. ENTIRE AGREEMENT

These Terms and Conditions constitute the whole agreement between SRL and the Seller. No variations, additions or supplementary terms shall be imported into this Agreement unless in writing and signed by the parties.

21. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the law in force in South Australia and all disputes arising in connection with this agreement will be submitted to the jurisdiction of the South Australian courts.

22. SPECIAL CONDITIONS

The conditions specified in Item 6 of the Agreement shall prevail over any provision of these Terms and Conditions to the extent of any inconsistency.

**ANNEXURE B
PRO FORMA DELIVERY ORDER**

SELLER:					
Clean Green Certification No.					
Address:					
Contact:					
Fax:					
Phone:					
Mobile:					
Email:					
Registered for GST		YES	NO		
Proceeds	Trading Name		ABN	GST	Percent (%)
ORDER NO:					
ORDER DATE:					
GOODS:					
QUALITY:					
QUANTITY:					
PRICE:					
DELIVERY:					
PAYMENT:					
INSURANCE:					
DELIVERY PERIOD:		Start date	End date		
SPECIAL CONDITIONS:					
TERMS & CONDITIONS:					
SIGNED					

REGIONAL RECEIVER SERVICE AGREEMENT

PARTIES

The parties to this service agreement including all annexures as may be amended from time to time ("**Agreement**") are:

Southern Rocklobster Limited ACN 108 116 847
Level 1
16 Unley Road
UNLEY SA 5061
("**SRL**")

and

The person specified in item 1
("**Service Provider**")

PURPOSE OF AGREEMENT

This Agreement relates to the services by the Service Provider of goods specified in Item 2 that conform to the specifications specified in Item 3 at the rates specified in Item 4 during the service period specified in Item 5 and satisfy special conditions in Item 6.

Item 1 – Details of Regional Receiver

Trading Name: Stanke Ociana Seafood

Company Number: 86993240011

AQIS Number: 943

USFDA Certification Number:

Address: Factory 953, Foreshore Carpenter Rocks SA 5291

Home Phone: +61 8 8738 0088

Mobile Phone: 0417 878 440

Facsimile: +61 8 8738 0088

Email: peter@stankeociana.com.au

Item 2 – Description of Goods

Live Southern Rocklobster (*Jasus edwardsii*)

Item 3 – Specifications

Service provision:

- a) Receive certified Clean Green Australian Southern Rocklobster;
- b) Transportation (Collection Point to the Service Provider's premises and from Service Provider's premises to Melbourne or a location negotiated between SRL and the Service Provider);
- c) Unload, grade and record (utilising SRL's traceability system) and tank all certified Clean Green Australian Southern Rocklobster;
- d) Maintain tanks and lobsters (reject all damaged and dead lobsters whilst held in the tanks through the traceability system);
- e) Supply coordination support (organising supply from fishers);
- f) Packaging to SRL specifications;
- g) Pack-out goods to Clean Green quality assurance requirements;
- h) Operating cost required to implement the service provision (computers, email, telephone, fax, printing, electricity, water, salt (if required), insurance etc)

Item 4 – Rates

(a) Service Rate (lobster meeting the specifications)

SRL will pay the Service Provider **\$6.51 + GST¹** per kilogram (live weight) for the first 10,000 kg Qualifying Goods (see SRL Product Specifications) on load out to the domestic buyer / consolidator and \$5.86 + GST there after.

(b) Down Graded Goods Rate (SRL to deduct from Service Provider service rate)

Down Graded Rate -1) Less than 3 legs (not in a row) missing, but still in good health	Beach price agreed by SRL
Down Graded Rate – 2) lethargic and going to die	\$20 per kg

(c) Penalty Rate (SRL to deduct from Service Provider service rate)

Mortalities (only product shipped from Service provider premises and arrives dead at the domestic buyer and or consolidator)	\$0 per kg
--	------------

Item 5 – Service Period

Refer to section 11 in ANNEXURE A

Item 6 – Special Conditions

¹ Price is inclusive of standard freight charges, which will be subject to variations over time.

The Service Provider shall have public liability (AUD \$10 million), product liability (AUD \$10 million) insurances.

The Service Provider must conform to Clean Green standards (including 3rd party audit) and sign the Certification Mark and Participation Agreement – Terms and Conditions (Annexure B) and SRL confidentially agreement (Annexure C).

The parties acknowledge that shipments from Service Provider's premises to the Melbourne consolidator or a location required by SRL may be less than 1 AV (approximately 780Kg) per shipment and SRL will need to work with the Service Provider to coordinate logistics.

All capital equipment install on the regional receivers premises remain the property of SRL.

All intellectual property rights generated through the service provision and any other market benefits generated remain the property of SRL.

The Service Provider must;

- a) Train at least 2 staff in the use of the SRL traceability system;
- b) Pay SRL a fee (approximately \$6500 + GST) to become a Service Provider. This fee is required for installation of the traceability system software and hardware and Clean Green certification in relation to the Service Provider's premises.
- c) Supply the following PC network specifications to support the traceability system:
 - Laptop or Computer, Windows XP, Available USB slot
 - Internet Access (Support via Modem requires dedicated phone line)
 - Display, Key Board, Mouse
 - MS Office 2003 Pro with Word/Excel
 - The provision of Mains GPO outlets as required
 - Supply and installation of network infrastructure, communication cabling, network switches, fibre optics infrastructure, conduit, WAN, Internet/Broadband.
 - PC report printers and accessories

SERVICE PROVIDER ACCEPTANCE

The Service Provider acknowledges and agrees that upon execution of this Agreement by the Service provider:

1. the terms and conditions attached to this Agreement as Annexure A ("**Terms and Conditions**") (a receipt of a copy of which is hereby acknowledged) shall apply to all transactions and dealings between the Service Provider and SRL in respect of and in connection with the Supply and Facilitation; and
2. the Service Provider shall be bound by such Terms and Conditions.

Signed as an agreement



SRL by its Authorised Representative
Dated:

Service Provider:
Dated:

ANNEXURE A

1. TERMS AND CONDITIONS

These Terms and Conditions are the terms governing the master agreement (**Agreement**) between Southern Rocklobster Limited ACN 108 116 847 ("**SRL**") and the person specified in item 1 of the Agreement (**Regional Receiver**) and shall be incorporated by reference, deemed part of, and govern all Service Requests and all matters for the Carriage of goods specified in item 2 of the Agreement ("**Goods**") between SRL and the Regional Receiver.

2. DEFINITIONS

In these Terms and Conditions, unless the context otherwise requires:

"**ABN**" means an Australian Business Number;

"**AUD**" means the lawful currency in Australia;

"**Business Day**" means a day on which trading banks are open for business in Adelaide, but does not include a Saturday, Sunday or public holiday;

"**Carriage**" means actual carriage, storage, handling and packaging;

"**Clean Green Certification Scheme**" means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfied the Clean Green Standard;

"**Clean Green Standards**" means the applicable set of standards used for the Clean Green Certification Scheme";

"**Collection Point**" means the place specified by SRL in a Service Request where the Regional Receiver collects the Goods;

"**Collection Record**" has the meaning given to that term in clause 7.1;

"**Deliver**" and "**Delivery**" means leaving the Goods at the Delivery Point and "**Delivered**" has a corresponding meaning;

"**Delivery Date**" means the date or period of delivery requested by SRL for delivery of Goods to the Nominated Receiver in a Service Request;

"**Delivery Point**" means the place SRL has told the Regional Receiver to take the Goods as specified in a Service Request;

"**Down Graded Goods**" means Goods that do not meet the Specifications but are not Mortalities;

"**Down Graded Rate**" means the rate per kilogram for Down Graded Goods specified in item 4(b) of the Agreement;

"**GST**" means any tax in the nature of a tax on, or on the supply of goods, real property, services or any other value added tax or other government tax or impost

whether Federal, State or Local ever levied, imposed, assessed or becoming payable during the term of this Agreement other than interest, fine penalty or other amount imposed on or in respect of the above and including any tax arising pursuant to or as a consequence of the GST Act;

“GST Act” means the *A New Tax System (Goods and Services Tax) Act 1999* and associated legislation;

“Initial Service Period” means the initial Service Period commencing on the date of execution of this Agreement by the parties;

“Mortalities” means Goods that are dead;

“Nominated Receiver” means a person specified in a Service Request to whom the Regional Receiver is to Deliver the Goods to;

“Packaging Specifications” means the specifications for packaging of Goods as set out in item 3(b) of the Agreement;

“Penalty Rate” means the AUD rate per kilogram payable by the Regional Receiver for Mortalities Delivered to the Nominated Receiver set out in item 4(c) of the Agreement;

“Qualifying Goods” means Goods meeting the Quality Specifications;

“Quality Specifications” means the specifications as to the quality of Goods as set out in item 3(a) of the Agreement or as otherwise specified in a Service Request;

“Rates” means the Down Graded Rate, the Service Rate, the Penalty Rate and Standard Freight Charges;

“Service Rate” means the AUD rate per kilogram payable by SRL for the Services set out in item 4(a) of the Agreement;

“Services” means the of Goods the Regional Receiver undertakes under this Agreement, and part of such Carriage, whether completed or not, and any associated Carriage pursuant to a Service Request;

“Service Period” means the period or periods specified in item 5 of the Agreement applicable in respect of each calendar year during which SRL may submit Service Requests to the Regional Receiver;

“Service Request” means a written request from SRL to the Regional Receiver in respect of the Carriage of Goods in accordance with this Agreement;

“Standard Freight Charges” means the Delivery charges specified in item 4(d) of the Agreement.

3. SCOPE OF AGREEMENT

3.1 The Regional Receiver agrees to undertake the Carriage of the Goods and, in particular to:

3.1.1 transport Goods from the Collection Point to the Delivery Point;

3.1.2 package and store the Goods in a safe and secure manner for and on behalf of SRL,

as and when requested to do so by SRL pursuant to a Service Request in accordance with this Agreement.

3.2 SRL and the Regional Receiver agree that the Regional Receiver is not a common carrier.

3.3 Notwithstanding the terms of any Service Request submitted by SRL, the Regional Receiver acknowledges and agrees that these Terms and Conditions will govern the provision of Services to SRL, and in the event of any inconsistency or conflict between the terms of any Service Request or any other communication between the Regional Receiver and SRL and these Terms and Conditions, these Terms and Conditions will prevail.

3.4 The parties acknowledge and agree that there is no:

3.4.1 obligation on SRL to make a Service Request to the Regional Receiver; or

3.4.2 restriction on SRL's right to place a Service Request with any third party.

4. SERVICE REQUIREMENTS FOR PACKAGING

4.1 The Regional Receiver must package Goods in accordance with the Packaging Specifications and all applicable laws and regulations in effect from time to time.

4.2 The Regional Receiver is responsible for obtaining all packaging materials required to package the Goods in accordance with the Packaging Specifications and the packaging artwork provided by SRL under clause 4.3.

4.3 If applicable, SRL will provide to the Regional Receiver all artwork for the packaging of Goods and is responsible for ensuring that such artwork complies with all applicable laws and regulations.

4.4 The Packaging Specifications may only be amended by written agreement between the parties.

5. SERVICE REQUIREMENTS FOR STORAGE

5.1 The Regional Receiver must store the Qualifying Goods for such period as SRL may specify in a Service Request and subject to the Regional Receiver's obligations with respect to the Delivery and distribution of those Qualifying Goods.

5.2 The Regional Receiver stores the Qualifying Goods in such manner as it sees fit subject to:

5.2.1 any special arrangements which may be agreed between the Regional Receiver and SRL' and

5.2.2 the requirement that the Regional Receiver must:

- (a) store the Qualifying Goods in such a manner as to minimise the risk of pillages, theft, pilferage and so as to avoid loss, damage or destruction of the Qualifying Goods as a consequence of fire, water, tempest, storm, accident, malicious damage, vandalism, act of God and other usual and normal risks or hazards in the storage of goods;
- (b) ensure that the Qualifying Goods are stored at all times in facilities and in a manner compatible with relevant fire safety regulations, the Clean Green Standards and all other relevant Australian standard.

6. SERVICE REQUIREMENTS FOR DELIVERY

- 6.1 The Regional Receiver must collect the Goods from the nominated Collection Point within 24 hours of receipt of a Services Request.
- 6.2 The Regional Receiver must deliver the Goods to the Nominated Receiver at the Delivery Point by the Delivery Date.
- 6.3 Subject to clause 14, the Regional Receiver must compensate SRL for any loss, damage or injury caused to SRL by virtue of early Delivery, non-delivery or delay in the Delivery of the Goods.

7. INSPECTION AND ACCEPTANCE OF GOODS FOR CARRIAGE

- 7.1 Upon the collection of Goods in accordance with a Service Request at the Delivery Point, the Regional Receiver is to inspect and weigh all quantities of Goods and enter the information into the traceability system. A collection receipt report for each such quantity of Goods (**Collection Record**) will be generated. A copy of the Collection Record will be provided to the Regional Receiver within 48 hours of its production.
- 7.2 The Collection Record must:
 - 7.2.1 specify the unique Service Request identification;
 - 7.2.2 the weight and quantity of Goods collected;
 - 7.2.3 the quantity of Down Graded Goods collected; and
 - 7.2.4 the quantity of Mortalities (if any).
- 7.3 The parties acknowledge and agree that the Regional Receiver's obligations for Carriage under this Agreement only extend to Qualifying Goods in respect of each Service Request. For the avoidance of doubt, the parties acknowledge that Down Graded Goods and Mortalities shall be dealt with in such manner as the Regional Receiver may decide at its absolute discretion.

8. RATES AND PAYMENT TERMS

- 8.1 The parties acknowledge and agree that:
 - 8.1.1 the Regional Receiver must purchase the Down Graded Goods identified in a Collection Record at the Down Graded Rate;

- 8.1.2 SRL must pay the Regional Receiver for Qualifying Goods Delivered to the Nominated Receiver at the Service Rate and the associated Standard Freight Charges;
- 8.1.3 the Regional Receiver must pay for all Mortalities Delivered to the Nominated Receiver at the Penalty Rate.
- 8.2 The Rates are fixed for the Initial Service Period and may only be varied by agreement between SRL and the Regional Receiver subject to clause 8.3.
- 8.3 Within three months prior to the expiry of a current Services Period, SRL and the Seller will review the Rates and must determine new Rates to apply during the subsequent Service Period prior to the expiry of the current Service Period.
- 8.4 SRL may render an invoice to the Regional Receiver in respect of Down Graded Goods as evidenced by the relevant Collection Record (**Down Graded Goods Invoice**) at any time after collection of Goods by the Regional Receiver in accordance with these Terms and Conditions and a Service Request.
- 8.5 SRL will issue a service statement outlining quantity of qualifying goods and mortalities delivered to the nominated Receiver by the sellers at the end of each month and the Regional Receiver must render an invoice to SRL in respect to the service statement.
- 8.6 Each Services Invoice must:
 - 8.6.1 specify quantity of Qualifying Goods Delivered and the Services Rate;
 - 8.6.2 the total amount payable for the Qualifying Goods;
 - 8.6.3 specify quantity of Mortalities and the Penalty Rate;
 - 8.6.4 specify the Standard Freight Charges;
 - 8.6.5 specify separately the GST amount payable;
 - 8.6.6 include the Regional Receiver's ABN;
 - 8.6.7 contain any other additional information requested by SRL from time to time; and
 - 8.6.8 be a tax invoice for the purposes of the GST Act.
- 8.7 SRL must pay the Regional Receiver for the Carriage of the Qualifying Goods at the Services Rate in respect of service statement within [14] days of the date of receipt of a Services Invoice from the Regional Receiver.
- 8.8 In making the payment to the Regional Receiver under clause 8.7, the parties agree that SRL may, in respect of each Service Request, offset any amounts payable by the Regional Receiver pursuant to a Down Graded Goods Invoice to the Nominated Receiver.

9. RISK, TITLE AND INSURANCE

- 9.1 Risk of loss and damage to Down Graded Goods will pass to the Regional Receiver upon the collection of Down Graded Goods by the Regional Receiver at the Collection Point.
- 9.2 Title to Down Graded Goods will not pass to the Regional Receiver until all moneys owing by the Regional Receiver for the Down Graded Goods under a Service Request has been received in full by SRL.
- 9.3 The Regional Receiver is responsible for the Goods from the time they are collected by the Regional Receiver until the Regional Receiver has completed unloading the Goods at the nominated Delivery Point and receipt of the Goods are acknowledged in writing (hard copy or electronic) by the relevant Nominated Receiver.
- 9.4 The Regional Receiver must exercise due care in storing, handling and transporting the Goods. The Regional Receiver will at all times ensure that there is no loss or damage to the Goods from any cause that is reasonable within its control.
- 9.5 The Regional Receiver must provide to SRL on request certificates of currency in respect of all insurances (Product and Public Liability) the Regional Receiver is required to obtain and maintain under this clause 9.

10. **WARRANTIES, INDEMNITIES**

- 10.1 SRL warrants that:
 - 10.1.1 it has full right and authority to enter into this Agreement; and
 - 10.1.2 the Carriage of Goods in accordance with this Agreement will not infringe any rights of any third party; and
 - 10.1.3 the Goods in respect of each Service Request are not subject to any mortgage, lien, encumbrance or charge whatsoever.
- 10.2 SRL shall indemnify and keep indemnified the Regional Receiver against any claim or demand by any person claiming an interest in Goods collected by the Regional Receiver pursuant to a Service Request.
- 10.3 The Regional Receiver must indemnify SRL against all costs, liability and expenses incurred by SRL, arising wholly or in part from the performance by the Regional Receiver or its employees or contractors of the Services under this Agreement, except to the extent that such costs, liability or expenses arose directly from the wilful misconduct, bad faith or negligence of SRL or its employees or contractors.

11. **TERM AND TERMINATION**

- 11.1 Subject to clauses 11.2 and 11.3, this Agreement commences on the date the parties sign these Terms and Conditions ("**Commencement Date**") and is automatically renewed on the anniversary of the Commencement Date each year unless terminated by either party providing at least [60] days notice prior to the annual anniversary.
- 11.2 Either party may terminate this Agreement by giving the other party [90] days written notice in writing to the other party.

11.3 This Agreement will immediately terminate if:

- (a) either party materially breaches any terms or conditions of this agreement and does not remedy that breach within 10 days of receiving written notice to do so;
- (b) either party ceases, or threaten to ceases, to carry on business.

11.4 Notwithstanding termination of this Agreement, the Regional Receiver still has an obligation to undertake the Carriage of all Goods the subject of outstanding Service Requests issued by SRL prior to the date of termination and the parties will remain liable for all payments due in respect of such Service Requests in accordance with this Agreement.

12. **DISPUTE RESOLUTION**

12.1 If any dispute or controversy arises between the parties out of or relating to this Agreement (**Dispute**), the party believing there to be a Dispute will notify the existence and nature of Dispute to the other party (**Notification**) and both Parties must attempt to negotiate to resolve the Dispute.

12.2 If the Dispute is not resolved within 30 days of the Notification then either Party will be entitled to seek such relief as it sees fit.

12.3 Notwithstanding the terms of clause 12.1 nothing in this clause will prevent a party from seeking interlocutory relief in a court of appropriate jurisdiction.

13. **GST**

Prices stated in or calculated pursuant to this Agreement do not include GST. If GST is payable as a consequence of any supply made or deemed to be made or other matter or thing done under or in connection with this Agreement by one party (**Supplier**), the other party (**Receiver**) must pay to the Supplier, as consideration in addition to any price or other amount payable by the Receiver under this Agreement, an amount calculated by multiplying that price or other amount by the applicable rate of GST. The Supplier will provide the Receiver with a tax invoice with respect to any GST which the Receiver is required to pay under this clause which invoice will comply with any legislation under which GST is imposed.

14. **FORCE MAJEURE**

A party will not be liable for any delay in performing any of its obligations under this Agreement if such delay is caused by circumstances beyond its reasonable control (including, without limitation, acts of God, civil or military authority, accidents, earthquakes, strikes, the elements, fire, flood, tempest and war) and it will be entitled to a reasonable extension of time for the performance of such obligations.

15. **NOTICES**

All notices which are required to be given under this agreement must be in writing and must be sent to the Regional Receiver's address set out in item 1 of the Agreement or such other address as the Regional Receiver may designate by notice in accordance with the provision of this clause. Any such notice may be delivered personally by pre-paid letter, by email or facsimile transmission and will be deemed

to have been served if by hand when delivered, if by post 48 hours after posting and if by email or facsimile transmission when despatched.

16. **GENERAL PROVISIONS**

- 16.1 No party will assign any of its rights or obligations under this Agreement without first obtaining the consent in writing of the other party.
- 16.2 Except as provided in this Agreement, this Agreement may only be changed, modified, waived, discharged or terminated by an instrument in writing to be signed by all parties.
- 16.3 The failure of either party at any time to require performance by the other party of any provision of this Agreement will not affect in any way the full right of the waiving party to require such performance at any time thereafter nor will the waiver by either party of a breach of any provision be deemed a waiver of the provision itself or any other provision.
- 16.4 This Agreement will be governed by and construed in accordance with the law in force in South Australia and all disputes arising in connection with this agreement will be submitted to the jurisdiction of the South Australian courts.
- 16.5 This Agreement represents the entire agreement between the parties as to its subject matter and supersedes all previous agreements or understandings whether written or not.

17. **SPECIAL CONDITIONS**

The conditions specified in item 6 of the Agreement form part of this Agreement and prevail over any other provision of this Agreement to the extent of any inconsistency.

A photograph of a Southern Rocklobster, showing its reddish-brown body and large claws, positioned in the upper right quadrant of the page.

ANNEXURE B

Southern Rocklobster Limited

Clean Green Program

**Certification Mark Licence and
Participation Agreement**

Terms and Conditions

1. APPLICABILITY

- 1.1 These terms and conditions govern the use of the Certification Mark by the Licensee and some aspects of the Licensee's participation in the Clean Green Certification Scheme.
- 1.2 These terms prevail over any other terms that may be communicated by the Licensee in writing or orally, whether in any order, letter, other document, in negotiations or otherwise.
- 1.3 No person acting or purporting to act on behalf of SRL shall have authority to waive or change these terms orally. Waivers or changes shall have effect only if made in writing and signed by a duly authorised officer of SRL.
- 1.4 SRL may vary these terms at any time by notifying the Licensee in writing, including any variation necessary to satisfy any direction given.

2. INTERPRETATION

- 2.1 In these terms:

'CAB' means a conformity assessment body accredited to perform a Certification Audit and approved by SRL;

'Certificate' means a certificate of registration issued by a CAB to the Licensee to record Certification;

'Certification' means certification granted by a CAB under the Clean Green Certification Scheme;

'Certification Audit' means an audit conducted to assess a product, process or service for the purpose of grant or maintenance of Certification;

'Certification Procedures' means procedures developed by the CAB who is providing Certification and used in a Certification Audit;

'Certification Services' means assessment of a product, process or service by a CAB in accordance with Certification Procedures. Certification Services includes assessment and verification services, gap analysis and Certification Audits, whether or not a Certificate is issued;

'Certification Mark' means the certification mark or marks specified in a Certificate and includes any trademark specified in a Certificate which is owned or controlled by a CAB or SRL;

'Clean Green Standard' means the applicable set of standards used for the Clean Green Certification Scheme which sets the benchmark for Certification;

'Clean Green Certification Scheme' means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfies the Clean Green Standard;


'Licence' means the licence to use the Certification Mark on the terms and conditions contained in this agreement;

'Licensee' means the company, organisation, entity or person specified in the Certificate;

'Materials' means products, and information and promotional material about the Licensee's products, processes or services which use or refer to a Certification Mark;

'Rules' means the applicable rules and directions governing the use of a Certification Mark issued by SRL from time to time;

'Site' means the location of manufacture of product or of performance of a process or service;



'SRL' means Southern Rocklobster Limited ACN 108 116 847.

3. LICENCE

- 3.1 The issue of a Certificate and Licence grants to the Licensee a non-exclusive licence to use the Certification Mark specified in the Certificate:
- (a) on the terms and conditions of this agreement;
 - (b) commencing on the issue of the Certificate for the period specified in the Certificate (unless terminated earlier in accordance with this agreement); and
 - (c) in relation to the products, processes, or services by reference to the Clean Green Standard or other specifications as set out in the Certificate and these terms.
- 3.2 The issue of the Licence does not restrict SRL's right to use or license the use of the Certification Mark to any other person.


4. LICENSEE'S OBLIGATIONS

General

- 4.1 The Licensee must:
- (a) ensure that the Certification Mark is only used in accordance with the terms and conditions contained in this agreement;
 - (b) not use the Certification Mark in any way which causes confusion or deception or would be likely to deceive or cause confusion;
 - (c) not make any representation to any party about the Licensee's rights to the Certification Mark which are misleading or deceptive;
 - (d) ensure that the Certification Mark is used in accordance with any guidelines or directions SRL may publish from time to time;
 - (e) maintain the product, process or service as certified and comply with all reasonable requirements that the CAB considers necessary to ensure that Certification continues to be appropriate, including any requirements listed or referred to in the Certificate;
 - (f) promptly inform the CAB or SRL of any change in relation to the certified product, process or service that is likely to substantially affect the Certification, including change of address of any relevant Sites or other premises;
 - (g) not engage in any conduct which might mislead, deceive or confuse any person in relation to its Certification; or
 - (h) not otherwise misrepresent the nature, status, scope or effect of its Certification.

Additional Obligations for Manufactured Goods

- 4.2 Where the Licence relates to a product that is a manufactured good, the Licensee must ensure that:
- (a) when physically applied to goods, the Certification Mark is:
 - (i) applied only to goods that comply with applicable food safety labeling requirements and accompanied by the number of the Certificate; and

- 
- (ii) applied to goods prior to their dispatch from a site covered by the Certification; and
 - (iii) applied only to goods that meet product specifications detailed in the Clean Green Standard;
- (b) when, after having obtained from SRL approval to do so, the Certification Mark is physically applied to components manufactured by a contractor or agent of the Licensee, prior to further processing or assembly the Licensee submits to the CAB which has granted Certification to the Licensee, for its prior approval, details of the contractor or agent, and makes arrangements to guarantee access of the CAB to the premises of the contractor or agent unless otherwise approved in writing by a duly authorised officer of SRL.

Assessment

4.3 The Licensee must:

- (a) comply with the applicable Certification Procedures and provide the CAB's employees, agents and contractors with all co-operation and assistance required by the applicable Certification Procedures necessary to enable the CAB to provide the Certification Services, including reasonable access to the Licensee's premises, sites, facilities, documents and records of the Licensee and the Licensee's contractors and agents;
- (b) promptly comply with any reasonable requirement of the CAB in relation to the Licensee's product, process or service to make appropriate the Certification, including allowing a representative of the relevant accreditation body to witness a Certification Service being provided by the CAB at a Site;

4.4 The Licensee accepts responsibility for the safety of the CAB's employees, agents and contractors in activities required under the applicable Certification Procedures and advise the CAB, its employees, agents and contractors appropriately of any safety hazards or special training requirements.

4.5 The Licensee warrants that all information made available to the CAB is, to the best of its knowledge and belief, complete and accurate.

4.6 The Licensee must treat as confidential and not disclose to any third party without the prior written consent of the CAB any proprietary or confidential information belonging to a CAB.

Use of Certification Mark

4.7 The Licensee agrees with SRL:

- a) to use the Certification Mark in accordance with the terms and conditions set out in this agreement and any reasonable directions that may be issued by SRL from time to time including directions in relation to statements acknowledging that the Licensee does not own the Certification Mark, directions about the location, size and method of display of the Certification Mark and directions about what words may be used in association with the Certification Mark;
- b) on request by SRL, to provide SRL with samples of Materials;
- c) to promptly correct any failure to comply with paragraph (a), including by complying with any timely and reasonable directions issued by SRL in relation to Materials submitted to SRL under paragraph (b);
- d) not to alter, modify or deface in any way representations of the Certification Mark;
- e) to report to SRL any suspected or actual unauthorised use of the Certification Mark of which the Licensee becomes aware;

- 
- f) to provide SRL with all information, site access and co-operation reasonably requested by SRL to protect the Certification Mark and ensure compliance with these terms;
 - g) not to represent that it owns or has any rights in relation to the Certification Mark other than set out in this agreement;
 - h) not to question or challenge the validity or SRL's ownership of the Certification Mark;
 - i) not to apply for registration of any trade mark or business, company or domain name that incorporates any name or logo the same as, substantially identical with or deceptively similar to the Certification Mark, without the consent of SRL;
 - j) to make and keep a record of all complaints relating to the use of the Certification Mark and, upon request by SRL, to make these records (and a copy thereof if requested by SRL) available to SRL.

Application of Certification Mark

4.8 The Licensee agrees with SRL that:

- a) before applying the Certification Mark to any item, the Licensee must obtain from SRL an authorised electronic copy of the Certification Mark, and must in applying it to any item reproduce it in exactly the same proportions and colours (Blue PMS 286, Red PMS 485) as the authorised electronic version; and
- b) the original artwork and computer images of the Certification Mark remain the property of SRL and must be returned immediately if requested by SRL, and the original and any copies of the Certificate remain the property of the CAB and must be returned immediately if requested by the CAB. SRL is and remains the owner of the copyright in the Certification Mark.

5. USE OF CERTIFICATE AND PUBLICITY

- 5.1 The Licensee must not without SRL's prior written permission alter, modify, deface or destroy the Certificate,
- 5.2 Subject to any directions that may be given by SRL, the Licensee may publicise the fact that the Licence has been granted and, subject to any requirements of the CAB to the contrary, may use the Certificate as evidence of the Licence. If permitted to do so by the CAB or SRL, the Licensee may copy the Certificate provided that each copy is clearly identified as a copy.
- 5.3 Subject to any directions that may be given by SRL, the Licensee may use the Certification Mark by application to vessels, factories, transport vans, packaging and/or stationery to publicise the fact that Certification has been achieved and to promote continued compliance.
- 5.4 Subject to any directions that may be given by SRL the Licensee may use the Certification Mark by application to packaging and/or the product if the product specifications are complied with to publicise the fact that Certification has been achieved and to promote continued compliance.
- 5.5 The Licensee acknowledges that the Certificate does not imply that any Certification is approved by any accreditation authority or any Government Ministers.

6. LICENSEE'S WARRANTY AND INDEMNITY

- 6.1 The Licensee warrants to SRL that at all times the Licensee will use the Certification Mark only in accordance with the terms of the Licence, unless otherwise approved in writing by SRL.

6.2 The Licensee indemnifies SRL from and against all losses, damages, expenses and costs (on a solicitor and own client basis and whether incurred by or awarded against SRL and whether in connection with a claim by a CAB, another third party or otherwise) that SRL may sustain or incur as a result, whether directly or indirectly, of:

- (a) any breach of these terms by the Licensee (including, but not limited to, a breach in respect of which SRL exercises an express right to terminate this agreement); or
- (b) any negligent act or omission or willful misconduct of the Licensee or its officer, employees and agents;
- (c) any loss or damage to any property or injury to or death of any person resulting, wholly or partly, from any product, process or service in relation to which the Certification Mark has been used by the Licensee.

7. ADDITIONAL REMEDIES FOR BREACH OF WARRANTY

7.1 If the Licensee breaches any warranty in clause 6.1, or any other provision of these terms the Licensee must at its cost:

- (a) immediately notify SRL of the breach and provide any information reasonably requested by SRL;
- (b) promptly comply with any directions that SRL may issue to prevent further breach or minimise the adverse consequences of the breach (either to SRL or to any member of the public), including a direction to:
 - (i) cease supply of goods or services;
 - (ii) take steps to modify goods or services before supply;
 - (iii) destroy goods;
 - (iv) modify or destroy Materials;
 - (v) provide information (including Materials) to the public; and
 - (vi) where the breach relates to goods already released for sale and which will or may cause injury to any person:
 - (a) undertake a recall of the goods; and
 - (b) take such other action as may be reasonably requested by SRL;
 - (vii) cease representing, either expressly or by implication, that they have any current Certification or License;
- (c) keep SRL informed, in writing, of action taken pursuant to any direction issued under paragraph (b).

8. FEES

If so requested by SRL, the Licensee must pay to SRL the fees specified in SRL's Schedule of Fees (or elsewhere) as amended from time to time.

9. SRL'S WARRANTY

SRL warrants that it has the rights required to grant the Licence to the Licensee.

10. SUSPENSION, CANCELLATION OR EXPIRY OF CERTIFICATION

10.1 The Licensee acknowledges and agrees that the Licensee's Certification shall be suspended with immediate effect in the following circumstances:

- (a) the CAB gives notice to SRL or the Licensee that it considers that Certification is no longer appropriate;
- (b) the Licensee is in breach of this agreement;
- (c) a substantial change in the management system of the Licensee occurs without the Licensee notifying the change to SRL for review by the CAB; or
- (d) if, in the case of any product subject to Certification, there has been a significant change in design or manufacture of such product without the Licensee notifying the change to SRL for review by the CAB.

10.2 If the Licensee's Certification is suspended:

- (a) SRL must within 45 days of notifying the Licensee of the suspension, furnish the Licensee with information outlining the steps that must be taken by the Licensee to enable the suspension to be lifted;
- (b) the Licensee must immediately take all steps necessary to enable the suspension of its Certification to be lifted; and
- (c) the Licensee must take all steps reasonably required by SRL to prevent the public being misled or otherwise harmed.

10.3 If the CAB is satisfied with the remedial action taken by the Licensee, SRL may request the CAB to lift the suspension of Certification;

10.4 The Licensee acknowledges that the CAB may cancel the Licensee's Certification with immediate effect by giving notice to the Licensee if the Licensee's Certification has remained suspended for a period more than 90 days.

11. TERMINATION

11.1 The Licence terminates on the earlier of:

- (a) the expiry date specified in the Certificate;
- (b) the termination or cancellation of the Licensee's Certification; or
- (c) the termination of the Licence under this clause 11.

11.2 The Licensee may terminate the Licence upon giving written notice to SRL.

11.3 SRL may terminate the Licence with immediate effect by giving notice to the Licensee if:

- (a) the Licensee breaches any of these terms and fails to remedy the breach within 30 days after receiving notice requiring it to do so; or
- (b) the Licensee breaches a material provision of these terms where that breach is not capable of remedy.

11.4 If the Licensee's Certification is suspended, cancelled or expires, the Licensee must promptly:

- (a) notify SRL; and
- (b) furnish SRL with all information reasonably requested by SRL to ascertain the nature and extent of the suspension, cancellation or expiration.

11.5 If the Licensee's Certification is suspended, then this Licence is also suspended and the

Licensee must, during the suspension period, comply with any reasonable written directions issued by SRL in relation to use of the Certification Mark.

12. AFTER TERMINATION

12.1 On termination of this Licence, the Licensee:

- (a) must, subject to clause 12.1(b), immediately cease using and has no further right to use, including on or in materials:
 - (i) the Certification Mark; or
 - (ii) any certification mark that is substantially identical with or deceptively similar to the Certification Mark;
- (b) may continue to sell goods marked with the Certification Mark before the termination of the Licence unless SRL directs that the Certification Mark be erased or masked from the goods before their sale; and
- (c) must remove the Certification Mark from, or destroy (and certify to SRL destruction of) all materials bearing the Certification Mark in the Licensee's custody, possession or control; and
- (d) must promptly return the Certificate (including all copies) to SRL.

12.2 Termination of the Licence will not affect any accrued rights of any party.

12.3 Clause 6 and this clause 12 continues after termination of the Licence.

13. AUDIT REPORTS

13.1 At the completion of any Certification Audit of the Licensee:

- (a) SRL may request directly from the CAB a copy of the audit report prepared by the CAB in respect of the Certification and the Licensee consents to the CAB providing a copy of such audit report; or
- (b) if SRL requests, the Licensee must provide SRL with a copy of the audit report prepared by the CAB in respect of the Certification.

13.2 A confidential copy of audit reports provided to SRL under clause 13.1 will be kept on file to maintain a backup file copy of the reports that can be requested at any time by a category – refer to Table 1 for category descriptions.

Table 1: Category descriptions

Categories	Applicable section of the Clean Green standard
All Categories	1
Clean Green Fishery	Pot (2.1- 2.4 - 3)
Clean Green Fisher	Pot – Deck (3.1, 4.1 - 20.1)
Clean Green Regional Receiver / Consolidator	Deck-Factory (21.1-32.1)
Clean Green Distribution	Factory (33.1- 41.2)
Clean Green Food Service	Plate (42.1- 46.1)

13.3 The Licensee acknowledges and agrees that SRL is authorised to use any copy of an audit report obtained under this clause 13 for any purpose it reasonably requires in relation to the



Licensee's Certification or this Licence, including without limitation:

- (a) issuing a licence agreement in relation to the Certification Mark;
- (b) assisting in closing out audits for cost control;
- (c) providing feedback to the CAB;
- (d) assisting with continual improvement of the Clean Green Certification Scheme.

14. SUB-LICENSING AND ASSIGNMENT


- 14.1 The Licensee must not assign, otherwise transfer or sub-license the whole or part of the Licence or the rights granted under it without the prior written consent of SRL, which consent may be given or withheld at its absolute discretion and subject to any terms and conditions that SRL thinks fit.
- 14.2 SRL may assign its rights under the Licence at any time and in any manner it wishes.

15. RIGHTS IN CERTIFICATION MARK AND OTHER INTELLECTUAL PROPERTY

- 15.1 The Licensee acknowledges that:
 - (a) SRL owns all rights in the Certification Mark; and
 - (b) the CAB is the owner or licensee of copyright, know-how and other intellectual property rights in the Certification Procedures and any associated documentation; and
 - (c) no right, title or interest in the Certification Mark or the Certification Procedures or that documentation is transferred to the Licensee under this agreement.
- 15.2 The Licensee agrees that its use of the Certification Mark and any goodwill established thereby shall accrue to the exclusive benefit of SRL.
- 15.3 The Licensee shall immediately notify SRL of any apparent infringement of, or challenge to, the Licensee's use of the Certification Mark or claim by any person of any rights to any of the Certification Mark. The Licensee shall not communicate with any person other than SRL and its counsel in connection with any such infringement, challenge or claim. SRL shall have the right to take such action as it deems appropriate and the exclusive right to control any litigation or administrative proceeding arising out of any infringement of, or challenge or claim to, any of the Certification Mark or in any way related to the Certification Mark. Any damages or other benefits arising out of any such infringement, challenge or claim shall accrue exclusively to SRL.

16. INSURANCE AND LIABILITY

- 16.1 The Licensee must:
 - (a) take out and maintain valid and enforceable public liability/ protection & indemnity insurance policies to cover potential liability of SRL arising out of the Licensee's breach of these terms and conditions or any act or omission of the Licensee, with the interest of SRL and the CAB undertaking Certification noted thereon; and
 - (b) provide SRL with certificates of currency and any other evidence of those policies that SRL may reasonably require.
- 16.2 Except to the extent prohibited by the *Trade Practices Act 1974* or any other applicable laws, SRL excludes liability for any loss or damage suffered by the Licensee (whether direct, indirect, incidental, special and/or consequential damages or loss of profits whatsoever) arising in any way out of any services (including defective Certification Services) rendered by the CAB or out of the Licensee's product, process or service the subject of Certification or any negligent act or omission of the CAB, its officers, employees,



agents or contractors, including but not limited to profits lost and damage sustained or incurred as a result of a claim by a third person.

17. GOVERNING LAW

17.1 This agreement is governed by the laws of South Australia.

17.2 The parties irrevocably submit to the non-exclusive jurisdiction of the courts of South Australia and the South Australian division of the Federal Court of Australia, and the courts of appeal from them.

17.3 No party may object to the jurisdiction of any of those courts on the ground that it is an inconvenient forum or that it does not have jurisdiction.

18. COMPLAINTS

The Licensee may lodge any complaints in regard to decisions of SRL under this agreement with the SRL Board.

19. SEVERABILITY

If all or any part of this agreement is found by a Court of competent jurisdiction to be illegal, void or unenforceable, the illegal, void or unenforceable part(s) may be severed from this agreement and the remaining parts of the agreement shall continue in force.

Schedule

Certification Mark

Australian
Southern Rocklobster





Southern Rocklobster Limited

Terms and Conditions of Certification Mark Licence and Participation Agreement

Acknowledgement of acceptance

Name of "Licensee" (correct legal entity) _____

Certification No (office use only) _____

I/We acknowledge receipt of the above terms and conditions in regard to the Clean Green scheme. I/We agree to comply with, these terms and conditions.

If licensee(s) is an individual

Signature of individual(s)/licensee:

(1) Name _____

Signature: _____ Date: _____

(2) Name _____

Signature: _____ Date: _____

If licensee(s) is a company (complete if applicable)

Executed by _____ Pty Ltd:

Authorised Company Representative


Name: _____

Signature: _____ Date: _____

Director or Secretary Name: _____

Signature: _____ Date: _____





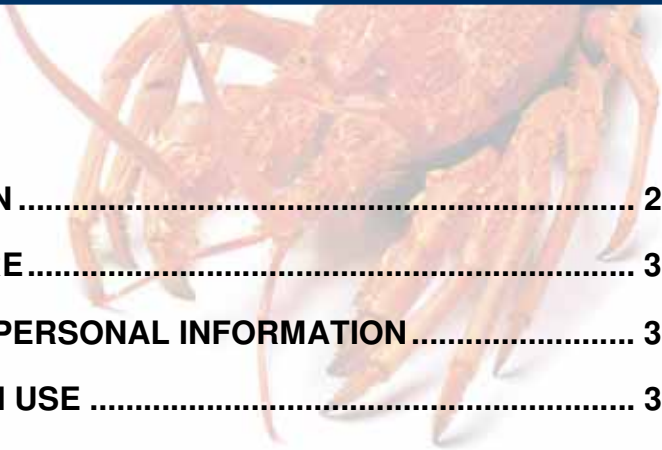
ANNEXURE C



DEED OF CONFIDENTIALITY

Southern Rocklobster Limited
ABN 66 108 116 847
AND

.....
[INSERT CONFIDANT DETAILS]



1.	INTERPRETATION	27
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DEED OF CONFIDENTIALITY

BETWEEN:

Southern Rocklobster Limited (ABN 66 108 116 847), a company limited by guarantee (**SRL**)

AND

.....
(the **Confidant**)

RECITALS:

- A. The SRL may disclose SRL Confidential Information to the Confidant for the Permitted Purpose.
- B. Where the SRL discloses SRL Confidential Information to the Confidant it will do so on the condition that the Confidant keeps all such SRL Confidential Information strictly confidential.
- C. The SRL requires, and the Confidant agrees, that it is necessary to take all reasonable steps (including the execution of this Deed of Confidentiality) to ensure that SRL Confidential Information is kept confidential and that Personal Information is treated in accordance with the Information Privacy Principles set out in the *Privacy Act 1988* (Cth) (**Privacy Act**).

OPERATIVE PROVISIONS

1. INTERPRETATION

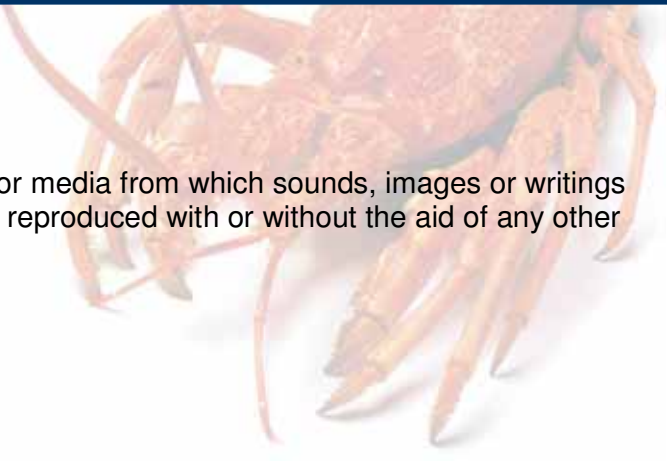
1.1 Definitions

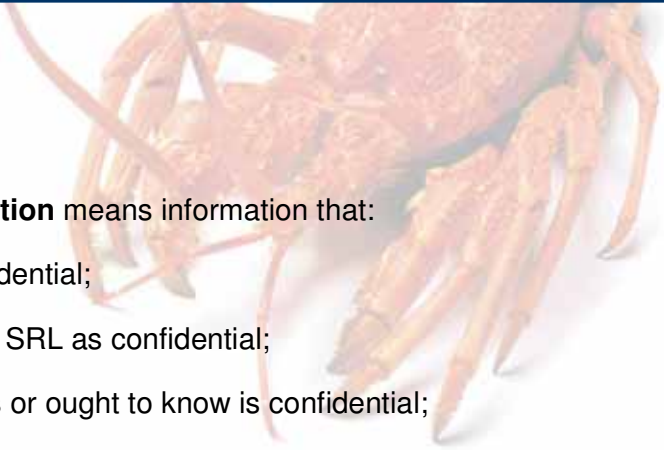
In this Deed of Confidentiality, unless the contrary intention appears:

Chairperson has the same meaning as in the Constitution of Southern Rocklobster Limited.

Document includes:

- (a) any paper or other material on which there is writing;
- (b) any paper or other material on which there are marks, figures, symbols or perforations having a meaning to persons qualified to interpret them; and

- 
- (c) any article, material or media from which sounds, images or writings are capable of being reproduced with or without the aid of any other article or device;



SRL Confidential Information means information that:

- (a) is by its nature confidential;
- (b) is designated by the SRL as confidential;
- (c) the Confidant knows or ought to know is confidential;
- (d) is Personal Information accessed by the Confidant in the course of undertaking activities related to the Permitted Purpose;

and includes, to the extent it is confidential:

- (e) information comprised in or relating to any Intellectual Property of SRL;
- (f) information relating to the internal management and structure of SRL;

but does not include information that:

- (g) is or becomes public knowledge other than by a breach of this Deed of Confidentiality, or any other confidentiality obligations.
- (h) the confidant already has or receives from another source.

SRL Material means any confidential material provided by SRL to the Confidant for the Permitted Purpose, or which is copied or derived from Material so provided. Provided it is confidential in the first place.

Intellectual Property includes all rights in copyright, registered and unregistered trademarks (including service marks) registered designs, all rights in relation to inventions (including patent rights), trade secrets, know how, rights in relation to circuit layouts and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields or any rights to registration of such rights existing in Australia or elsewhere, whether created before, on or after the date of this Deed of Confidentiality.

Material includes documents, equipment, software, goods, information or data stored by any means.

Meeting means a meeting of SRL called by the Chairperson of SRL in accordance with the Constitution of Southern Rocklobster Limited.

Parties means SRL and the Confidant.



Permitted Purpose means review of any of the following:

- R&D application
- reports
- plans

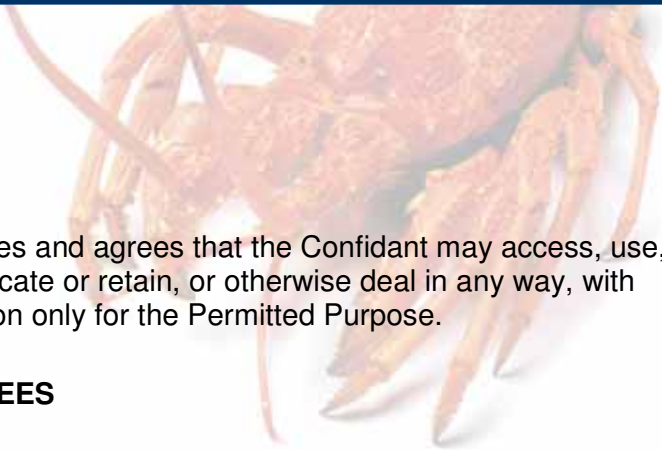
Personal Information means information that is information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

2. **NON-DISCLOSURE**

- 2.1 In consideration of SRL disclosing certain SRL Confidential Information to the Confidant, the Confidant acknowledges and agrees that all SRL Confidential Information is confidential, is the property of SRL, and is of value to it, and that any SRL Confidential Information disclosed to the Confidant is disclosed to the Confidant only pursuant to the terms of this Deed of Confidentiality.
- 2.2 The Confidant must not use, disclose, divulge or deal with any SRL Confidential Information, nor allow any act, matter or thing to be done or occur whereby any SRL Confidential Information may be ascertained or used by, or disclosed or communicated to, any other person, without the prior written consent of the Chairperson of SRL, which consent the Chairperson may grant or withhold in its absolute discretion.
- 2.3 For the purpose of **clause 2.2**, written consent includes agreement of the Chairperson of SRL in a Meeting where that consent is documented in formal minutes of the Meeting.

3. **TREATMENT OF PERSONAL INFORMATION**

- 3.1 The Confidant understands that, in the course of undertaking activities concerning the Permitted Purpose, the Confidant may have access to Personal Information.
- 3.2 The Confidant acknowledges and agrees that the Confidant will not access, use, disclose, publish, communicate or retain, or otherwise deal in any way, with Personal Information except for the Permitted Purpose.
- 3.3 The Confidant agrees to abide by the provisions of the Privacy Act in respect of Personal Information, including the Information Privacy Principles set out in that Act, whether or not the Confidant is legally bound to comply with that Act.
- 3.4 The Confidant agrees to treat all Personal Information with the utmost care and to protect that information at all times.



4. **RESTRICTION ON USE**

4.1 The Confidant acknowledges and agrees that the Confidant may access, use, disclose, publish, communicate or retain, or otherwise deal in any way, with SRL Confidential Information only for the Permitted Purpose.

5. **DISCLOSURE TO NOMINEES**

5.1 If:

- (a) the Confidant has nominated a person to whom the Confidant may give access to or disclose SRL Confidential Information to (a **Nominee**); and
- (b) SRL consents in writing to such access or disclosure being provided to that Nominee,

the Confidant may give access to or disclose SRL Confidential Information to the Nominee on such conditions as may be imposed by SRL.

5.2 For the purpose of **clause 5.1(b)**, written consent includes agreement of the Chairperson of SRL in a Meeting of SRL where that consent is documented in formal minutes of the Meeting.

5.3 The Confidant must ensure that any Nominee to whom access or disclosure of any Confidential Information is to be given pursuant to **clause 5.1**, signs a deed of confidentiality in the form of this Deed of Confidentiality and for the benefit of SRL, prior to any such access or disclosure being given.

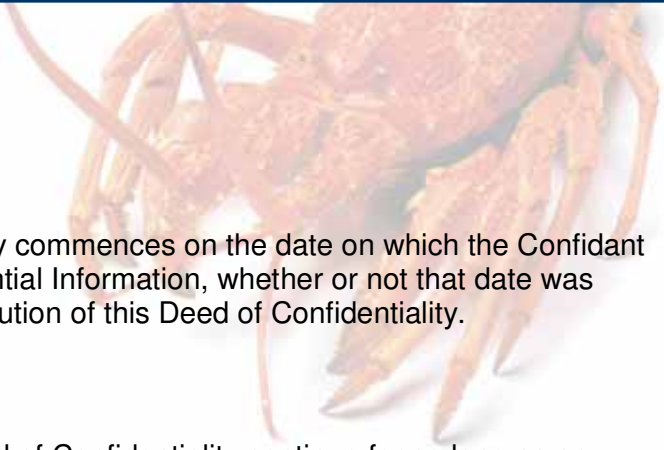
6. **DISCLOSURE AS REQUIRED BY LAW**

6.1 The Confidant may disclose any SRL Confidential Information that the Confidant is required by law to disclose, but only if:

- (a) the extent and manner of the disclosure is strictly limited to what is required by law; and
- (b) the Confidant has:
 - (i) given SRL sufficient notice to enable SRL to seek a protective order or other relief from disclosure; and
 - (ii) provided all assistance and cooperation that SRL reasonably considers necessary for that purpose.

7. **DELIVERY UP OF DOCUMENTS**

7.1 SRL may demand, either orally or in writing, at any time and without notice, that the Confidant deliver to SRL all documents containing SRL Confidential Information in the possession or control of the Confidant.



8. **COMMENCEMENT**

8.1 This Deed of Confidentiality commences on the date on which the Confidant first received SRL Confidential Information, whether or not that date was before the date of the execution of this Deed of Confidentiality.

9. **SURVIVAL**

9.1 The obligations in this Deed of Confidentiality continue for so long as any information disclosed to the Confidant is SRL Confidential Information.

10. **APPLICABLE LAW**

10.1 This Deed of Confidentiality will be governed by and construed in accordance with the laws of the South Australia.

11. **NO EXCLUSION**

11.1 This Deed of Confidentiality does not exclude the operation of any principle of law or equity intended to protect and preserve the confidentiality of SRL Confidential Information.

11.2 The rights and remedies provided under this Deed of Confidentiality are cumulative and not exclusive of any rights or remedies provided by law.

12. **WAIVER**

Failure by SRL to enforce a provision of the Deed of Confidentiality will not be construed as in any way affecting the enforceability of that provision or of the Deed of Confidentiality as a whole.



This **DEED OF CONFIDENTIALITY** is **EXECUTED** as a deed.

DATE

SIGNED by

in the presence of:

Signature of Confidant

Signature of witness

Name of witness

SIGNED by **Roger Edwards** for and on behalf of Southern Rocklobster Limited, ABN 66 108 116 847,

in the presence of:

Signature of SRL representative

Signature of witness

Name of witness

CONSOLIDATOR SERVICE AGREEMENT

PARTIES

The parties to this service agreement including all annexures as may be amended from time to time ("**Agreement**") are:

Southern Rocklobster Limited ACN 108 116 847
Level 1
16 Unley Road
UNLEY SA 5061
("**SRL**")

and

The person specified in item 1
("**Service Provider**")

PURPOSE OF AGREEMENT

This Agreement relates to the services by the Service Provider of goods specified in Item 2 that conform to the specifications specified in Item 3 at the rates specified in Item 4 during the service period specified in Item 5 and satisfy special conditions in Item 6.

Item 1 – Details of Consolidator

Trading Name: Ocean Wave Seafoods Trading Pty Ltd

Company Number: 15 103 440 802

AQIS Number: EX 3032

USFDA Certification Number: 16668804242

Office Address: Level 2, 252 Graham Street
Port Melbourne 3207
Victoria Australia

Factory Address: 295 Dandos Road
Lara 3212
Victoria Australia

Home Phone: +61 3 52825350

Mobile Phone (Peter): 0418581635

Mobile Phone (Ben): 0439610681

Facsimile: +61 3 52825354

Email: peter@oceanwaveseafoods.com
ben@oceanwaveseafoods.com

Item 2 – Description of Goods

Live Southern Rocklobster (*Jasus edwardsii*)

Item 3 – Specifications

Service provision:

- a) Receive certified Clean Green Australian Southern Rocklobster;
- b) Transportation (Collection Points [Moorabbin Airport, Victorian Ports, Southern Zone Ports] - to the Service Provider's premises and from Service Provider's premises to the USA importer / distributor or a location negotiated between SRL and the Service Provider);
- c) Unload, grade and record (utilising SRL's traceability system) and tank all certified Clean Green Australian Southern Rocklobster;
- d) Maintain tanks and lobsters (reject all damaged and dead lobsters whilst held in the tanks through the traceability system);
- e) Supply coordination support (organising supply from fishers);
- f) Packaging to SRL specifications;
- g) Pack-out goods to Clean Green quality assurance requirements;
- h) Operating cost required to implement the service provision (computers, email, telephone, fax, printing, electricity, water, salt (if required), insurance etc)

Item 4 – Rates

(a) Service Rate (lobster meeting the specifications)

SRL will pay the Service Provider **\$3.75** per kilogram (live weight) for all Qualifying Goods (see SRL Product Specifications) on load out to the domestic buyer / consolidator.

(b) Down Graded Goods Rate (SRL to deduct from Service Provider service rate)

Down Graded Rate -1) Less than 3 legs (not in a row) missing, but still in good health	Beach price agreed by SRL
Down Graded Rate – 2) lethargic and going to die	\$27 per kg (will need to negotiate this further)

(c) Penalty Rate (SRL to deduct from Service Provider service rate)

Mortalities (only product shipped from Service provider premises and arrives dead at the domestic buyer and or consolidator)	\$0 per kg
--	------------

(d) Standard Freight Charges¹

¹ Standard Freight Charges are the maximum amounts and these will be subject to variations over time.

Victorian Ports and Southern Zone Ports – 300 – 600Kg	\$1 per kg
Victorian Ports and Southern part of the Southern Zone – 300 - 600 Kg	\$0.8 per kg
Domestic (Melbourne) – minimum charge	\$quote a price
Domestic Freight (Melbourne to Sydney)	Cost
International Freight (Melbourne to LAX) – 1 AV	Cost

Item 5 – Service Period

Refer to section 11 in ANNEXURE A

Item 6 – Special Conditions

The Service Provider shall have public liability (AUD \$20 million), product liability (AUD \$20 million) insurances.

The Service Provider must conform to Clean Green standards (including 3rd party audit) and sign the Certification Mark and Participation Agreement – Terms and Conditions (Annexure B) and SRL confidentially agreement (Annexure C).

The parties acknowledge that shipments from Service Provider's premises to the USA Importer Distributor or a location required by SRL may be less than 1 AV (approximately 780Kg) per shipment and SRL will need to work with the Service Provider to coordinate logistics.

All capital equipment install on the Consolidators premises remain the property of SRL.

All intellectual property rights generated through the service provision and any other market benefits generated remain the property of SRL.

The Service Provider must;


- a) Train at least 2 staff in the use of the SRL traceability system;
- b) Pay SRL a fee (approximately \$6500 + GST) to become a Service Provider. This fee is required for installation of the traceability system software and hardware and Clean Green certification in relation to the Service Provider's premises.
- c) Supply the following PC network specifications to support the traceability system:
 - Laptop or Computer, Windows XP, Available USB slot
 - Internet Access (Support via Modem requires dedicated phone line)
 - Display, Key Board, Mouse
 - MS Office 2003 Pro with Word/Excel
 - The provision of Mains GPO outlets as required
 - Supply and installation of network infrastructure, communication cabling, network switches, fibre optics infrastructure, conduit, WAN, Internet/Broadband.
 - PC report printers and accessories

SERVICE PROVIDER ACCEPTANCE

The Service Provider acknowledges and agrees that upon execution of this Agreement by the Service provider:

1. the terms and conditions attached to this Agreement as Annexure A ("**Terms and Conditions**") (a receipt of a copy of which is hereby acknowledged) shall apply to all transactions and dealings between the Service Provider and SRL in respect of and in connection with the Supply and Facilitation; and
2. the Service Provider shall be bound by such Terms and Conditions.

Signed as an agreement



SRL by its Authorised Representative
Dated:

Service Provider:
Dated:

DRAFT

ANNEXURE A

1. TERMS AND CONDITIONS

These Terms and Conditions are the terms governing the master agreement (**Agreement**) between Southern Rocklobster Limited ACN 108 116 847 ("**SRL**") and the person specified in item 1 of the Agreement (**Consolidator**) and shall be incorporated by reference, deemed part of, and govern all Service Requests and all matters for the Carriage of goods specified in item 2 of the Agreement ("**Goods**") between SRL and the Consolidator.

2. DEFINITIONS

In these Terms and Conditions, unless the context otherwise requires:

"**ABN**" means an Australian Business Number;

"**AUD**" means the lawful currency in Australia;

"**Business Day**" means a day on which trading banks are open for business in Adelaide, but does not include a Saturday, Sunday or public holiday;

"**Carriage**" means actual carriage, storage, handling and packaging;

"**Clean Green Certification Scheme**" means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfied the Clean Green Standard;

"**Clean Green Standards**" means the applicable set of standards used for the Clean Green Certification Scheme";

"**Collection Point**" means the place specified by SRL in a Service Request where the Consolidator collects the Goods;

"**Collection Record**" has the meaning given to that term in clause 7.1;

"**Deliver**" and "**Delivery**" means leaving the Goods at the Delivery Point and "**Delivered**" has a corresponding meaning;

"**Delivery Date**" means the date or period of delivery requested by SRL for delivery of Goods to the Nominated Receiver in a Service Request;

"**Delivery Point**" means the place SRL has told the Consolidator to take the Goods as specified in a Service Request;

"**Down Graded Goods**" means Goods that do not meet the Specifications but are not Mortalities;

"**Down Graded Rate**" means the rate per kilogram for Down Graded Goods specified in item 4(b) of the Agreement;

"**GST**" means any tax in the nature of a tax on, or on the supply of goods, real property, services or any other value added tax or other government tax or impost

whether Federal, State or Local ever levied, imposed, assessed or becoming payable during the term of this Agreement other than interest, fine penalty or other amount imposed on or in respect of the above and including any tax arising pursuant to or as a consequence of the GST Act;

“GST Act” means the *A New Tax System (Goods and Services Tax) Act 1999* and associated legislation;

“Initial Service Period” means the initial Service Period commencing on the date of execution of this Agreement by the parties;

“Mortalities” means Goods that are dead;

“Nominated Receiver” means a person specified in a Service Request to whom the Consolidator is to Deliver the Goods to;

“Packaging Specifications” means the specifications for packaging of Goods as set out in item 3(b) of the Agreement;

“Penalty Rate” means the AUD rate per kilogram payable by the Consolidator for Mortalities Delivered to the Nominated Receiver set out in item 4(c) of the Agreement;

“Qualifying Goods” means Goods meeting the Quality Specifications;

“Quality Specifications” means the specifications as to the quality of Goods as set out in item 3(a) of the Agreement or as otherwise specified in a Service Request;

“Rates” means the Down Graded Rate, the Service Rate, the Penalty Rate and Standard Freight Charges;

“Service Rate” means the AUD rate per kilogram payable by SRL for the Services set out in item 4(a) of the Agreement;

“Services” means the of Goods the Consolidator undertakes under this Agreement, and part of such Carriage, whether completed or not, and any associated Carriage pursuant to a Service Request;

“Service Period” means the period or periods specified in item 5 of the Agreement applicable in respect of each calendar year during which SRL may submit Service Requests to the Consolidator;

“Service Request” means a written request from SRL to the Consolidator in respect of the Carriage of Goods in accordance with this Agreement;

“Standard Freight Charges” means the Delivery charges specified in item 4(d) of the Agreement.

3. SCOPE OF AGREEMENT

3.1 The Consolidator agrees to undertake the Carriage of the Goods and, in particular to:

3.1.1 transport Goods from the Collection Point to the Delivery Point;

3.1.2 package and store the Goods in a safe and secure manner for and on behalf of SRL,

as and when requested to do so by SRL pursuant to a Service Request in accordance with this Agreement.

3.2 SRL and the Consolidator agree that the Consolidator is not a common carrier.

3.3 Notwithstanding the terms of any Service Request submitted by SRL, the Consolidator acknowledges and agrees that these Terms and Conditions will govern the provision of Services to SRL, and in the event of any inconsistency or conflict between the terms of any Service Request or any other communication between the Consolidator and SRL and these Terms and Conditions, these Terms and Conditions will prevail.

3.4 The parties acknowledge and agree that there is no:

3.4.1 obligation on SRL to make a Service Request to the Consolidator; or

3.4.2 restriction on SRL's right to place a Service Request with any third party.

4. SERVICE REQUIREMENTS FOR PACKAGING

4.1 The Consolidator must package Goods in accordance with the Packaging Specifications and all applicable laws and regulations in effect from time to time.

4.2 The Consolidator is responsible for obtaining all packaging materials required to package the Goods in accordance with the Packaging Specifications and the packaging artwork provided by SRL under clause 4.3.

4.3 If applicable, SRL will provide to the Consolidator all artwork for the packaging of Goods and is responsible for ensuring that such artwork complies with all applicable laws and regulations.

4.4 The Packaging Specifications may only be amended by written agreement between the parties.

5. SERVICE REQUIREMENTS FOR STORAGE

5.1 The Consolidator must store the Qualifying Goods for such period as SRL may specify in a Service Request and subject to the Consolidator's obligations with respect to the Delivery and distribution of those Qualifying Goods.

5.2 The Consolidator stores the Qualifying Goods in such manner as it sees fit subject to:

5.2.1 any special arrangements which may be agreed between the Consolidator and SRL' and

5.2.2 the requirement that the Consolidator must:

- (a) store the Qualifying Goods in such a manner as to minimise the risk of pillages, theft, pilferage and so as to avoid loss, damage or destruction of the Qualifying Goods as a consequence of fire, water, tempest, storm, accident, malicious damage, vandalism, act of God and other usual and normal risks or hazards in the storage of goods;
- (b) ensure that the Qualifying Goods are stored at all times in facilities and in a manner compatible with relevant fire safety regulations, the Clean Green Standards and all other relevant Australian standard.

6. SERVICE REQUIREMENTS FOR DELIVERY

- 6.1 The Consolidator must collect the Goods from the nominated Collection Point within 24 hours of receipt of a Services Request.
- 6.2 The Consolidator must deliver the Goods to the Nominated Receiver at the Delivery Point by the Delivery Date.
- 6.3 Subject to clause 14, the Consolidator must compensate SRL for any loss, damage or injury caused to SRL by virtue of early Delivery, non-delivery or delay in the Delivery of the Goods.

7. INSPECTION AND ACCEPTANCE OF GOODS FOR CARRIAGE

- 7.1 Upon the collection of Goods in accordance with a Service Request at the Delivery Point, the Consolidator is to inspect and weigh all quantities of Goods and enter the information into the traceability system. A collection receipt report for each such quantity of Goods (**Collection Record**) will be generated. A copy of the Collection Record will be provided to the Consolidator within 48 hours of its production.
- 7.2 The Collection Record must:
 - 7.2.1 specify the unique Service Request identification;
 - 7.2.2 the weight and quantity of Goods collected;
 - 7.2.3 the quantity of Down Graded Goods collected; and
 - 7.2.4 the quantity of Mortalities (if any).
- 7.3 The parties acknowledge and agree that the Consolidator's obligations for Carriage under this Agreement only extend to Qualifying Goods in respect of each Service Request. For the avoidance of doubt, the parties acknowledge that Down Graded Goods and Mortalities shall be dealt with in such manner as the Consolidator may decide at its absolute discretion.

8. RATES AND PAYMENT TERMS

- 8.1 The parties acknowledge and agree that:
 - 8.1.1 the Consolidator must purchase the Down Graded Goods identified in a Collection Record at the Down Graded Rate;

- 8.1.2 SRL must pay the Consolidator for Qualifying Goods Delivered to the Nominated Receiver at the Service Rate and the associated Standard Freight Charges;
- 8.1.3 the Consolidator must pay for all Mortalities Delivered to the Nominated Receiver at the Penalty Rate.
- 8.2 The Rates are fixed for the Initial Service Period and may only be varied by agreement between SRL and the Consolidator subject to clause 8.3.
- 8.3 Within three months prior to the expiry of a current Services Period, SRL and the Seller will review the Rates and must determine new Rates to apply during the subsequent Service Period prior to the expiry of the current Service Period.
- 8.4 SRL may render an invoice to the Consolidator in respect of Down Graded Goods as evidenced by the relevant Collection Record (**Down Graded Goods Invoice**) at any time after collection of Goods by the Consolidator in accordance with these Terms and Conditions and a Service Request.
- 8.5 SRL will issue a service statement outlining quantity of qualifying goods and mortalities delivered to the nominated Receiver by the sellers at the end of each month and the Consolidator must render an invoice to SRL in respect to the service statement.
- 8.6 Each Services Invoice must:
 - 8.6.1 specify quantity of Qualifying Goods Delivered and the Services Rate;
 - 8.6.2 the total amount payable for the Qualifying Goods;
 - 8.6.3 specify quantity of Mortalities and the Penalty Rate;
 - 8.6.4 specify the Standard Freight Charges;
 - 8.6.5 specify separately the GST amount payable;
 - 8.6.6 include the Consolidator's ABN;
 - 8.6.7 contain any other additional information requested by SRL from time to time; and
 - 8.6.8 be a tax invoice for the purposes of the GST Act.
- 8.7 SRL must pay the Consolidator for the Carriage of the Qualifying Goods at the Services Rate in respect of service statement within [14] days of the date of receipt of a Services Invoice from the Consolidator.
- 8.8 In making the payment to the Consolidator under clause 8.7, the parties agree that SRL may, in respect of each Service Request, offset any amounts payable by the Consolidator pursuant to a Down Graded Goods Invoice to the Nominated Receiver.

9. **RISK, TITLE AND INSURANCE**

- 9.1 Risk of loss and damage to Down Graded Goods will pass to the Consolidator upon the collection of Down Graded Goods by the Consolidator at the Collection Point.
- 9.2 Title to Down Graded Goods will not pass to the Consolidator until all moneys owing by the Consolidator for the Down Graded Goods under a Service Request has been received in full by SRL.
- 9.3 The Consolidator is responsible for the Goods from the time they are collected by the Consolidator until the Consolidator has completed unloading the Goods at the nominated Delivery Point and receipt of the Goods are acknowledged in writing (hard copy or electronic) by the relevant Nominated Receiver.
- 9.4 The Consolidator must exercise due care in storing, handling and transporting the Goods. The Consolidator will at all times ensure that there is no loss or damage to the Goods from any cause that is reasonable within its control.
- 9.5 The Consolidator must provide to SRL on request certificates of currency in respect of all insurances (Product and Public Liability) the Consolidator is required to obtain and maintain under this clause 9.

10. **WARRANTIES, INDEMNITIES**

- 10.1 SRL warrants that:
 - 10.1.1 it has full right and authority to enter into this Agreement; and
 - 10.1.2 the Carriage of Goods in accordance with this Agreement will not infringe any rights of any third party; and
 - 10.1.3 the Goods in respect of each Service Request are not subject to any mortgage, lien, encumbrance or charge whatsoever.
- 10.2 SRL shall indemnify and keep indemnified the Consolidator against any claim or demand by any person claiming an interest in Goods collected by the Consolidator pursuant to a Service Request.
- 10.3 The Consolidator must indemnify SRL against all costs, liability and expenses incurred by SRL, arising wholly or in part from the performance by the Consolidator or its employees or contractors of the Services under this Agreement, except to the extent that such costs, liability or expenses arose directly from the wilful misconduct, bad faith or negligence of SRL or its employees or contractors.

11. **TERM AND TERMINATION**

- 11.1 Subject to clauses 11.2 and 11.3, this Agreement commences on the date the parties sign these Terms and Conditions ("**Commencement Date**") and is automatically renewed on the anniversary of the Commencement Date each year unless terminated by either party providing at least [60] days notice prior to the annual anniversary.
- 11.2 Either party may terminate this Agreement by giving the other party [90] days written notice in writing to the other party.
- 11.3 This Agreement will immediately terminate if:

- (a) either party materially breaches any terms or conditions of this agreement and does not remedy that breach within 10 days of receiving written notice to do so;
- (b) either party ceases, or threaten to ceases, to carry on business.

11.4 Notwithstanding termination of this Agreement, the Consolidator still has an obligation to undertake the Carriage of all Goods the subject of outstanding Service Requests issued by SRL prior to the date of termination and the parties will remain liable for all payments due in respect of such Service Requests in accordance with this Agreement.

12. **DISPUTE RESOLUTION**

12.1 If any dispute or controversy arises between the parties out of or relating to this Agreement (**Dispute**), the party believing there to be a Dispute will notify the existence and nature of Dispute to the other party (**Notification**) and both Parties must attempt to negotiate to resolve the Dispute.

12.2 If the Dispute is not resolved within 30 days of the Notification then either Party will be entitled to seek such relief as it sees fit.

12.3 Notwithstanding the terms of clause 12.1 nothing in this clause will prevent a party from seeking interlocutory relief in a court of appropriate jurisdiction.

13. **GST**

Prices stated in or calculated pursuant to this Agreement do not include GST. If GST is payable as a consequence of any supply made or deemed to be made or other matter or thing done under or in connection with this Agreement by one party (**Supplier**), the other party (**Receiver**) must pay to the Supplier, as consideration in addition to any price or other amount payable by the Receiver under this Agreement, an amount calculated by multiplying that price or other amount by the applicable rate of GST. The Supplier will provide the Receiver with a tax invoice with respect to any GST which the Receiver is required to pay under this clause which invoice will comply with any legislation under which GST is imposed.

14. **FORCE MAJEURE**

A party will not be liable for any delay in performing any of its obligations under this Agreement if such delay is caused by circumstances beyond its reasonable control (including, without limitation, acts of God, civil or military authority, accidents, earthquakes, strikes, the elements, fire, flood, tempest and war) and it will be entitled to a reasonable extension of time for the performance of such obligations.

15. **NOTICES**

All notices which are required to be given under this agreement must be in writing and must be sent to the Consolidator's address set out in item 1 of the Agreement or such other address as the Consolidator may designate by notice in accordance with the provision of this clause. Any such notice may be delivered personally by pre-paid letter, by email or facsimile transmission and will be deemed to have been served if by hand when delivered, if by post 48 hours after posting and if by email or facsimile transmission when despatched.

16. **GENERAL PROVISIONS**

- 16.1 No party will assign any of its rights or obligations under this Agreement without first obtaining the consent in writing of the other party.
- 16.2 Except as provided in this Agreement, this Agreement may only be changed, modified, waived, discharged or terminated by an instrument in writing to be signed by all parties.
- 16.3 The failure of either party at any time to require performance by the other party of any provision of this Agreement will not affect in any way the full right of the waiving party to require such performance at any time thereafter nor will the waiver by either party of a breach of any provision be deemed a waiver of the provision itself or any other provision.
- 16.4 This Agreement will be governed by and construed in accordance with the law in force in South Australia and all disputes arising in connection with this agreement will be submitted to the jurisdiction of the South Australian courts.
- 16.5 This Agreement represents the entire agreement between the parties as to its subject matter and supersedes all previous agreements or understandings whether written or not.

17. **SPECIAL CONDITIONS**

The conditions specified in item 6 of the Agreement form part of this Agreement and prevail over any other provision of this Agreement to the extent of any inconsistency.

A photograph of a Southern Rocklobster, showing its reddish-brown body and legs, positioned in the upper right quadrant of the page.

ANNEXURE B

Southern Rocklobster Limited

Clean Green Program

**Certification Mark Licence and
Participation Agreement**

Terms and Conditions

1. APPLICABILITY

- 1.1 These terms and conditions govern the use of the Certification Mark by the Licensee and some aspects of the Licensee's participation in the Clean Green Certification Scheme.
- 1.2 These terms prevail over any other terms that may be communicated by the Licensee in writing or orally, whether in any order, letter, other document, in negotiations or otherwise.
- 1.3 No person acting or purporting to act on behalf of SRL shall have authority to waive or change these terms orally. Waivers or changes shall have effect only if made in writing and signed by a duly authorised officer of SRL.
- 1.4 SRL may vary these terms at any time by notifying the Licensee in writing, including any variation necessary to satisfy any direction given.

2. INTERPRETATION

- 2.1 In these terms:

'CAB' means a conformity assessment body accredited to perform a Certification Audit and approved by SRL;

'Certificate' means a certificate of registration issued by a CAB to the Licensee to record Certification;

'Certification' means certification granted by a CAB under the Clean Green Certification Scheme;

'Certification Audit' means an audit conducted to assess a product, process or service for the purpose of grant or maintenance of Certification;

'Certification Procedures' means procedures developed by the CAB who is providing Certification and used in a Certification Audit;

'Certification Services' means assessment of a product, process or service by a CAB in accordance with Certification Procedures. Certification Services includes assessment and verification services, gap analysis and Certification Audits, whether or not a Certificate is issued;

'Certification Mark' means the certification mark or marks specified in a Certificate and includes any trademark specified in a Certificate which is owned or controlled by a CAB or SRL;

'Clean Green Standard' means the applicable set of standards used for the Clean Green Certification Scheme which sets the benchmark for Certification;

'Clean Green Certification Scheme' means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfies the Clean Green Standard;

'Licence' means the licence to use the Certification Mark on the terms and conditions contained in this agreement;

'Licensee' means the company, organisation, entity or person specified in the Certificate;

'Materials' means products, and information and promotional material about the Licensee's products, processes or services which use or refer to a Certification Mark;

'Rules' means the applicable rules and directions governing the use of a Certification Mark issued by SRL from time to time;

'Site' means the location of manufacture of product or of performance of a process or service;

'SRL' means Southern Rocklobster Limited ACN 108 116 847.

3. LICENCE

- 3.1 The issue of a Certificate and Licence grants to the Licensee a non-exclusive licence to use the Certification Mark specified in the Certificate:
- (a) on the terms and conditions of this agreement;
 - (b) commencing on the issue of the Certificate for the period specified in the Certificate (unless terminated earlier in accordance with this agreement); and
 - (c) in relation to the products, processes, or services by reference to the Clean Green Standard or other specifications as set out in the Certificate and these terms.
- 3.2 The issue of the Licence does not restrict SRL's right to use or license the use of the Certification Mark to any other person.


4. LICENSEE'S OBLIGATIONS

General

- 4.1 The Licensee must:
- (a) ensure that the Certification Mark is only used in accordance with the terms and conditions contained in this agreement;
 - (b) not use the Certification Mark in any way which causes confusion or deception or would be likely to deceive or cause confusion;
 - (c) not make any representation to any party about the Licensee's rights to the Certification Mark which are misleading or deceptive;
 - (d) ensure that the Certification Mark is used in accordance with any guidelines or directions SRL may publish from time to time;
 - (e) maintain the product, process or service as certified and comply with all reasonable requirements that the CAB considers necessary to ensure that Certification continues to be appropriate, including any requirements listed or referred to in the Certificate;
 - (f) promptly inform the CAB or SRL of any change in relation to the certified product, process or service that is likely to substantially affect the Certification, including change of address of any relevant Sites or other premises;
 - (g) not engage in any conduct which might mislead, deceive or confuse any person in relation to its Certification; or
 - (h) not otherwise misrepresent the nature, status, scope or effect of its Certification.

Additional Obligations for Manufactured Goods

- 4.2 Where the Licence relates to a product that is a manufactured good, the Licensee must ensure that:
- (a) when physically applied to goods, the Certification Mark is:
 - (i) applied only to goods that comply with applicable food safety labeling requirements and accompanied by the number of the Certificate; and

- 
- (ii) applied to goods prior to their dispatch from a site covered by the Certification; and
 - (iii) applied only to goods that meet product specifications detailed in the Clean Green Standard;
- (b) when, after having obtained from SRL approval to do so, the Certification Mark is physically applied to components manufactured by a contractor or agent of the Licensee, prior to further processing or assembly the Licensee submits to the CAB which has granted Certification to the Licensee, for its prior approval, details of the contractor or agent, and makes arrangements to guarantee access of the CAB to the premises of the contractor or agent unless otherwise approved in writing by a duly authorised officer of SRL.

Assessment

4.3 The Licensee must:

- (a) comply with the applicable Certification Procedures and provide the CAB's employees, agents and contractors with all co-operation and assistance required by the applicable Certification Procedures necessary to enable the CAB to provide the Certification Services, including reasonable access to the Licensee's premises, sites, facilities, documents and records of the Licensee and the Licensee's contractors and agents;
- (b) promptly comply with any reasonable requirement of the CAB in relation to the Licensee's product, process or service to make appropriate the Certification, including allowing a representative of the relevant accreditation body to witness a Certification Service being provided by the CAB at a Site;

4.4 The Licensee accepts responsibility for the safety of the CAB's employees, agents and contractors in activities required under the applicable Certification Procedures and advise the CAB, its employees, agents and contractors appropriately of any safety hazards or special training requirements.

4.5 The Licensee warrants that all information made available to the CAB is, to the best of its knowledge and belief, complete and accurate.

4.6 The Licensee must treat as confidential and not disclose to any third party without the prior written consent of the CAB any proprietary or confidential information belonging to a CAB.

Use of Certification Mark

4.7 The Licensee agrees with SRL:

- a) to use the Certification Mark in accordance with the terms and conditions set out in this agreement and any reasonable directions that may be issued by SRL from time to time including directions in relation to statements acknowledging that the Licensee does not own the Certification Mark, directions about the location, size and method of display of the Certification Mark and directions about what words may be used in association with the Certification Mark;
- b) on request by SRL, to provide SRL with samples of Materials;
- c) to promptly correct any failure to comply with paragraph (a), including by complying with any timely and reasonable directions issued by SRL in relation to Materials submitted to SRL under paragraph (b);
- d) not to alter, modify or deface in any way representations of the Certification Mark;
- e) to report to SRL any suspected or actual unauthorised use of the Certification Mark of which the Licensee becomes aware;

- 
- f) to provide SRL with all information, site access and co-operation reasonably requested by SRL to protect the Certification Mark and ensure compliance with these terms;
 - g) not to represent that it owns or has any rights in relation to the Certification Mark other than set out in this agreement;
 - h) not to question or challenge the validity or SRL's ownership of the Certification Mark;
 - i) not to apply for registration of any trade mark or business, company or domain name that incorporates any name or logo the same as, substantially identical with or deceptively similar to the Certification Mark, without the consent of SRL;
 - j) to make and keep a record of all complaints relating to the use of the Certification Mark and, upon request by SRL, to make these records (and a copy thereof if requested by SRL) available to SRL.

Application of Certification Mark

4.8 The Licensee agrees with SRL that:

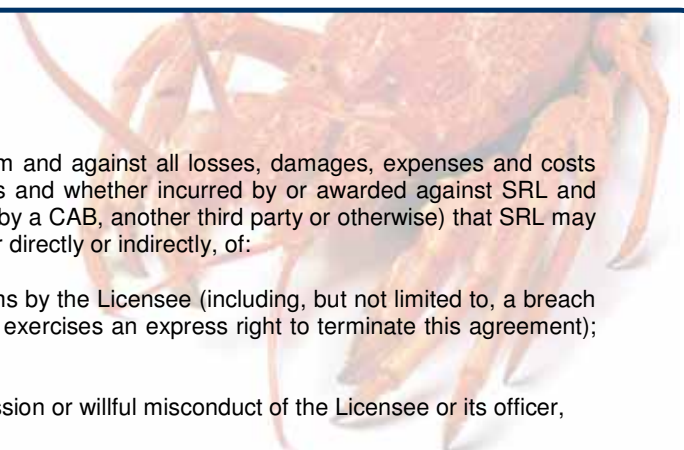
- a) before applying the Certification Mark to any item, the Licensee must obtain from SRL an authorised electronic copy of the Certification Mark, and must in applying it to any item reproduce it in exactly the same proportions and colours (Blue PMS 286, Red PMS 485) as the authorised electronic version; and
- b) the original artwork and computer images of the Certification Mark remain the property of SRL and must be returned immediately if requested by SRL, and the original and any copies of the Certificate remain the property of the CAB and must be returned immediately if requested by the CAB. SRL is and remains the owner of the copyright in the Certification Mark.

5. USE OF CERTIFICATE AND PUBLICITY

- 5.1 The Licensee must not without SRL's prior written permission alter, modify, deface or destroy the Certificate,
- 5.2 Subject to any directions that may be given by SRL, the Licensee may publicise the fact that the Licence has been granted and, subject to any requirements of the CAB to the contrary, may use the Certificate as evidence of the Licence. If permitted to do so by the CAB or SRL, the Licensee may copy the Certificate provided that each copy is clearly identified as a copy.
- 5.3 Subject to any directions that may be given by SRL, the Licensee may use the Certification Mark by application to vessels, factories, transport vans, packaging and/or stationery to publicise the fact that Certification has been achieved and to promote continued compliance.
- 5.4 Subject to any directions that may be given by SRL the Licensee may use the Certification Mark by application to packaging and/or the product if the product specifications are complied with to publicise the fact that Certification has been achieved and to promote continued compliance.
- 5.5 The Licensee acknowledges that the Certificate does not imply that any Certification is approved by any accreditation authority or any Government Ministers.

6. LICENSEE'S WARRANTY AND INDEMNITY

- 6.1 The Licensee warrants to SRL that at all times the Licensee will use the Certification Mark only in accordance with the terms of the Licence, unless otherwise approved in writing by SRL.



6.2 The Licensee indemnifies SRL from and against all losses, damages, expenses and costs (on a solicitor and own client basis and whether incurred by or awarded against SRL and whether in connection with a claim by a CAB, another third party or otherwise) that SRL may sustain or incur as a result, whether directly or indirectly, of:

- (a) any breach of these terms by the Licensee (including, but not limited to, a breach in respect of which SRL exercises an express right to terminate this agreement); or
- (b) any negligent act or omission or willful misconduct of the Licensee or its officer, employees and agents;
- (c) any loss or damage to any property or injury to or death of any person resulting, wholly or partly, from any product, process or service in relation to which the Certification Mark has been used by the Licensee.

7. ADDITIONAL REMEDIES FOR BREACH OF WARRANTY

7.1 If the Licensee breaches any warranty in clause 6.1, or any other provision of these terms the Licensee must at its cost:

- (a) immediately notify SRL of the breach and provide any information reasonably requested by SRL;
- (b) promptly comply with any directions that SRL may issue to prevent further breach or minimise the adverse consequences of the breach (either to SRL or to any member of the public), including a direction to:
 - (i) cease supply of goods or services;
 - (ii) take steps to modify goods or services before supply;
 - (iii) destroy goods;
 - (iv) modify or destroy Materials;
 - (v) provide information (including Materials) to the public; and
 - (vi) where the breach relates to goods already released for sale and which will or may cause injury to any person:
 - (a) undertake a recall of the goods; and
 - (b) take such other action as may be reasonably requested by SRL;
 - (vii) cease representing, either expressly or by implication, that they have any current Certification or License;
- (c) keep SRL informed, in writing, of action taken pursuant to any direction issued under paragraph (b).

8. FEES

If so requested by SRL, the Licensee must pay to SRL the fees specified in SRL's Schedule of Fees (or elsewhere) as amended from time to time.

9. SRL'S WARRANTY

SRL warrants that it has the rights required to grant the Licence to the Licensee.

10. SUSPENSION, CANCELLATION OR EXPIRY OF CERTIFICATION

10.1 The Licensee acknowledges and agrees that the Licensee's Certification shall be suspended with immediate effect in the following circumstances:

- (a) the CAB gives notice to SRL or the Licensee that it considers that Certification is no longer appropriate;
- (b) the Licensee is in breach of this agreement;
- (c) a substantial change in the management system of the Licensee occurs without the Licensee notifying the change to SRL for review by the CAB; or
- (d) if, in the case of any product subject to Certification, there has been a significant change in design or manufacture of such product without the Licensee notifying the change to SRL for review by the CAB.

10.2 If the Licensee's Certification is suspended:

- (a) SRL must within 45 days of notifying the Licensee of the suspension, furnish the Licensee with information outlining the steps that must be taken by the Licensee to enable the suspension to be lifted;
- (b) the Licensee must immediately take all steps necessary to enable the suspension of its Certification to be lifted; and
- (c) the Licensee must take all steps reasonably required by SRL to prevent the public being misled or otherwise harmed.

10.3 If the CAB is satisfied with the remedial action taken by the Licensee, SRL may request the CAB to lift the suspension of Certification;

10.4 The Licensee acknowledges that the CAB may cancel the Licensee's Certification with immediate effect by giving notice to the Licensee if the Licensee's Certification has remained suspended for a period more than 90 days.

11. TERMINATION

11.1 The Licence terminates on the earlier of:

- (a) the expiry date specified in the Certificate;
- (b) the termination or cancellation of the Licensee's Certification; or
- (c) the termination of the Licence under this clause 11.

11.2 The Licensee may terminate the Licence upon giving written notice to SRL.

11.3 SRL may terminate the Licence with immediate effect by giving notice to the Licensee if:

- (a) the Licensee breaches any of these terms and fails to remedy the breach within 30 days after receiving notice requiring it to do so; or
- (b) the Licensee breaches a material provision of these terms where that breach is not capable of remedy.

11.4 If the Licensee's Certification is suspended, cancelled or expires, the Licensee must promptly:

- (a) notify SRL; and
- (b) furnish SRL with all information reasonably requested by SRL to ascertain the nature and extent of the suspension, cancellation or expiration.

11.5 If the Licensee's Certification is suspended, then this Licence is also suspended and the

Licensee must, during the suspension period, comply with any reasonable written directions issued by SRL in relation to use of the Certification Mark.

12. AFTER TERMINATION

12.1 On termination of this Licence, the Licensee:

- (a) must, subject to clause 12.1(b), immediately cease using and has no further right to use, including on or in materials:
 - (i) the Certification Mark; or
 - (ii) any certification mark that is substantially identical with or deceptively similar to the Certification Mark;
- (b) may continue to sell goods marked with the Certification Mark before the termination of the Licence unless SRL directs that the Certification Mark be erased or masked from the goods before their sale; and
- (c) must remove the Certification Mark from, or destroy (and certify to SRL destruction of) all materials bearing the Certification Mark in the Licensee's custody, possession or control; and
- (d) must promptly return the Certificate (including all copies) to SRL.

12.2 Termination of the Licence will not affect any accrued rights of any party.

12.3 Clause 6 and this clause 12 continues after termination of the Licence.

13. AUDIT REPORTS

13.1 At the completion of any Certification Audit of the Licensee:

- (a) SRL may request directly from the CAB a copy of the audit report prepared by the CAB in respect of the Certification and the Licensee consents to the CAB providing a copy of such audit report; or
- (b) if SRL requests, the Licensee must provide SRL with a copy of the audit report prepared by the CAB in respect of the Certification.

13.2 A confidential copy of audit reports provided to SRL under clause 13.1 will be kept on file to maintain a backup file copy of the reports that can be requested at any time by a category – refer to Table 1 for category descriptions.

Table 1: Category descriptions

Categories	Applicable section of the Clean Green standard
All Categories	1
Clean Green Fishery	Pot (2.1- 2.4 - 3)
Clean Green Fisher	Pot – Deck (3.1, 4.1 - 20.1)
Clean Green Consolidator / Consolidator	Deck-Factory (21.1-32.1)
Clean Green Distribution	Factory (33.1- 41.2)
Clean Green Food Service	Plate (42.1- 46.1)

13.3 The Licensee acknowledges and agrees that SRL is authorised to use any copy of an audit report obtained under this clause 13 for any purpose it reasonably requires in relation to the



Licensee's Certification or this Licence, including without limitation:

- (a) issuing a licence agreement in relation to the Certification Mark;
- (b) assisting in closing out audits for cost control;
- (c) providing feedback to the CAB;
- (d) assisting with continual improvement of the Clean Green Certification Scheme.

14. SUB-LICENSING AND ASSIGNMENT


- 14.1 The Licensee must not assign, otherwise transfer or sub-license the whole or part of the Licence or the rights granted under it without the prior written consent of SRL, which consent may be given or withheld at its absolute discretion and subject to any terms and conditions that SRL thinks fit.
- 14.2 SRL may assign its rights under the Licence at any time and in any manner it wishes.

15. RIGHTS IN CERTIFICATION MARK AND OTHER INTELLECTUAL PROPERTY

- 15.1 The Licensee acknowledges that:
 - (a) SRL owns all rights in the Certification Mark; and
 - (b) the CAB is the owner or licensee of copyright, know-how and other intellectual property rights in the Certification Procedures and any associated documentation; and
 - (c) no right, title or interest in the Certification Mark or the Certification Procedures or that documentation is transferred to the Licensee under this agreement.
- 15.2 The Licensee agrees that its use of the Certification Mark and any goodwill established thereby shall accrue to the exclusive benefit of SRL.
- 15.3 The Licensee shall immediately notify SRL of any apparent infringement of, or challenge to, the Licensee's use of the Certification Mark or claim by any person of any rights to any of the Certification Mark. The Licensee shall not communicate with any person other than SRL and its counsel in connection with any such infringement, challenge or claim. SRL shall have the right to take such action as it deems appropriate and the exclusive right to control any litigation or administrative proceeding arising out of any infringement of, or challenge or claim to, any of the Certification Mark or in any way related to the Certification Mark. Any damages or other benefits arising out of any such infringement, challenge or claim shall accrue exclusively to SRL.

16. INSURANCE AND LIABILITY

- 16.1 The Licensee must:
 - (a) take out and maintain valid and enforceable public liability/ protection & indemnity insurance policies to cover potential liability of SRL arising out of the Licensee's breach of these terms and conditions or any act or omission of the Licensee, with the interest of SRL and the CAB undertaking Certification noted thereon; and
 - (b) provide SRL with certificates of currency and any other evidence of those policies that SRL may reasonably require.
- 16.2 Except to the extent prohibited by the *Trade Practices Act 1974* or any other applicable laws, SRL excludes liability for any loss or damage suffered by the Licensee (whether direct, indirect, incidental, special and/or consequential damages or loss of profits whatsoever) arising in any way out of any services (including defective Certification Services) rendered by the CAB or out of the Licensee's product, process or service the subject of Certification or any negligent act or omission of the CAB, its officers, employees,



agents or contractors, including but not limited to profits lost and damage sustained or incurred as a result of a claim by a third person.

17. GOVERNING LAW

17.1 This agreement is governed by the laws of South Australia.

17.2 The parties irrevocably submit to the non-exclusive jurisdiction of the courts of South Australia and the South Australian division of the Federal Court of Australia, and the courts of appeal from them.

17.3 No party may object to the jurisdiction of any of those courts on the ground that it is an inconvenient forum or that it does not have jurisdiction.

18. COMPLAINTS

The Licensee may lodge any complaints in regard to decisions of SRL under this agreement with the SRL Board.

19. SEVERABILITY

If all or any part of this agreement is found by a Court of competent jurisdiction to be illegal, void or unenforceable, the illegal, void or unenforceable part(s) may be severed from this agreement and the remaining parts of the agreement shall continue in force.

Schedule

Certification Mark

Australian
Southern Rocklobster





Southern Rocklobster Limited

Terms and Conditions of Certification Mark Licence and Participation Agreement

Acknowledgement of acceptance

Name of "Licensee" (correct legal entity) _____

Certification No (office use only) _____

I/We acknowledge receipt of the above terms and conditions in regard to the Clean Green scheme. I/We agree to comply with, these terms and conditions.

If licensee(s) is an individual

Signature of individual(s)/licensee:

(1) Name _____

Signature: _____ Date: _____

(2) Name _____

Signature: _____ Date: _____

If licensee(s) is a company (complete if applicable)

Executed by _____ Pty Ltd:

Authorised Company Representative

Name: _____

Signature: _____ Date: _____

Director or Secretary Name: _____

Signature: _____ Date: _____



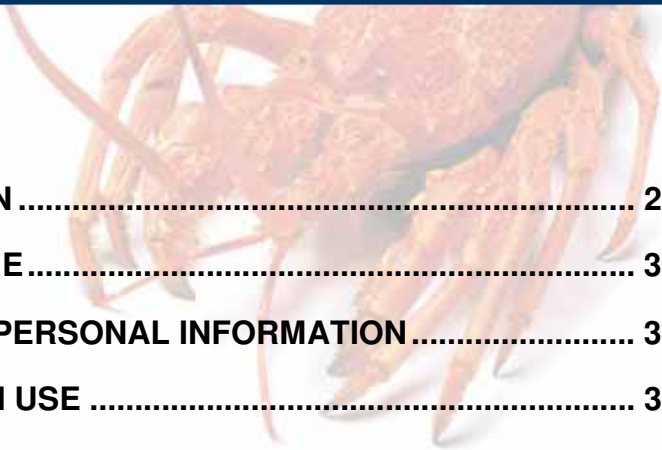
ANNEXURE C



DEED OF CONFIDENTIALITY

Southern Rocklobster Limited
ABN 66 108 116 847
AND

.....
[INSERT CONFIDANT DETAILS]



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DEED OF CONFIDENTIALITY

BETWEEN:

Southern Rocklobster Limited (ABN 66 108 116 847), a company limited by guarantee (**SRL**)

AND

.....
(the **Confidant**)

RECITALS:

- A. The SRL may disclose SRL Confidential Information to the Confidant for the Permitted Purpose.
- B. Where the SRL discloses SRL Confidential Information to the Confidant it will do so on the condition that the Confidant keeps all such SRL Confidential Information strictly confidential.
- C. The SRL requires, and the Confidant agrees, that it is necessary to take all reasonable steps (including the execution of this Deed of Confidentiality) to ensure that SRL Confidential Information is kept confidential and that Personal Information is treated in accordance with the Information Privacy Principles set out in the *Privacy Act 1988* (Cth) (**Privacy Act**).

OPERATIVE PROVISIONS

1. INTERPRETATION

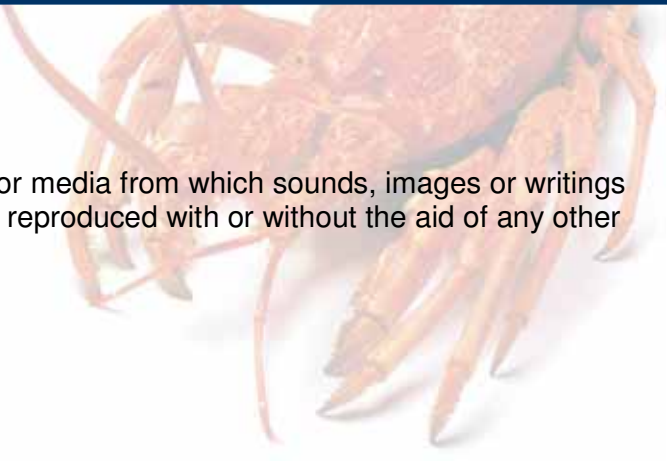
1.1 Definitions

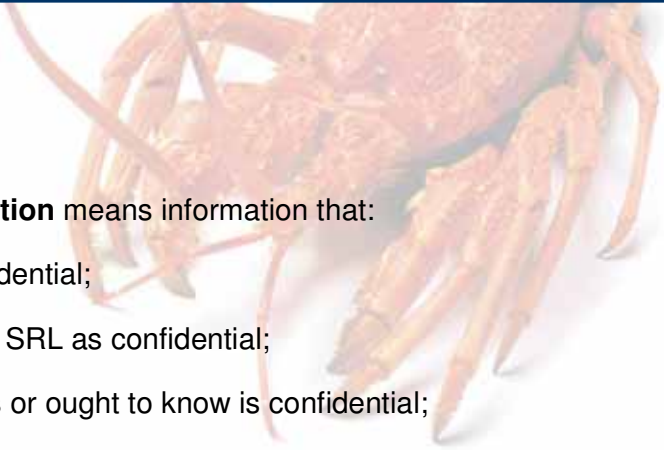
In this Deed of Confidentiality, unless the contrary intention appears:

Chairperson has the same meaning as in the Constitution of Southern Rocklobster Limited.

Document includes:

- (a) any paper or other material on which there is writing;
- (b) any paper or other material on which there are marks, figures, symbols or perforations having a meaning to persons qualified to interpret them; and

- 
- (c) any article, material or media from which sounds, images or writings are capable of being reproduced with or without the aid of any other article or device;



SRL Confidential Information means information that:

- (a) is by its nature confidential;
- (b) is designated by the SRL as confidential;
- (c) the Confidant knows or ought to know is confidential;
- (d) is Personal Information accessed by the Confidant in the course of undertaking activities related to the Permitted Purpose;

and includes, to the extent it is confidential:

- (e) information comprised in or relating to any Intellectual Property of SRL;
- (f) information relating to the internal management and structure of SRL;

but does not include information that:

- (g) is or becomes public knowledge other than by a breach of this Deed of Confidentiality, or any other confidentiality obligations.
- (h) the confidant already has or receives from another source.

SRL Material means any confidential material provided by SRL to the Confidant for the Permitted Purpose, or which is copied or derived from Material so provided. Provided it is confidential in the first place.

Intellectual Property includes all rights in copyright, registered and unregistered trademarks (including service marks) registered designs, all rights in relation to inventions (including patent rights), trade secrets, know how, rights in relation to circuit layouts and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields or any rights to registration of such rights existing in Australia or elsewhere, whether created before, on or after the date of this Deed of Confidentiality.

Material includes documents, equipment, software, goods, information or data stored by any means.

Meeting means a meeting of SRL called by the Chairperson of SRL in accordance with the Constitution of Southern Rocklobster Limited.

Parties means SRL and the Confidant.



Permitted Purpose means review of any of the following:

- R&D application
- reports
- plans

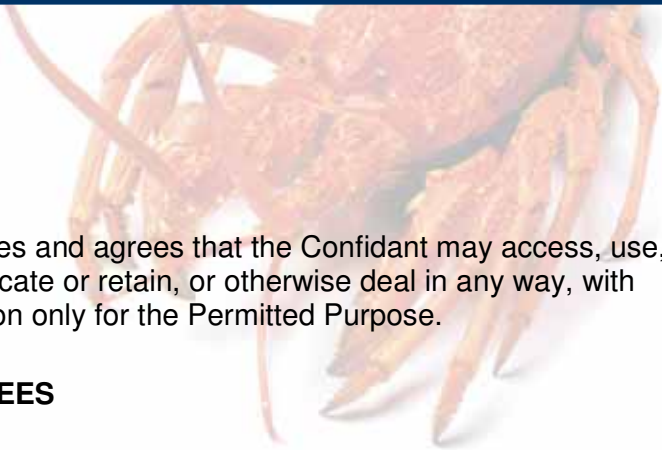
Personal Information means information that is information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

2. **NON-DISCLOSURE**

- 2.1 In consideration of SRL disclosing certain SRL Confidential Information to the Confidant, the Confidant acknowledges and agrees that all SRL Confidential Information is confidential, is the property of SRL, and is of value to it, and that any SRL Confidential Information disclosed to the Confidant is disclosed to the Confidant only pursuant to the terms of this Deed of Confidentiality.
- 2.2 The Confidant must not use, disclose, divulge or deal with any SRL Confidential Information, nor allow any act, matter or thing to be done or occur whereby any SRL Confidential Information may be ascertained or used by, or disclosed or communicated to, any other person, without the prior written consent of the Chairperson of SRL, which consent the Chairperson may grant or withhold in its absolute discretion.
- 2.3 For the purpose of **clause 2.2**, written consent includes agreement of the Chairperson of SRL in a Meeting where that consent is documented in formal minutes of the Meeting.

3. **TREATMENT OF PERSONAL INFORMATION**

- 3.1 The Confidant understands that, in the course of undertaking activities concerning the Permitted Purpose, the Confidant may have access to Personal Information.
- 3.2 The Confidant acknowledges and agrees that the Confidant will not access, use, disclose, publish, communicate or retain, or otherwise deal in any way, with Personal Information except for the Permitted Purpose.
- 3.3 The Confidant agrees to abide by the provisions of the Privacy Act in respect of Personal Information, including the Information Privacy Principles set out in that Act, whether or not the Confidant is legally bound to comply with that Act.
- 3.4 The Confidant agrees to treat all Personal Information with the utmost care and to protect that information at all times.



4. **RESTRICTION ON USE**

4.1 The Confidant acknowledges and agrees that the Confidant may access, use, disclose, publish, communicate or retain, or otherwise deal in any way, with SRL Confidential Information only for the Permitted Purpose.

5. **DISCLOSURE TO NOMINEES**

5.1 If:

- (a) the Confidant has nominated a person to whom the Confidant may give access to or disclose SRL Confidential Information to (a **Nominee**); and
- (b) SRL consents in writing to such access or disclosure being provided to that Nominee,

the Confidant may give access to or disclose SRL Confidential Information to the Nominee on such conditions as may be imposed by SRL.

5.2 For the purpose of **clause 5.1(b)**, written consent includes agreement of the Chairperson of SRL in a Meeting of SRL where that consent is documented in formal minutes of the Meeting.

5.3 The Confidant must ensure that any Nominee to whom access or disclosure of any Confidential Information is to be given pursuant to **clause 5.1**, signs a deed of confidentiality in the form of this Deed of Confidentiality and for the benefit of SRL, prior to any such access or disclosure being given.

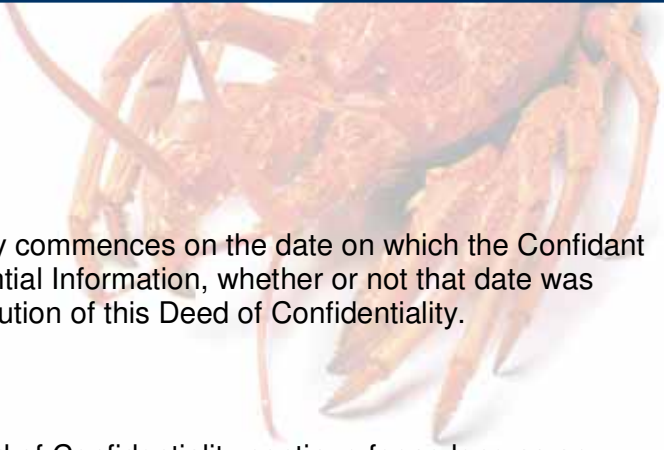
6. **DISCLOSURE AS REQUIRED BY LAW**

6.1 The Confidant may disclose any SRL Confidential Information that the Confidant is required by law to disclose, but only if:

- (a) the extent and manner of the disclosure is strictly limited to what is required by law; and
- (b) the Confidant has:
 - (i) given SRL sufficient notice to enable SRL to seek a protective order or other relief from disclosure; and
 - (ii) provided all assistance and cooperation that SRL reasonably considers necessary for that purpose.

7. **DELIVERY UP OF DOCUMENTS**

7.1 SRL may demand, either orally or in writing, at any time and without notice, that the Confidant deliver to SRL all documents containing SRL Confidential Information in the possession or control of the Confidant.



8. **COMMENCEMENT**

8.1 This Deed of Confidentiality commences on the date on which the Confidant first received SRL Confidential Information, whether or not that date was before the date of the execution of this Deed of Confidentiality.

9. **SURVIVAL**

9.1 The obligations in this Deed of Confidentiality continue for so long as any information disclosed to the Confidant is SRL Confidential Information.

10. **APPLICABLE LAW**

10.1 This Deed of Confidentiality will be governed by and construed in accordance with the laws of the South Australia.

11. **NO EXCLUSION**

11.1 This Deed of Confidentiality does not exclude the operation of any principle of law or equity intended to protect and preserve the confidentiality of SRL Confidential Information.

11.2 The rights and remedies provided under this Deed of Confidentiality are cumulative and not exclusive of any rights or remedies provided by law.

12. **WAIVER**

Failure by SRL to enforce a provision of the Deed of Confidentiality will not be construed as in any way affecting the enforceability of that provision or of the Deed of Confidentiality as a whole.



This **DEED OF CONFIDENTIALITY** is **EXECUTED** as a deed.

DATE

SIGNED by

in the presence of:

Signature of Confidant

Signature of witness

Name of witness

SIGNED by **Roger Edwards** for and on behalf of Southern Rocklobster Limited, ABN 66 108 116 847,

in the presence of:

Signature of SRL representative

Signature of witness

Name of witness

USA IMPORTER / DISTRIBUTOR SERVICE AGREEMENT

PARTIES

The parties to this service agreement including all annexures as may be amended from time to time (“**Agreement**”) are:

Southern Rocklobster Limited ACN 108 116 847
Level 1
16 Unley Road
UNLEY SA 5061
 (“**SRL**”)

and

The person specified in item 1
 (“**Service Provider**”)

PURPOSE OF AGREEMENT

This Agreement relates to the services by the Service Provider in relation to the goods specified in Item 2 that conform to the specifications specified in Item 3 at the rates specified in Item 4 during the service period specified in Item 5 and satisfy special conditions in Item 6.

Item 1 – Details of Service Provider

Trading Name: Paradise Cold Storage Limited Liability Company

Company Number (if applicable): 204 288 387

USFDA Registration Number: 13676502508

Address: 3264 Mines Avenue, Los Angeles, CA 90023

Work Phone: 0011 (1) 323 980 8788

Home Phone: 0011 (1) 310 316 1769

Mobile Phone: 0011 (1) 310 947 2174

Facsimile: 0011 (1) 323 980 8789

Email: love@awesomefish.com

Item 2 – Description of Goods

Live Southern Rocklobster (*Jasus edwardsii*)

Item 3 – Specifications and Services to be provided

Service provision:

- a) Import live certified Clean Green Australian Southern Rocklobster (Includes all associated expenses with importing e.g. fees and paper work);
- b) Transportation (LAX to Paradise Cold Storage & Paradise Cold Storage to the buyer);
- c) Unload, grade (utilising SRL’s traceability system) and tank;
- d) Maintain tanks (refer to maintenance manual provided by Sea Water Visions) and lobsters (reject all damaged and dead lobsters whilst held in the tanks);
- e) Sales support (service existing accounts, develop new accounts, orders, print deliver docket and invoice on behalf of SRL);
- f) Packaging to SRL specifications (suitable box, wood wool, gel packs etc);
- g) Pack-out goods to Clean Green quality assurance requirements;
- h) Paradise Cold Storage’s operating requirements for the service provision (telephone, fax, printing, electricity, water, salt, insurance, packaging materials – suitable boxes, wood wool, gel packs, 3rd party auditing to the Clean Green standard and all other associated operating expenses and requirements)

Item 4 – Rates

(a) Service Rate (Goods meeting the Quality Specifications)

SRL will pay the Service provider \$2.32 USD per pound (live weight) on load out to the Nominated Receiver.

(b) Down Graded Goods Rate (only payable if Goods are onsold to a customer)

Down Graded Goods Rate -1) Less than 3 legs (not in a row) missing, but still in good health	\$2.32 USD per pound
Down Graded Goods Rate – 2) lethargic and going to die	\$2.32 USD per pound

(c) Penalty Rate (SRL to deduct from Paradise Cold Storage’s service rate)

Mortalities (only Goods shipped from the Service Provider which, due to the deliberate or negligent act or omission of the Service Provider, arrive dead at the Delivery Point)	Service rate + standard freight charges per pound
---	---

(d) Standard Freight Charges¹

Domestic Freight (Los Angeles to Las Vegas) - (250 lb delivery)	\$1.20
Domestic Freight (Los Angeles to Las Vegas) - (20 lb delivery)	\$3.25
Domestic Freight (Los Angeles) - (20 lb delivery)	\$1.25

¹ Standard Freight Charges are the maximum amounts and these will be subject to variations over time.

Fed-ex (anywhere in the USA over night)	\$3.50
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Item 5 – Service Period

Three (3) years commencing on the execution of this agreement (**Commencement Date**), with a further period of three (3) years (**Subsequent Service Period**), commencing on the expiry of the Initial Service Period.

The parties will conduct a review of the Service Provider to date performance of the Services not less than one (1) month and no more than six (6) months before the expiry of the Initial Service Period, unless performance leads to an earlier review.

The Initial Service Period will be extended by the Subsequent Service Period upon review if:

- a) the Service Provider has met the minimum performance criteria (Annexure B); or
- b) if otherwise agreed by the parties,

and the terms and conditions of this agreement shall continue to apply during the Subsequent Service Period.

Item 6 – Special Conditions

The Service Provider shall have public liability (US \$20 million), product liability (US \$20 million) insurances and be responsible for insuring against product losses or damage of the full value of the goods (at Paradise Cold Storage or during transit to the buyer) and against all usual and reasonably foreseeable risks for the full value of the goods on hand.

The Service provider must conform to Clean Green standards and sign the Certification Mark and Participation Agreement – Terms and Conditions (Annexure C) and SRL confidentially agreement (Annexure D).

For the period of this agreement, SRL will use Paradise Cold Storage as an exclusive service provider for service provisions detailed in Item 3 for the West Coast region of the United States.

Paradise Cold Storage must not buy or trade Southern Rocklobster or use SRL's equipment (tanks and traceability system) for any other purpose than those outlined in this agreement, unless agreed in writing by SRL.

The parties acknowledge that shipments from Australia to the USA may be less than 1 AV per shipment.

The Service Provider must;

- a) Train at least 3 staff in the maintenance and trouble shooting of SRL's tanking system and have dedicated resources on call to deal with trouble shooting set-off by the tanking systems alarm and / or non alarmed events.
- b) Supply the following PC network specifications or equivalent to support the traceability system:

Part #	Description
84851AM	Supervisor IBM X206M P4-3.0GHT/512MB/SATA/GNIC
73P2866	Ram-1GB PC2-3200 ECC DDR2 SDRAM RDIMM
39M4518	IBM 80GB HS SATA II Hard drive
31P9601	NIC, IBM 10/100/1000 ETHERNET PCI LP
71P9145	IBM 4MM DDS/5 Internal DAT Tape drive
13N2249	IBM U320 SCSI Card Single Channel PCIX
71P9158	IBM Tapes - DDS5 Tape for Dat Drives (5 Pack)
	Planet Network switch, 16 port, 1Gb uplink
	Modem
	Display 15". Key Bd, Mouse
	Windows XP, loaded
	MS Office 2003 Pro with Word/Excel, loaded
SOF00031	PC Anywhere host and remote, loaded
EAC01110	Powerware 9120 UPS 700va
EAC01160	Mains Surge Filter
	Warranty, onsite 3yr

- Internet Access (Support via Modem requires dedicated phone line)
- The provision of Mains GPO outlets as required
- Supply and installation of network infrastructure, communication cabling, network switches, fibre optics infrastructure, conduit, WAN, Internet/Broadband.
- PC report printers and accessories unless specifically included is responsibility of client

SRL will provide a tanking system for holding the product at the Service Provider's premises (refer to the live tanking purchase agreement – separate agreement).

All capital equipment installed at Paradise Cold Storage's premises remains the property of SRL, unless otherwise agreed in writing by SRL.

All intellectual property rights generated through the service provision and any other market benefits generated remain the property of SRL.

SERVICE PROVIDER ACCEPTANCE

The Service Provider acknowledges and agrees that upon execution of this Agreement by the Service provider:

1. the terms and conditions attached to this Agreement as Annexure A, B, C & D ("**Terms and Conditions**") (a receipt of a copy of which is hereby acknowledged) shall apply to all transactions and dealings between the Service Provider and SRL in respect of and in connection with the Supply and Facilitation; and
2. the Service Provider shall be bound by such Terms and Conditions.

Signed as an agreement



SRL by its Authorised Representative
Dated: 22/11/2006

Service Provider
Dated:

ANNEXURE A

TERMS AND CONDITIONS TO USA IMPORTER/DISTRIBUTOR AGREEMENT

1. TERMS AND CONDITIONS

These Terms and Conditions are the terms governing the master agreement (**Agreement**) between Southern Rocklobster Limited ACN 108 116 847 ("**SRL**") and the person specified in item 1 of the Agreement (**Service Provider**) and shall be incorporated by reference, deemed part of, and govern all Service Requests and all matters for the Carriage of goods specified in item 2 of the Agreement ("**Goods**") between SRL and the Service Provider.

2. DEFINITIONS

In these Terms and Conditions, unless the context otherwise requires:

"**ABN**" means an Australian Business Number;

"**USD**" means the lawful currency in the United States of America;

"**Business Day**" means a day on which trading banks are open for business in Adelaide, but does not include a Saturday, Sunday or public holiday;

"**Carriage**" means actual carriage, storage, handling and packaging;

"**Company Number**" means an American Company Number;

"**Clean Green Certification Scheme**" means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfied the Clean Green Standard;

"**Clean Green Standards**" means the applicable set of standards used for the Clean Green Certification Scheme";

"**Collection Point**" means the place specified by SRL in a Service Request where the Service Provider collects the Goods;

"**Collection Record**" has the meaning given to that term in clause 7.1;

Commencement Date means the date the agreement is executed;

"**Deliver**" and "**Delivery**" means leaving the Goods at the Delivery Point and "**Delivered**" has a corresponding meaning;

"**Delivery Date**" means the date or period of delivery requested by SRL for delivery of Goods to the Nominated Receiver in a Service Request;

"**Delivery Point**" means the place SRL has told the Service Provider to take the Goods as specified in a Service Request;

"**Down Graded Goods**" means Goods that do not meet the Specifications but are not Mortalities;

“Down Graded Rate” means the rate per kilogram for Down Graded Goods specified in item 4(b) of the Agreement;

“Initial Service Period” means the initial Service Period commencing on the date of execution of this Agreement by the parties;

“Mortalities” means Goods that are dead;

“Nominated Receiver” means a person specified in a Service Request to whom the Service Provider is to Deliver the Goods to;

“Packaging Specifications” means the specifications for packaging of Goods as set out in item 3 of the Agreement;

“Penalty Rate” means the USD rate per kilogram payable by the Service Provider for Mortalities Delivered to the Nominated Receiver set out in item 4(c) of the Agreement;

“Qualifying Goods” means Goods meeting the Quality Specifications;

“Quality Specifications” means the specifications as to the quality of Goods as set out in item 3 of the Agreement or as otherwise specified in a Service Request;

“Rates” means the Down Graded Rate, the Service Rate, the Penalty Rate and Standard Freight Charges;

“Service Rate” means the USD rate per pound payable by SRL for the Services set out in item 4(a) of the Agreement;

“Services” means the Carriage of Goods the Service Provider undertakes under this Agreement, and part of such Carriage, whether completed or not, and any associated Carriage pursuant to a Service Request;

“Service Period” means the period or periods specified in item 5 of the Agreement applicable in respect of which SRL may submit Service Requests to the Service Provider;

“Service Request” means a written request from SRL to the Service Provider in respect of the Carriage of Goods in accordance with this Agreement;

“Standard Freight Charges” means the Delivery charges specified in item 4(d) of the Agreement.

“West Coast Region of the United States” means all USA states west of the line between Texas to North Dakota.

3. SCOPE OF AGREEMENT

3.1 The Service Provider agrees to undertake the Carriage of the Goods and, in particular to:

3.1.1 transport Goods from the Collection Point to the Delivery Point;

3.1.2 package and store the Goods in a safe and secure manner for and on behalf of SRL,

as and when requested to do so by SRL pursuant to a Service Request in accordance with this Agreement.

- 3.2 SRL and the Service Provider agree that the Service Provider is not a common carrier.
- 3.3 Notwithstanding the terms of any Service Request submitted by SRL, the Service Provider acknowledges and agrees that these Terms and Conditions will govern the provision of Services to SRL, and in the event of any inconsistency or conflict between the terms of any Service Request or any other communication between the Service Provider and SRL and these Terms and Conditions, these Terms and Conditions will prevail.
- 3.4 The parties acknowledge and agree that there is no:
 - 3.4.1 obligation on SRL to make a Service Request to the Service Provider; or
 - 3.4.2 restriction on SRL's right to place a Service Request with any third party except as provided for in item 6.

4. SERVICE REQUIREMENTS FOR PACKAGING

- 4.1 The Service Provider must package Goods in accordance with the Packaging Specifications and all applicable laws and regulations in effect from time to time.
- 4.2 The Service Provider is responsible for obtaining all packaging materials required to package the Goods in accordance with the Packaging Specifications and the packaging artwork provided by SRL under clause 4.3.
- 4.3 If applicable, SRL will provide to the Service Provider all artwork for the packaging of Goods and is responsible for ensuring that such artwork complies with all applicable laws and regulations.
- 4.4 The Packaging Specifications may only be amended by written agreement between the parties.

5. SERVICE REQUIREMENTS FOR STORAGE

- 5.1 The Service Provider must store the Qualifying Goods for such period as SRL may specify in a Service Request and subject to the Service Provider's obligations with respect to the Delivery and distribution of those Qualifying Goods.
- 5.2 The Service Provider stores the Qualifying Goods in such manner as it sees fit subject to:
 - 5.2.1 any special arrangements which may be agreed between the Service Provider and SRL' and
 - 5.2.2 the requirement that the Service Provider must:
 - (a) store the Qualifying Goods in such a manner as to minimise the risk of pillages, theft, pilferage and so as to avoid loss, damage or destruction of the Qualifying Goods as a

consequence of fire, water, tempest, storm, accident, malicious damage, vandalism, act of God and other usual and normal risks or hazards in the storage of goods;

- (b) ensure that the Qualifying Goods are stored at all times in facilities and in a manner compatible with relevant fire safety regulations, the Clean Green Standards and all other relevant USA standards.

6. SERVICE REQUIREMENTS FOR DELIVERY

- 6.1 The Service Provider must collect the Goods from the nominated Collection Point as soon as the product has been cleared by customs at Los Angeles international airport or an airport as advised by SRL.
- 6.2 The Service Provider must deliver the Goods to the Nominated Receiver at the Delivery Point by the Delivery Date and time.
- 6.3 Subject to clause 14, the Service Provider must compensate SRL for any loss, damage or injury caused to SRL by virtue of early Delivery, non-delivery or delay in the Delivery of the Goods and non collection and/or late collection.

7. INSPECTION AND ACCEPTANCE OF GOODS FOR CARRIAGE

- 7.1 Upon the collection of Goods in accordance with a Service Request at the Collection Point, the Service Provider must inspect and weigh all quantities of Goods and enter them into the traceability system. A collection receipt report for each such quantity of Goods (**Collection Record**) will be generated. A copy of the Collection Record will be provided to the Service Provider within 48 hours of its production.
- 7.2 The Collection Record must:
 - 7.2.1 specify the unique Service Request number;
 - 7.2.2 the weight and quantity of Goods collected;
 - 7.2.3 the quantity of Down Graded Goods collected;
 - 7.2.4 the quantity of Mortalities (if any); and
 - 7.2.5 be signed by a duly authorised representative of the Service Provider.
- 7.3 The parties acknowledge and agree that the Service Provider's obligations for Carriage under this Agreement only extend to Qualifying Goods in respect of each Service Request.
- 7.4 For the avoidance of doubt, the parties acknowledge that Down Graded Goods and Mortalities recorded in the Collection Record shall be dealt with in accordance with clause 8.1.

8. RATES AND PAYMENT TERMS

- 8.1 The Service Provider must sell the Down Graded Goods and Mortalities identified in a Collection Record on behalf of SRL for the best price available, without causing any detriment to SRL's USA market development program.
- 8.2 The parties acknowledge and agree that:
- 8.2.1 subject to clause 8.2.3, SRL must pay the Service Provider the Down Graded Goods rate (Item 4b) for Down Graded Goods and Mortalities which are sold by the Service Provider (on behalf of SRL) for more than the Down Graded Goods rate and the sale proceeds for which are received by SRL. SRL is not required to make any payment in respect of Down Graded Goods and Mortalities sold for less than the Down Graded Goods Rate;
 - 8.2.2 SRL must pay the Service Provider for Qualifying Goods Delivered to the Nominated Receiver at the Service Rate and the associated Standard Freight Charges;
 - 8.2.3 If the death of the Goods results from a deliberate or negligent act or omission of the Service Provider, the Service Provider must pay for all Mortalities Delivered to the Nominated Receiver at the Penalty Rate and no payment is due by SRL to the Service Provider.
- 8.3 The Rates are fixed for the Initial Service Period and may only be varied by agreement between SRL and the Regional subject to clause 8.3.
- 8.4 Within six months prior to the expiry of a current Services Period, SRL and the Seller will review the Rates and must determine new Rates to apply during the subsequent Service Period prior to the expiry of the current Service Period.
- 8.5 SRL may render an invoice to the Service Provider in respect of Down Graded Goods as evidenced by the relevant Collection Record (**Down Graded Goods Invoice**) at any time after collection of Goods by the Service Provider in accordance with these Terms and Conditions and a Service Request.
- 8.6 The Service Provider must render an invoice to SRL in respect of each Service Request at any time after the Delivery of Goods (**Services Invoice**) together with documentary evidence as may be requested by SRL in respect of the quantity of Qualifying Goods to the Nominated Receiver.
- 8.7 Each Services Invoice must:
- 8.7.1 specify quantity of Qualifying Goods Delivered and the Services Rate;
 - 8.7.2 the total amount payable for the Qualifying Goods;
 - 8.7.3 specify the Standard Freight Charges;
 - 8.7.4 specify separately the GST amount payable;
 - 8.7.5 include the Service Provider's company number (if applicable);
 - 8.7.6 contain any other additional information requested by SRL from time to time; and

8.7.7 be a tax invoice for the purposes of the USA taxation laws.

8.8 SRL must pay the Service Provider for the Carriage of the Qualifying Goods at the Services Rate in respect of each Service Request within 30 days of the date of receipt of a Services Invoice from the Service Provider.

8.9 In making the payment to the Service Provider under clause 8.7, the parties agree that SRL may, in respect of each Service Request, offset any amounts payable by the Service Provider pursuant to a Down Graded Goods Invoice and for Mortalities Delivered to the Nominated Receiver.

9. **RISK, TITLE AND INSURANCE**

9.1 Risk of loss and damage to Down Graded Goods will pass to the Service Provider upon the collection of Down Graded Goods by the Service Provider at the Collection Point.

9.2 Title to Down Graded Goods will not pass to the Service Provider until all moneys owing by the Service Provider for the Down Graded Goods under a Service Request has been received in full by SRL.

9.3 The Service Provider is responsible for the Goods from the time they are collected by the Service Provider until the Service Provider has completed unloading the Goods at the nominated Delivery Point and receipt of the Goods are acknowledged in writing by the relevant Nominated Receiver.

9.4 The Service Provider must exercise due care in storing, handling and transporting the Goods. The Service Provider will at all times ensure that there is no loss or damage to the Goods from any cause that is reasonably within its control.

9.5 The Service Provider shall, at its sole expense, insure the Goods which the Service Provider stores on behalf of SRL against loss, destruction and damage by fire, water, tempest, storm, accident, malicious damage, vandalism, pillage, theft, pilferage, act of God and other usual or normal risks associated with the storage of Goods of that type.

9.6 The Service Provider must also maintain, at its sole expense, with a reputable insurance company for the term of this Agreement such insurance policies as required by SRL from time to time on the terms and in amounts required by SRL in respect of any liability of the Service Provider that may arise from the performance of the Services under this Agreement.

9.7 The Service Provider must provide to SRL on request certificates of currency in respect of all insurances (Public and Product liability and product losses caused during transit or as a result of a system failure) the Service Provider is required to obtain and maintain under this clause 9.

10. **WARRANTIES, INDEMNITIES**

10.1 SRL warrants that:

10.1.1 it has full right and authority to enter into this Agreement; and

10.1.2 the Carriage of Goods in accordance with this Agreement will not infringe any rights of any third party; and

10.1.3 the Goods in respect of each Service Request are not subject to any mortgage, lien, encumbrance or charge whatsoever.

10.2 SRL shall indemnify and keep indemnified the Service Provider against any claim or demand by any person claiming an interest in Goods collected by the Service Provider pursuant to a Service Request.

10.3 The Service Provider must indemnify SRL against all costs, liability and expenses incurred by SRL, arising wholly or in part from the performance by the Service Provider or its employees or contractors of the Services under this Agreement, except to the extent that such costs, liability or expenses arose directly from the wilful misconduct, bad faith or negligence of SRL or its employees or contractors.

11. **TERM AND TERMINATION**

11.1 Subject to clauses 11.2, this Agreement commences on the date the parties sign these Terms and Conditions ("**Commencement Date**") and is automatically renewed 3 years after ("**Subsequent Service Period**") the Commencement Date unless terminated by either party providing at least 60 days notice prior to the **Subsequent Service Period**.

11.2 This Agreement will immediately terminate if:

(a) either party materially breaches any terms or conditions of this agreement and does not remedy that breach within 10 days of receiving written notice to do so;

(b) either party ceases, or threaten to ceases, to carry on business.

11.3 Notwithstanding termination of this Agreement, the Service Provider still has an obligation to undertake the Carriage of all Goods the subject of outstanding Service Requests issued by SRL prior to the date of termination and the parties will remain liable for all payments due in respect of such Service Requests in accordance with this Agreement.

12. **DISPUTE RESOLUTION**

12.1 If any dispute or controversy arises between the parties out of or relating to this Agreement (**Dispute**), the party believing there to be a Dispute will notify the existence and nature of Dispute to the other party (**Notification**) and both Parties must attempt to negotiate to resolve the Dispute.

12.2 If the Dispute is not resolved within 30 days of the Notification then either Party will be entitled to seek such relief as it sees fit.

12.3 Notwithstanding the terms of clause 12.1 nothing in this clause will prevent a party from seeking interlocutory relief in a court of appropriate jurisdiction.

13. **Government Taxes**

All prices stated in or calculated pursuant to this Agreement are inclusive of all federal, state or local taxes or duties payable as a consequence of any supply made or deemed to be made or other matter or thing done under or in connection with this Agreement.

14. **FORCE MAJEURE**

A party will not be liable for any delay in performing any of its obligations under this Agreement if such delay is caused by circumstances beyond its reasonable control (including, without limitation, acts of God, civil or military authority, accidents, earthquakes, strikes, the elements, fire, flood, tempest and war) and it will be entitled to a reasonable extension of time for the performance of such obligations.

15. **NOTICES**

All notices which are required to be given under this agreement must be in writing and must be sent to the Service Provider's address set out in item 1 of the Agreement or such other address as the Service Provider may designate by notice in accordance with the provision of this clause. Any such notice may be delivered personally by pre-paid letter, by email or facsimile transmission and will be deemed to have been served if by hand when delivered, if by post 48 hours after posting and if by email or facsimile transmission when despatched.

16. **GENERAL PROVISIONS**

16.1 No party will assign any of its rights or obligations under this Agreement without first obtaining the consent in writing of the other party.

16.2 Except as provided in this Agreement, this Agreement may only be changed, modified, waived, discharged or terminated by an instrument in writing to be signed by all parties.

16.3 The failure of either party at any time to require performance by the other party of any provision of this Agreement will not affect in any way the full right of the waiving party to require such performance at any time thereafter nor will the waiver by either party of a breach of any provision be deemed a waiver of the provision itself or any other provision.

16.4 This Agreement will be governed by and construed in accordance with the law in force in South Australia and all disputes arising in connection with this agreement will be submitted to the jurisdiction of the South Australian courts.

16.5 This Agreement represents the entire agreement between the parties as to its subject matter and supersedes all previous agreements or understandings whether written or not.

17. **SPECIAL CONDITIONS**

The conditions specified in item 6 of the Agreement form part of this Annexure and prevail over any other provision of these Terms and Conditions to the extent of any inconsistency.

ANNEXURE B

Minimum Performance criteria:

1. Southern Rocklobster lobster health is maintained during transportation, live storage, handling and packaging;
2. Conformance to the Clean Green Standards (confirmed through 3rd party audit);
and
3. SRL's buyers are satisfied by the service Paradise Cold Storage has provided e.g. product quality, delivery, ease of ordering etc

A photograph of a Southern Rocklobster, showing its reddish-brown body and legs, positioned in the upper right quadrant of the page.

ANNEXURE C

Southern Rocklobster Limited

Clean Green Program

**Certification Mark Licence and
Participation Agreement**

Terms and Conditions

1. APPLICABILITY

- 1.1 These terms and conditions govern the use of the Certification Mark by the Licensee and some aspects of the Licensee's participation in the Clean Green Certification Scheme.
- 1.2 These terms prevail over any other terms that may be communicated by the Licensee in writing or orally, whether in any order, letter, other document, in negotiations or otherwise.
- 1.3 No person acting or purporting to act on behalf of SRL shall have authority to waive or change these terms orally. Waivers or changes shall have effect only if made in writing and signed by a duly authorised officer of SRL.
- 1.4 SRL may vary these terms at any time by notifying the Licensee in writing, including any variation necessary to satisfy any direction given.

2. INTERPRETATION

- 2.1 In these terms:

'CAB' means a conformity assessment body accredited to perform a Certification Audit and approved by SRL;

'Certificate' means a certificate of registration issued by a CAB to the Licensee to record Certification;

'Certification' means certification granted by a CAB under the Clean Green Certification Scheme;

'Certification Audit' means an audit conducted to assess a product, process or service for the purpose of grant or maintenance of Certification;

'Certification Procedures' means procedures developed by the CAB who is providing Certification and used in a Certification Audit;

'Certification Services' means assessment of a product, process or service by a CAB in accordance with Certification Procedures. Certification Services includes assessment and verification services, gap analysis and Certification Audits, whether or not a Certificate is issued;

'Certification Mark' means the certification mark or marks specified in a Certificate and includes any trademark specified in a Certificate which is owned or controlled by a CAB or SRL;

'Clean Green Standard' means the applicable set of standards used for the Clean Green Certification Scheme which sets the benchmark for Certification;

'Clean Green Certification Scheme' means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfies the Clean Green Standard;


'Licence' means the licence to use the Certification Mark on the terms and conditions contained in this agreement;

'Licensee' means the company, organisation, entity or person specified in the Certificate;

'Materials' means products, and information and promotional material about the Licensee's products, processes or services which use or refer to a Certification Mark;

'Rules' means the applicable rules and directions governing the use of a Certification Mark issued by SRL from time to time;

'Site' means the location of manufacture of product or of performance of a process or service;



'SRL' means Southern Rocklobster Limited ACN 108 116 847.

3. LICENCE

- 3.1 The issue of a Certificate and Licence grants to the Licensee a non-exclusive licence to use the Certification Mark specified in the Certificate:
- (a) on the terms and conditions of this agreement;
 - (b) commencing on the issue of the Certificate for the period specified in the Certificate (unless terminated earlier in accordance with this agreement); and
 - (c) in relation to the products, processes, or services by reference to the Clean Green Standard or other specifications as set out in the Certificate and these terms.
- 3.2 The issue of the Licence does not restrict SRL's right to use or license the use of the Certification Mark to any other person.

4. LICENSEE'S OBLIGATIONS

General

- 4.1 The Licensee must:
- (a) ensure that the Certification Mark is only used in accordance with the terms and conditions contained in this agreement;
 - (b) not use the Certification Mark in any way which causes confusion or deception or would be likely to deceive or cause confusion;
 - (c) not make any representation to any party about the Licensee's rights to the Certification Mark which are misleading or deceptive;
 - (d) ensure that the Certification Mark is used in accordance with any guidelines or directions SRL may publish from time to time;
 - (e) maintain the product, process or service as certified and comply with all reasonable requirements that the CAB considers necessary to ensure that Certification continues to be appropriate, including any requirements listed or referred to in the Certificate;
 - (f) promptly inform the CAB or SRL of any change in relation to the certified product, process or service that is likely to substantially affect the Certification, including change of address of any relevant Sites or other premises;
 - (g) not engage in any conduct which might mislead, deceive or confuse any person in relation to its Certification; or
 - (h) not otherwise misrepresent the nature, status, scope or effect of its Certification.

Additional Obligations for Manufactured Goods

- 4.2 Where the Licence relates to a product that is a manufactured good, the Licensee must ensure that:
- (a) when physically applied to goods, the Certification Mark is:
 - (i) applied only to goods that comply with applicable food safety labeling requirements and accompanied by the number of the Certificate; and

- 
- (ii) applied to goods prior to their dispatch from a site covered by the Certification; and
 - (iii) applied only to goods that meet product specifications detailed in the Clean Green Standard;
- (b) when, after having obtained from SRL approval to do so, the Certification Mark is physically applied to components manufactured by a contractor or agent of the Licensee, prior to further processing or assembly the Licensee submits to the CAB which has granted Certification to the Licensee, for its prior approval, details of the contractor or agent, and makes arrangements to guarantee access of the CAB to the premises of the contractor or agent unless otherwise approved in writing by a duly authorised officer of SRL.

Assessment

4.3 The Licensee must:

- (a) comply with the applicable Certification Procedures and provide the CAB's employees, agents and contractors with all co-operation and assistance required by the applicable Certification Procedures necessary to enable the CAB to provide the Certification Services, including reasonable access to the Licensee's premises, sites, facilities, documents and records of the Licensee and the Licensee's contractors and agents;
- (b) promptly comply with any reasonable requirement of the CAB in relation to the Licensee's product, process or service to make appropriate the Certification, including allowing a representative of the relevant accreditation body to witness a Certification Service being provided by the CAB at a Site;

4.4 The Licensee accepts responsibility for the safety of the CAB's employees, agents and contractors in activities required under the applicable Certification Procedures and advise the CAB, its employees, agents and contractors appropriately of any safety hazards or special training requirements.

4.5 The Licensee warrants that all information made available to the CAB is, to the best of its knowledge and belief, complete and accurate.

4.6 The Licensee must treat as confidential and not disclose to any third party without the prior written consent of the CAB any proprietary or confidential information belonging to a CAB.

Use of Certification Mark

4.7 The Licensee agrees with SRL:

- a) to use the Certification Mark in accordance with the terms and conditions set out in this agreement and any reasonable directions that may be issued by SRL from time to time including directions in relation to statements acknowledging that the Licensee does not own the Certification Mark, directions about the location, size and method of display of the Certification Mark and directions about what words may be used in association with the Certification Mark;
- b) on request by SRL, to provide SRL with samples of Materials;
- c) to promptly correct any failure to comply with paragraph (a), including by complying with any timely and reasonable directions issued by SRL in relation to Materials submitted to SRL under paragraph (b);
- d) not to alter, modify or deface in any way representations of the Certification Mark;
- e) to report to SRL any suspected or actual unauthorised use of the Certification Mark of which the Licensee becomes aware;

- 
- f) to provide SRL with all information, site access and co-operation reasonably requested by SRL to protect the Certification Mark and ensure compliance with these terms;
 - g) not to represent that it owns or has any rights in relation to the Certification Mark other than set out in this agreement;
 - h) not to question or challenge the validity or SRL's ownership of the Certification Mark;
 - i) not to apply for registration of any trade mark or business, company or domain name that incorporates any name or logo the same as, substantially identical with or deceptively similar to the Certification Mark, without the consent of SRL;
 - j) to make and keep a record of all complaints relating to the use of the Certification Mark and, upon request by SRL, to make these records (and a copy thereof if requested by SRL) available to SRL.

Application of Certification Mark

4.8 The Licensee agrees with SRL that:

- a) before applying the Certification Mark to any item, the Licensee must obtain from SRL an authorised electronic copy of the Certification Mark, and must in applying it to any item reproduce it in exactly the same proportions and colours (Blue PMS 286, Red PMS 485) as the authorised electronic version; and
- b) the original artwork and computer images of the Certification Mark remain the property of SRL and must be returned immediately if requested by SRL, and the original and any copies of the Certificate remain the property of the CAB and must be returned immediately if requested by the CAB. SRL is and remains the owner of the copyright in the Certification Mark.

5. USE OF CERTIFICATE AND PUBLICITY

- 5.1 The Licensee must not without SRL's prior written permission alter, modify, deface or destroy the Certificate,
- 5.2 Subject to any directions that may be given by SRL, the Licensee may publicise the fact that the Licence has been granted and, subject to any requirements of the CAB to the contrary, may use the Certificate as evidence of the Licence. If permitted to do so by the CAB or SRL, the Licensee may copy the Certificate provided that each copy is clearly identified as a copy.
- 5.3 Subject to any directions that may be given by SRL, the Licensee may use the Certification Mark by application to vessels, factories, transport vans, packaging and/or stationery to publicise the fact that Certification has been achieved and to promote continued compliance.
- 5.4 Subject to any directions that may be given by SRL the Licensee may use the Certification Mark by application to packaging and/or the product if the product specifications are complied with to publicise the fact that Certification has been achieved and to promote continued compliance.
- 5.5 The Licensee acknowledges that the Certificate does not imply that any Certification is approved by any accreditation authority or any Government Ministers.

6. LICENSEE'S WARRANTY AND INDEMNITY

- 6.1 The Licensee warrants to SRL that at all times the Licensee will use the Certification Mark only in accordance with the terms of the Licence, unless otherwise approved in writing by SRL.

6.2 The Licensee indemnifies SRL from and against all losses, damages, expenses and costs (on a solicitor and own client basis and whether incurred by or awarded against SRL and whether in connection with a claim by a CAB, another third party or otherwise) that SRL may sustain or incur as a result, whether directly or indirectly, of:

- (a) any breach of these terms by the Licensee (including, but not limited to, a breach in respect of which SRL exercises an express right to terminate this agreement); or
- (b) any negligent act or omission or willful misconduct of the Licensee or its officer, employees and agents;
- (c) any loss or damage to any property or injury to or death of any person resulting, wholly or partly, from any product, process or service in relation to which the Certification Mark has been used by the Licensee.

7. ADDITIONAL REMEDIES FOR BREACH OF WARRANTY

7.1 If the Licensee breaches any warranty in clause 6.1, or any other provision of these terms the Licensee must at its cost:

- (a) immediately notify SRL of the breach and provide any information reasonably requested by SRL;
- (b) promptly comply with any directions that SRL may issue to prevent further breach or minimise the adverse consequences of the breach (either to SRL or to any member of the public), including a direction to:
 - (i) cease supply of goods or services;
 - (ii) take steps to modify goods or services before supply;
 - (iii) destroy goods;
 - (iv) modify or destroy Materials;
 - (v) provide information (including Materials) to the public; and
 - (vi) where the breach relates to goods already released for sale and which will or may cause injury to any person:
 - (a) undertake a recall of the goods; and
 - (b) take such other action as may be reasonably requested by SRL;
 - (vii) cease representing, either expressly or by implication, that they have any current Certification or License;
- (c) keep SRL informed, in writing, of action taken pursuant to any direction issued under paragraph (b).

8. FEES

If so requested by SRL, the Licensee must pay to SRL the fees specified in SRL's Schedule of Fees (or elsewhere) as amended from time to time.

9. SRL'S WARRANTY

SRL warrants that it has the rights required to grant the Licence to the Licensee.

10. SUSPENSION, CANCELLATION OR EXPIRY OF CERTIFICATION

10.1 The Licensee acknowledges and agrees that the Licensee's Certification shall be suspended with immediate effect in the following circumstances:

- (a) the CAB gives notice to SRL or the Licensee that it considers that Certification is no longer appropriate;
- (b) the Licensee is in breach of this agreement;
- (c) a substantial change in the management system of the Licensee occurs without the Licensee notifying the change to SRL for review by the CAB; or
- (d) if, in the case of any product subject to Certification, there has been a significant change in design or manufacture of such product without the Licensee notifying the change to SRL for review by the CAB.

10.2 If the Licensee's Certification is suspended:

- (a) SRL must within 45 days of notifying the Licensee of the suspension, furnish the Licensee with information outlining the steps that must be taken by the Licensee to enable the suspension to be lifted;
- (b) the Licensee must immediately take all steps necessary to enable the suspension of its Certification to be lifted; and
- (c) the Licensee must take all steps reasonably required by SRL to prevent the public being misled or otherwise harmed.

10.3 If the CAB is satisfied with the remedial action taken by the Licensee, SRL may request the CAB to lift the suspension of Certification;

10.4 The Licensee acknowledges that the CAB may cancel the Licensee's Certification with immediate effect by giving notice to the Licensee if the Licensee's Certification has remained suspended for a period more than 90 days.

11. TERMINATION

11.1 The Licence terminates on the earlier of:

- (a) the expiry date specified in the Certificate;
- (b) the termination or cancellation of the Licensee's Certification; or
- (c) the termination of the Licence under this clause 11.

11.2 The Licensee may terminate the Licence upon giving written notice to SRL.

11.3 SRL may terminate the Licence with immediate effect by giving notice to the Licensee if:

- (a) the Licensee breaches any of these terms and fails to remedy the breach within 30 days after receiving notice requiring it to do so; or
- (b) the Licensee breaches a material provision of these terms where that breach is not capable of remedy.

11.4 If the Licensee's Certification is suspended, cancelled or expires, the Licensee must promptly:

- (a) notify SRL; and
- (b) furnish SRL with all information reasonably requested by SRL to ascertain the nature and extent of the suspension, cancellation or expiration.

11.5 If the Licensee's Certification is suspended, then this Licence is also suspended and the

Licensee must, during the suspension period, comply with any reasonable written directions issued by SRL in relation to use of the Certification Mark.

12. AFTER TERMINATION

12.1 On termination of this Licence, the Licensee:

- (a) must, subject to clause 12.1(b), immediately cease using and has no further right to use, including on or in materials:
 - (i) the Certification Mark; or
 - (ii) any certification mark that is substantially identical with or deceptively similar to the Certification Mark;
- (b) may continue to sell goods marked with the Certification Mark before the termination of the Licence unless SRL directs that the Certification Mark be erased or masked from the goods before their sale; and
- (c) must remove the Certification Mark from, or destroy (and certify to SRL destruction of) all materials bearing the Certification Mark in the Licensee's custody, possession or control; and
- (d) must promptly return the Certificate (including all copies) to SRL.

12.2 Termination of the Licence will not affect any accrued rights of any party.

12.3 Clause 6 and this clause 12 continues after termination of the Licence.

13. AUDIT REPORTS

13.1 At the completion of any Certification Audit of the Licensee:

- (a) SRL may request directly from the CAB a copy of the audit report prepared by the CAB in respect of the Certification and the Licensee consents to the CAB providing a copy of such audit report; or
- (b) if SRL requests, the Licensee must provide SRL with a copy of the audit report prepared by the CAB in respect of the Certification.

13.2 A confidential copy of audit reports provided to SRL under clause 13.1 will be kept on file to maintain a backup file copy of the reports that can be requested at any time by a category – refer to Table 1 for category descriptions.

Table 1: Category descriptions

Categories	Applicable section of the Clean Green standard
All Categories	1
Clean Green Fishery	Pot (2.1- 2.4 - 3)
Clean Green Fisher	Pot – Deck (3.1, 4.1 - 20.1)
Clean Green Regional Receiver / Consolidator	Deck-Factory (21.1-32.1)
Clean Green Distribution	Factory (33.1- 41.2)
Clean Green Food Service	Plate (42.1- 46.1)

13.3 The Licensee acknowledges and agrees that SRL is authorised to use any copy of an audit report obtained under this clause 13 for any purpose it reasonably requires in relation to the



Licensee's Certification or this Licence, including without limitation:

- (a) issuing a licence agreement in relation to the Certification Mark;
- (b) assisting in closing out audits for cost control;
- (c) providing feedback to the CAB;
- (d) assisting with continual improvement of the Clean Green Certification Scheme.

14. SUB-LICENSING AND ASSIGNMENT


- 14.1 The Licensee must not assign, otherwise transfer or sub-license the whole or part of the Licence or the rights granted under it without the prior written consent of SRL, which consent may be given or withheld at its absolute discretion and subject to any terms and conditions that SRL thinks fit.
- 14.2 SRL may assign its rights under the Licence at any time and in any manner it wishes.

15. RIGHTS IN CERTIFICATION MARK AND OTHER INTELLECTUAL PROPERTY

- 15.1 The Licensee acknowledges that:
 - (a) SRL owns all rights in the Certification Mark; and
 - (b) the CAB is the owner or licensee of copyright, know-how and other intellectual property rights in the Certification Procedures and any associated documentation; and
 - (c) no right, title or interest in the Certification Mark or the Certification Procedures or that documentation is transferred to the Licensee under this agreement.
- 15.2 The Licensee agrees that its use of the Certification Mark and any goodwill established thereby shall accrue to the exclusive benefit of SRL.
- 15.3 The Licensee shall immediately notify SRL of any apparent infringement of, or challenge to, the Licensee's use of the Certification Mark or claim by any person of any rights to any of the Certification Mark. The Licensee shall not communicate with any person other than SRL and its counsel in connection with any such infringement, challenge or claim. SRL shall have the right to take such action as it deems appropriate and the exclusive right to control any litigation or administrative proceeding arising out of any infringement of, or challenge or claim to, any of the Certification Mark or in any way related to the Certification Mark. Any damages or other benefits arising out of any such infringement, challenge or claim shall accrue exclusively to SRL.

16. INSURANCE AND LIABILITY

- 16.1 The Licensee must:
 - (a) take out and maintain valid and enforceable public liability/ protection & indemnity insurance policies to cover potential liability of SRL arising out of the Licensee's breach of these terms and conditions or any act or omission of the Licensee, with the interest of SRL and the CAB undertaking Certification noted thereon; and
 - (b) provide SRL with certificates of currency and any other evidence of those policies that SRL may reasonably require.
- 16.2 Except to the extent prohibited by the *Trade Practices Act 1974* or any other applicable laws, SRL excludes liability for any loss or damage suffered by the Licensee (whether direct, indirect, incidental, special and/or consequential damages or loss of profits whatsoever) arising in any way out of any services (including defective Certification Services) rendered by the CAB or out of the Licensee's product, process or service the subject of Certification or any negligent act or omission of the CAB, its officers, employees,



agents or contractors, including but not limited to profits lost and damage sustained or incurred as a result of a claim by a third person.

17. GOVERNING LAW

17.1 This agreement is governed by the laws of South Australia.

17.2 The parties irrevocably submit to the non-exclusive jurisdiction of the courts of South Australia and the South Australian division of the Federal Court of Australia, and the courts of appeal from them.

17.3 No party may object to the jurisdiction of any of those courts on the ground that it is an inconvenient forum or that it does not have jurisdiction.

18. COMPLAINTS

The Licensee may lodge any complaints in regard to decisions of SRL under this agreement with the SRL Board.

19. SEVERABILITY

If all or any part of this agreement is found by a Court of competent jurisdiction to be illegal, void or unenforceable, the illegal, void or unenforceable part(s) may be severed from this agreement and the remaining parts of the agreement shall continue in force.

Schedule

Certification Mark

Australian
Southern Rocklobster





Southern Rocklobster Limited

Terms and Conditions of Certification Mark Licence and Participation Agreement

Acknowledgement of acceptance

Name of "Licensee" (correct legal entity) _____

Certification No (office use only) _____

I/We acknowledge receipt of the above terms and conditions in regard to the Clean Green scheme. I/We agree to comply with, these terms and conditions.

If licensee(s) is an individual

Signature of individual(s)/licensee:

(1) Name _____

Signature: _____ Date: _____

(2) Name _____

Signature: _____ Date: _____

If licensee(s) is a company (complete if applicable)

Executed by _____ Pty Ltd:

Authorised Company Representative


Name: _____

Signature: _____ Date: _____

Director or Secretary Name: _____

Signature: _____ Date: _____





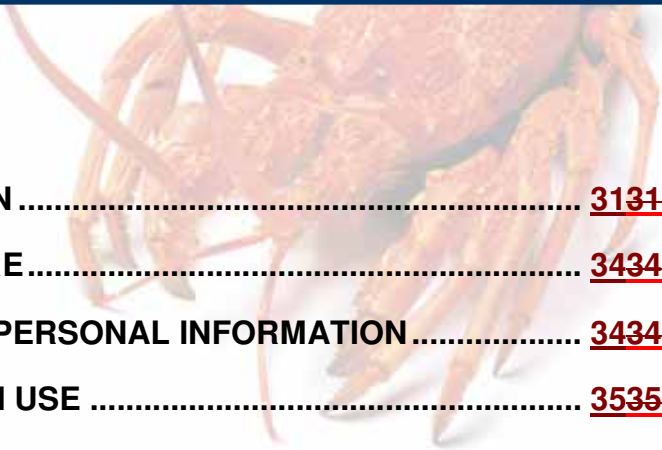
ANNEXURE D



DEED OF CONFIDENTIALITY

Southern Rocklobster Limited
ABN 66 108 116 847
AND

.....
[INSERT CONFIDANT DETAILS]



1.	INTERPRETATION	<u>31312</u>
2.	NON-DISCLOSURE	<u>34342</u>
3.	TREATMENT OF PERSONAL INFORMATION	<u>34342</u>
4.	RESTRICTION ON USE	<u>35352</u>
5.	DISCLOSURE TO NOMINEES	<u>35352</u>
6.	DISCLOSURE AS REQUIRED BY LAW	<u>35352</u>
7.	DELIVERY UP OF DOCUMENTS	<u>35352</u>
8.	COMMENCEMENT	<u>36362</u>
9.	SURVIVAL	<u>36362</u>
10.	APPLICABLE LAW	<u>36362</u>
11.	NO EXCLUSION	<u>36362</u>
12.	WAIVER	<u>36362</u>



DEED OF CONFIDENTIALITY

BETWEEN:

Southern Rocklobster Limited (ABN 66 108 116 847), a company limited by guarantee (**SRL**)

AND

.....
(the **Confidant**)

RECITALS:

- A. The SRL may disclose SRL Confidential Information to the Confidant for the Permitted Purpose.
- B. Where the SRL discloses SRL Confidential Information to the Confidant it will do so on the condition that the Confidant keeps all such SRL Confidential Information strictly confidential.
- C. The SRL requires, and the Confidant agrees, that it is necessary to take all reasonable steps (including the execution of this Deed of Confidentiality) to ensure that SRL Confidential Information is kept confidential and that Personal Information is treated in accordance with the Information Privacy Principles set out in the *Privacy Act 1988* (Cth) (**Privacy Act**).

OPERATIVE PROVISIONS

1. INTERPRETATION

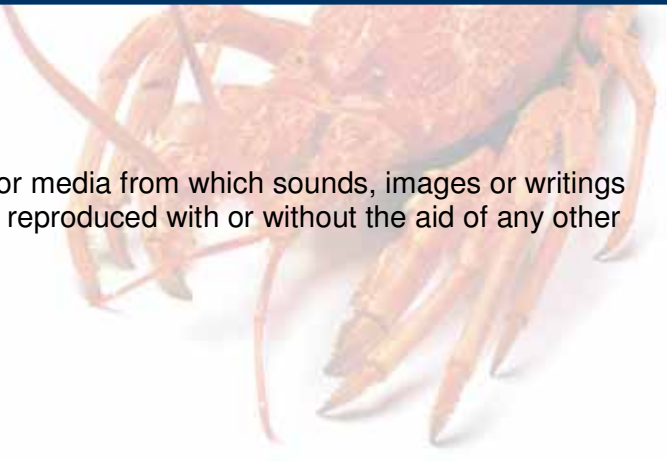
1.1 Definitions

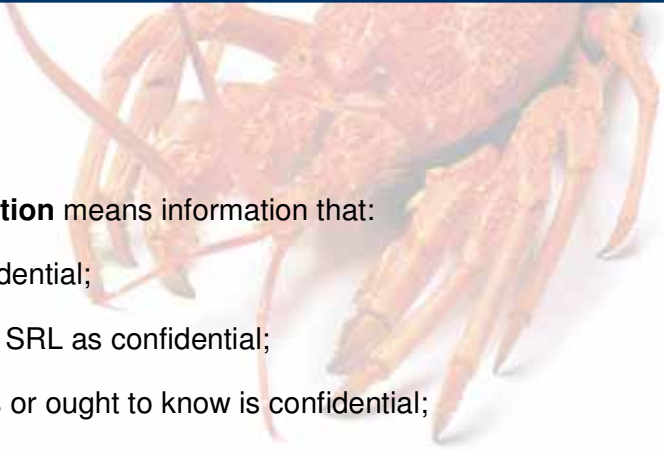
In this Deed of Confidentiality, unless the contrary intention appears:

Chairperson has the same meaning as in the Constitution of Southern Rocklobster Limited.

Document includes:

- (a) any paper or other material on which there is writing;
- (b) any paper or other material on which there are marks, figures, symbols or perforations having a meaning to persons qualified to interpret them; and

- 
- (c) any article, material or media from which sounds, images or writings are capable of being reproduced with or without the aid of any other article or device;



SRL Confidential Information means information that:

- (a) is by its nature confidential;
- (b) is designated by the SRL as confidential;
- (c) the Confidant knows or ought to know is confidential;
- (d) is Personal Information accessed by the Confidant in the course of undertaking activities related to the Permitted Purpose;

and includes, to the extent it is confidential:

- (e) information comprised in or relating to any Intellectual Property of SRL;
- (f) information relating to the internal management and structure of SRL;

but does not include information that:

- (g) is or becomes public knowledge other than by a breach of this Deed of Confidentiality, or any other confidentiality obligations.
- (h) the confidant already has or receives from another source.

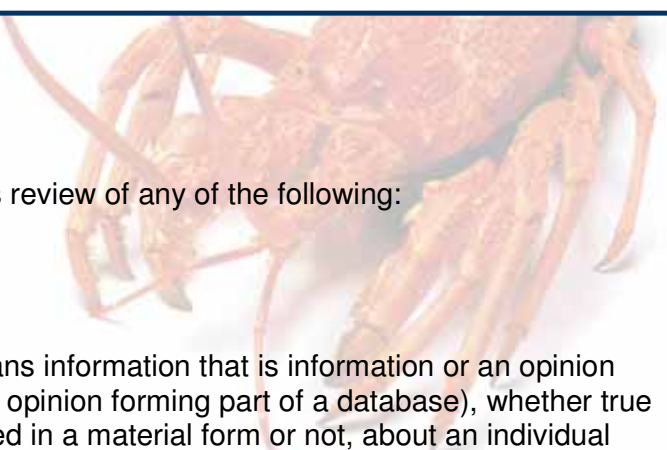
SRL Material means any confidential material provided by SRL to the Confidant for the Permitted Purpose, or which is copied or derived from Material so provided. Provided it is confidential in the first place.

Intellectual Property includes all rights in copyright, registered and unregistered trademarks (including service marks) registered designs, all rights in relation to inventions (including patent rights), trade secrets, know how, rights in relation to circuit layouts and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields or any rights to registration of such rights existing in Australia or elsewhere, whether created before, on or after the date of this Deed of Confidentiality.

Material includes documents, equipment, software, goods, information or data stored by any means.

Meeting means a meeting of SRL called by the Chairperson of SRL in accordance with the Constitution of Southern Rocklobster Limited.

Parties means SRL and the Confidant.



Permitted Purpose means review of any of the following:

- R&D application
- reports
- plans

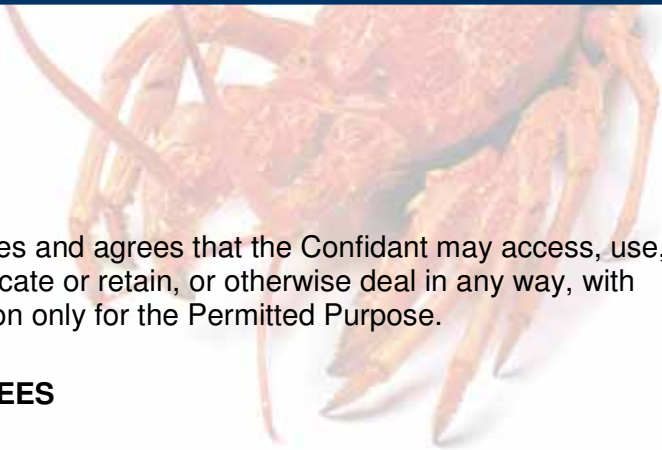
Personal Information means information that is information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

2. **NON-DISCLOSURE**

- 2.1 In consideration of SRL disclosing certain SRL Confidential Information to the Confidant, the Confidant acknowledges and agrees that all SRL Confidential Information is confidential, is the property of SRL, and is of value to it, and that any SRL Confidential Information disclosed to the Confidant is disclosed to the Confidant only pursuant to the terms of this Deed of Confidentiality.
- 2.2 The Confidant must not use, disclose, divulge or deal with any SRL Confidential Information, nor allow any act, matter or thing to be done or occur whereby any SRL Confidential Information may be ascertained or used by, or disclosed or communicated to, any other person, without the prior written consent of the Chairperson of SRL, which consent the Chairperson may grant or withhold in its absolute discretion.
- 2.3 For the purpose of **clause 2.2**, written consent includes agreement of the Chairperson of SRL in a Meeting where that consent is documented in formal minutes of the Meeting.

3. **TREATMENT OF PERSONAL INFORMATION**

- 3.1 The Confidant understands that, in the course of undertaking activities concerning the Permitted Purpose, the Confidant may have access to Personal Information.
- 3.2 The Confidant acknowledges and agrees that the Confidant will not access, use, disclose, publish, communicate or retain, or otherwise deal in any way, with Personal Information except for the Permitted Purpose.
- 3.3 The Confidant agrees to abide by the provisions of the Privacy Act in respect of Personal Information, including the Information Privacy Principles set out in that Act, whether or not the Confidant is legally bound to comply with that Act.
- 3.4 The Confidant agrees to treat all Personal Information with the utmost care and to protect that information at all times.



4. **RESTRICTION ON USE**

4.1 The Confidant acknowledges and agrees that the Confidant may access, use, disclose, publish, communicate or retain, or otherwise deal in any way, with SRL Confidential Information only for the Permitted Purpose.

5. **DISCLOSURE TO NOMINEES**

5.1 If:

- (a) the Confidant has nominated a person to whom the Confidant may give access to or disclose SRL Confidential Information to (a **Nominee**); and
- (b) SRL consents in writing to such access or disclosure being provided to that Nominee,

the Confidant may give access to or disclose SRL Confidential Information to the Nominee on such conditions as may be imposed by SRL.

5.2 For the purpose of **clause 5.1(b)**, written consent includes agreement of the Chairperson of SRL in a Meeting of SRL where that consent is documented in formal minutes of the Meeting.

5.3 The Confidant must ensure that any Nominee to whom access or disclosure of any Confidential Information is to be given pursuant to **clause 5.1**, signs a deed of confidentiality in the form of this Deed of Confidentiality and for the benefit of SRL, prior to any such access or disclosure being given.

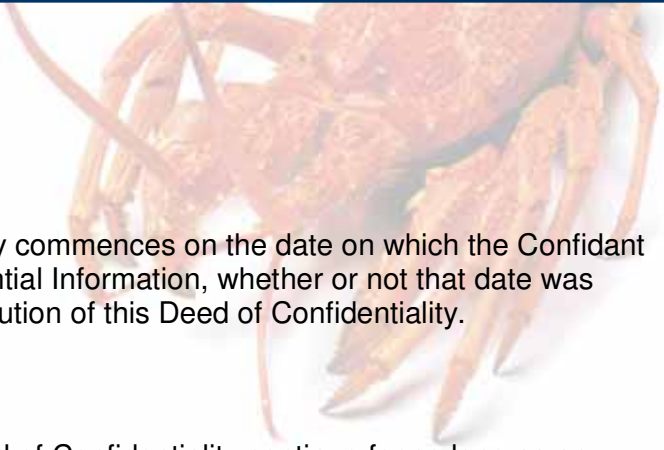
6. **DISCLOSURE AS REQUIRED BY LAW**

6.1 The Confidant may disclose any SRL Confidential Information that the Confidant is required by law to disclose, but only if:

- (a) the extent and manner of the disclosure is strictly limited to what is required by law; and
- (b) the Confidant has:
 - (i) given SRL sufficient notice to enable SRL to seek a protective order or other relief from disclosure; and
 - (ii) provided all assistance and cooperation that SRL reasonably considers necessary for that purpose.

7. **DELIVERY UP OF DOCUMENTS**

7.1 SRL may demand, either orally or in writing, at any time and without notice, that the Confidant deliver to SRL all documents containing SRL Confidential Information in the possession or control of the Confidant.



8. **COMMENCEMENT**

8.1 This Deed of Confidentiality commences on the date on which the Confidant first received SRL Confidential Information, whether or not that date was before the date of the execution of this Deed of Confidentiality.

9. **SURVIVAL**

9.1 The obligations in this Deed of Confidentiality continue for so long as any information disclosed to the Confidant is SRL Confidential Information.

10. **APPLICABLE LAW**

10.1 This Deed of Confidentiality will be governed by and construed in accordance with the laws of the South Australia.

11. **NO EXCLUSION**

11.1 This Deed of Confidentiality does not exclude the operation of any principle of law or equity intended to protect and preserve the confidentiality of SRL Confidential Information.

11.2 The rights and remedies provided under this Deed of Confidentiality are cumulative and not exclusive of any rights or remedies provided by law.

12. **WAIVER**

Failure by SRL to enforce a provision of the Deed of Confidentiality will not be construed as in any way affecting the enforceability of that provision or of the Deed of Confidentiality as a whole.



This **DEED OF CONFIDENTIALITY** is **EXECUTED** as a deed.

DATE

SIGNED by

in the presence of:

Signature of Confidant

Signature of witness

Name of witness

SIGNED by **Roger Edwards** for and on behalf of Southern Rocklobster Limited, ABN 66 108 116 847,

in the presence of:

Signature of SRL representative

Signature of witness

Name of witness

Purchase Agreement Among Sea Water Visions, Pacific Pride Seafood and Southern Rocklobster Limited

<p>Supplier</p> <p>Sea Water Visions Inc (SWV) 1175 Industrial Ave. Ste J, Escondido, CA 92026</p>	<p>User</p> <p>Pacific Pride Seafood Inc (PPS) 3264 Mines Avenue Los Angeles, CA 90023</p>	<p>Purchaser</p> <p>Southern Rocklobster (SRL) Limited Level 1, 16 Unley Road UNLEY SA 5061</p> <p>ABN: 66 108 116 847</p>
---	---	---

1. SRL is a seafood producer and an Australian company. PPS is a seafood distributor and a California corporation. SWV is a manufacturer of seafood holding tanks and is a California corporation. This agreement relates to the purchase by SRL of SWV's Sea Water Visions Tanking System (Tanking System) for live Australian Southern Rocklobster (Lobster). The System will be installed by SWV at PPS and serviced by SWV in accordance with this Agreement. The System will be utilized by PPS to re-tank SRL's Lobster, before distribution to the marketplace.

2. Funding Period

SRL shall purchase the System for \$38,150. (Purchase Price: The original purchase price plus tax on the equipment portion adjusts the price up from \$36,500 to \$38,150), paid as set out in Sections 4 and 5 below. Performance of this Agreement shall commence on December 1, 2006 and conclude on November 30, 2007 or when the Purchase Price has been paid in full, whichever is later.

3. System Composition

Annexure 1 specifies all the plant and equipment or other goods, services and disbursements which shall be provided by SWV under this Agreement in exchange for the Purchase Price. Anything not described in Annexure 1 is not included.

4. Payment Schedule

System start-up and operation	Amount	Comments
Deposit due 12/1/06	\$12,883	Paid by SRL.
Deposit due 12/1/06	\$12,383	Paid by PPS, reimbursed to PPS by SRL by Base Rate Payments as set forth below.
On site plumbing, construction and electrical work	\$2500	Estimate only – actual costs, whether more or less, paid by PPS.
Balance	\$12,383	Paid by SRL by Base Rate Payments as set forth below.



Handwritten initials or mark at the bottom right corner.

5. Base Rate Payments

A base payment at the rate of **\$0.35 per pound** live weight (Base Rate Payment) will be paid by SRL to SWV on load out (pack-out prior to the market) in payment of the Balance of \$12,383.

A base payment at the rate of **\$0.30 per pound** (Base Rate Payment) (live weight) will be paid by SRL to PPS on load out (pack-out prior to the market) in reimbursement of its \$12,383 deposit (Reimbursement).

Base Rate Payments will be made only until the Balance and the Reimbursement are paid in full (without interest), which will require 35,380 pounds (16,081 kilograms) and 49,532 pounds (22,514 kilograms) respectively of Southern rocklobster sales by PPS to buyers.

After the System becomes operational SRL will provide a pack-out report to PPS & SWV within 2 weeks of the end of each month. PPS and SWV will then invoice SRL for the Base Rate Payments and SRL will pay the invoices within 14 days.

6. Total Cover Service

A. In addition to Base Rate Payments, for the term of this Agreement payments of \$0.05 per pound will be paid by SRL to SWV to service the System every two weeks as set forth in Annexure 2 and to provide trouble shooting back-up (by telephone only) to PPS to maintain the ongoing operation of the System. Such service payments will be made together with Base Rate Payments on the same schedule and on the same basis (i.e., live weight and load out). Over the term of this Agreement such service payments shall cumulatively not exceed \$5,000.

*Not applicable →
agreed on
22nd February
2007.*

B. Additional charges as set forth below will be paid by SRL to SWV for on-site call-outs not included in Annexure 2. A call-out can only be made by PPS or SRL

Call-out fees	Amount	Comments
Labour	\$140	Flat rate
Mileage	\$0.40	Per mile (maximum of \$80 per call out)

SWV will provide an invoice for all call-outs including written evidence (date, time, root cause analysis (reason for call-out), corrective action (how the problem was fixed), and what is required to prevent future recurrence. Invoices will be provided to SRL, with copies to PPS, within 2 weeks of the end of each month. PPS and SRL will each pay 50% of each invoice within 14 days.

7. Sale of System

SRL and PPS will make best efforts for a minimum of six months from the operational date of the System to realize their sales goals for SRL's Lobster. After that period, and in the event all three parties agree that such sales goal cannot be met during the then remaining term of this Agreement, then upon their unanimous agreement to terms and conditions of sale the System will be sold, with the proceeds paid firstly to SWV until the Balance is paid in full and Secondly to PPS until the Balance is paid in full and the remaining proceeds are paid to SRL.

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8. Minimum base

For the avoidance of doubt, SWV, PPS, and SRL acknowledge and agree that there will not be a minimum annual amount of Base Rate Payments.

9. Exclusivity

For the term of this Agreement, SRL will promote SWV as its Tanking System supplier in the USA, so long as the Tanking System meets SRL's specifications (water quality) and market needs.

10. SRL Royalty

For the term of this agreement a royalty payment of 7.5% on new SWV Southern Rocklobster tanking systems, for holding Clean Green Australian Southern Rocklobster, sold to the USA Food service sector - directly related to an introduction by SRL / PPS - will be paid to SRL 14 days after SWV has received payment from their client(s). SWV will provide written evidence, of when payments have been received and the amount, for new Southern Rocklobster tanking system sales.

SRL will invoice SWV for the royalty within 7 days of receiving written notification and SWV will pay the invoice within 14 days or reduce the balance SRL owes to SWV on the tanking system purchased by SRL (Section 4).

Royalty payment on new sales introductions by SRL and PPS for holding tank systems not for Clean Green Southern Rocklobster will be negotiated on a case by case basis.

11. Government Taxes

All American government taxes have been included in any amounts referred to in this agreement.

12. Currency

All amounts referred to in this agreement are in US Dollars.

13. Additional Equipment

Additional equipment, above the plant and equipment listed in Annexure 1 will be negotiated among SRL, SWV, and PPS on a case by case basis.

14. Confidentiality

SWV and PPS will be subject to SRL's confidentiality agreement as set out in Annexure 2.

15. Dispute Resolution

- a) If any dispute or controversy arises between or among the parties out of or relating to this Agreement (Dispute), the party believing there to be a Dispute will give notice of the existence and nature of the Dispute to the other parties (Notification) and all parties must attempt to negotiate a resolution of the Dispute.
- b) If the Dispute is not resolved within 60 days of the Notification then the Dispute shall be resolved by binding arbitration conducted by the American Arbitration Association in accordance with its commercial rules in Los Angeles, California. For these purposes, including enforcement of any award against it, SRL stipulates that it is doing business in the State of California.
- c) Notwithstanding the above a party may seek appropriate interlocutory relief in the Superior Court of the State of California for Los Angeles County.

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- d) The parties stipulate that Code of Civil Procedure Section 1283.05 applies to any arbitration under this Agreement. Section 1283.05 states in part, "After the appointment of the arbitrator or arbitrators, the parties to the arbitration shall have the right to take depositions and to obtain discovery regarding the subject matter of the arbitration, and, to that end, to use and exercise all of the same rights, remedies, and procedures, and be subject to all of the same duties, liabilities, and obligations in the arbitration with respect to the subject matter thereof"

16. Security Agreement

As security for its obligations hereunder, SRL grants to SWV a security interest in the System. Upon SRL's default in any of such obligations SWV shall be entitled to all of the remedies against SRL as debtor of a secured party under the California Uniform Commercial Code, and PPS shall give its full cooperation to SWV in its pursuit of such remedies.

17. Integration and Governing Law

This Agreement (which incorporates sections 1-17, inclusive of 17) constitutes the entire agreement between SWV, PPS and SRL and supercedes any previous agreements or terms and conditions in respect of its subject matter. This agreement shall be governed by California Law. The rule that ambiguity shall be resolved against the draftsman shall not apply.

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ANNEXURE 1 – Plant and Equipment

October 31, 2006

Pacific Pride Seafood
3264 Mines Ave
Los Angeles, CA 90023

RE: Australian Lobster System Final Round

Dear Matt and Charles:

Sea Water Visions, Inc (SWV) looks forward to working with you to solve your lobster holding needs. We have designed an excellent holding system for you, using the space allotted. If you maintain the system as trained your holding capacity will approach 1500 lbs. This design contains several pieces of equipment you may not be familiar with and if you would like a follow up visit to go over this proposal in person we are available. The details on this design are as follows:

Triple Stack Fiberglass System

One set of three fiberglass tanks will be placed in the back side of your processing warehouse. Each triple stack system will support between 1500-1750 #'s and includes the following equipment:

- Three Fiberglass tanks measuring outside dims as follows: 130" x 82" x 25.5", 130" x 69" x 18" and the top tank at 130" x 56" x 18"
- 200 gallon fiberglass or poly sump (may vary in size due to space allotment)
- 40 gpm RK2 protein skimmer with ozone and air dryer
- Bag Filter with 25, 50 and 100 micron filter bags w/pressure gauge
- 2500 (may increase in wattage) watt 240 volt single phase titanium heater with digital controller
- Twin Fluidized Bed Biofilters
- 1 Gal super concentrated bacteria for system seeding plus 5# ammonium chloride
- 4 TEFC energy efficient water pumps
- Crushed Coral/ Dolomite buffering material, Activated carbon
- Salinity Refractometer and pH, Ammonia and Nitrite test kits
- YSI 556 Multiparameter meter with DO, pH and ORP
- 1200 gallon water storage system
- Aeration via 1/3 hp Sweetwater Blower and diffusers
- Telephone alarm system (phone line provided by others)
- Back-up oxygen system (oxygen bottle and regulator provided by others)
- Back-up 1/2 hp main pump 120 volt single phase and 1/4 hp pump

Water will flow out of the bottom holding tank into the sump. The titanium heater will be sump mounted. There will be three independent pump loops using water from the sump. They are as follows:

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Main circulation loop- Water will travel out of the sump into a ½ hp TEFC saltwater rated pump and travel into twin high quality bag filter housing with pressure gauge. Water will pass through this filter at approx. 50 gpm while being filtered down to 25 or 50 micron depending on which bag is inserted. It is a simple and quick process to change bags as a pressure gauge on top of the filter clearly indicates when its time to change the bags. System load will have an impact on the frequency of bag changes but every three days is reasonable. The bags are easily cleaned by hose or washing machine and cost about \$8 to replace every 6 months or so. Ten bags of each micron size will be included.

Biofiltration loop- Water will travel out of the sump into a ¼ hp TEFC saltwater rated pump and then equally into two fluidized bed biofilters. These biofilters contain a huge amount of surface area which allows for big reductions in ammonia. They also respond well to shock loading but as with all aquatic systems even production of ammonia is much easier to handle vs. capacity loading on an empty system. After the biofilter water will return to the sump.

Protein skimmer loop- Water will travel out of the sump into a 1/4 hp TEFC saltwater rated pump and then enter a 40gpm RK2 Protein Skimmer. This is an excellent skimmer which will concentrate dissolved waste and purge it from the system in a foam sludge. This sludge will be sent to the nearest floor drain. To enhance sludge production and raise oxygen levels each skimmer will be mounted with a 300mg ozone generator. Dry air will be supplied to each ozone controller to increase ozone production. Carbon "scrubbers" will be mounted on the air exit of the skimmer to reduce ozone levels in the air. For 100% control of this the residual, ozone should be vented outdoors. From the skimmer water will travel back to the triple stack system.

The electrical equipment breakdown is as follows for each of the three systems:

2500 watt Titanium heater (May Increase)	10.4 amps	(240 volt only)
½ hp main pump 120 volt single phase	8.6 amps	
1/8 hp biofilters pump 120 volt single phase	2.1 amps	
¼ skimmer diver pump 120 volt single phase	2.8 amps	
¼ hp skimmer flow pump 120 volt single phase	2.8 amps	
300 mg Ozone controller 120 volt only	2.0 amps	(120 volt only)
Air Dryer (one unit for all three systems)	3.8 amps	(120 volt only)
Air Blower ½ hp 120/240 single phase	5.6 amps	
¼ hp water delivery pump	2.8 amps	

All supplied pumps are dual voltage and can be powered 120 or 240 volt.

Sea Water Visions, Inc will deliver and place all of this equipment in Pacific Prides warehouse. SWV will make all plumbing connections (except ozone vent through roof or any through wall connections), adjust salinity to 38ppt, and train onsite for up to 2 days and offer phone support thereafter.

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John

Additions

The following equipment has been added since the first proposal after conversation with Matt:

An aeration system including a 1/3 hp Sweetwater regenerative blower powering air to the system including 18 9" ceramic silica high quality diffusers with valved air control.

In tank back up Oxygen system including fine pore pure oxygen delivery tubing and 3 way valve manifold. Oxygen tank with 50 psi regulator to be rented and supplied by others.

YSI Y556 multparameter meter measuring DO, pH and ORP.

Water storage system containing a minimum of 750 (the preference is a 1500 gallon storage system) gallons saltwater storage capacity including initial fill and salt adjustment to 38ppt.

Telephone alarm system with monitors on Temp, Air, Water Flow and Power. The unit will call 4 numbers four times before shutting off.

All electrical connections and power to be provided by others. Ozone vent pipe to be provided by others (SWV will plumb into the provided vent if placed within 3' of the skimmer). Fresh water connection for the washdown feature on the skimmers to be provided by others. Any plumbing through wall to be done by others.

The lead time for delivery and installation of this system is 6 weeks from receipt of order. Payment terms are as follows: 66% prepaid, 33% paid monthly from weekly receipts of product sold at \$ 0.35 per pound.

The price for equipment, supplies and installation is \$ 38,150 including tax on the equipment portion.

SWV will provide the following maintenance on its bi-weekly service visits:

- Test pH, ammonia, nitrite, nitrate, ORP and DO
- Exchange up to 70% water
- Top off water storage vessel and adjust salinity
- Change the bag filters if nesc.
- Check the pumps, ozone, skimmer settings, aeration system and adjust if nesc.
- Test alarm integrity
- Provide report and suggested fix for any out of the ordinary situations
- Address any issues brought up between visits

The supplies required for any service are not part of the service agreement and must be purchased separately. SWV is not responsible for the conditions of the lobsters at any time for any reason.

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As previously mentioned this is a very well designed system with excellent equipment. Certain components have been selected to improve system performance over the norm to accommodate the enhanced holding capacity of the selected species.

Please don't hesitate to email or call with any questions. You can email me at: bigjohn@seawatervisions.com or reach me via phone at 760/747-0513 office or via cell at 760/801-9039.

All the Best,

Big-John
Technical Sales Manager

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ANNEXURE 2 - Service checklist:

The fortnightly service will include;

- Water testing
- Water exchanged
- Make-up additional salt water
- Bag filter changed
- Back flush of biofilter
- All pumps checked
- Ozone unit checked
- Foam fractionator checked
- Alarm tested,
- All other issues raised or identified by Pacific Pride Seafood and Sea Water Vision during or prior to the service call.
- A report to identify issues and corrective action requirements (how to prevent future recurrence)

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ANNEXURE 3 - SRL confidentially agreement:



DEED OF CONFIDENTIALITY

Southern Rocklobster Limited
ABN 66 108 116 847
AND

.....
[INSERT CONFIDANT DETAILS]

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Handwritten initials in blue ink, possibly 'JLH', located in the bottom right corner of the page.

1. INTERPRETATION
2. NON-DISCLOSURE
3. TREATMENT OF PERSONAL INFORMATION
4. RESTRICTION ON USE
5. DISCLOSURE TO NOMINEES
6. DISCLOSURE AS REQUIRED BY LAW
7. DELIVERY UP OF DOCUMENTS
8. COMMENCEMENT
9. SURVIVAL
10. APPLICABLE LAW
11. NO EXCLUSION
12. WAIVER

11

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DEED OF CONFIDENTIALITY

BETWEEN:

Southern Rocklobster Limited (ABN 66 108 116 847), a company limited by guarantee (SRL)

AND

.....
(the Confidant)

RECITALS:

- A. The SRL may disclose SRL Confidential Information to the Confidant for the Permitted Purpose.
- B. Where the SRL discloses SRL Confidential Information to the Confidant it will do so on the condition that the Confidant keeps all such SRL Confidential Information strictly confidential.
- C. The SRL requires, and the Confidant agrees, that it is necessary to take all reasonable steps (including the execution of this Deed of Confidentiality) to ensure that SRL Confidential Information is kept confidential and that Personal Information is treated in accordance with the Information Privacy Principles set out in the *Privacy Act 1988* (Cth) (**Privacy Act**).

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 Definitions

In this Deed of Confidentiality, unless the contrary intention appears:

Chairperson has the same meaning as in the Constitution of Southern Rocklobster Limited.

Document includes:

- (a) any paper or other material on which there is writing;
- (b) any paper or other material on which there are marks, figures, symbols or perforations having a meaning to persons qualified to interpret them; and
- (c) any article, material or media from which sounds, images or writings are capable of being reproduced with or without the aid of any other article or device;

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Jkh

SRL Confidential Information means information that:

- (a) is by its nature confidential;
- (b) is designated by the SRL as confidential;
- (c) the Confidant knows or ought to know is confidential;
- (d) is Personal Information accessed by the Confidant in the course of undertaking activities related to the Permitted Purpose;

and includes, to the extent it is confidential:

- (e) information comprised in or relating to any Intellectual Property of SRL;
- (f) information relating to the internal management and structure of SRL;

but does not include information that:

- (g) is or becomes public knowledge other than by a breach of this Deed of Confidentiality, or any other confidentiality obligations.
- (h) the confidant already has or receives from another source.

SRL Material means any confidential material provided by SRL to the Confidant for the Permitted Purpose, or which is copied or derived from Material so provided. Provided it is confidential in the first place.

Intellectual Property includes all rights in copyright, registered and unregistered trademarks (including service marks) registered designs, all rights in relation to inventions (including patent rights), trade secrets, know how, rights in relation to circuit layouts and all other rights resulting from intellectual activity in the industrial, scientific, literary or artistic fields or any rights to registration of such rights existing in Australia or elsewhere, whether created before, on or after the date of this Deed of Confidentiality.

Material includes documents, equipment, software, goods, information or data stored by any means.

Meeting means a meeting of SRL called by the Chairperson of SRL in accordance with the Constitution of Southern Rocklobster Limited.

Parties means SRL and the Confidant.

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Permitted Purpose means review of any of the following:

- R&D application
- reports
- plans

Personal Information means information that is information or an opinion (including information or an opinion forming part of a database), whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or opinion.

2. NON-DISCLOSURE

- 2.1 In consideration of SRL disclosing certain SRL Confidential Information to the Confidant, the Confidant acknowledges and agrees that all SRL Confidential Information is confidential, is the property of SRL, and is of value to it, and that any SRL Confidential Information disclosed to the Confidant is disclosed to the Confidant only pursuant to the terms of this Deed of Confidentiality.
- 2.2 The Confidant must not use, disclose, divulge or deal with any SRL Confidential Information, nor allow any act, matter or thing to be done or occur whereby any SRL Confidential Information may be ascertained or used by, or disclosed or communicated to, any other person, without the prior written consent of the Chairperson of SRL, which consent the Chairperson may grant or withhold in its absolute discretion.
- 2.3 For the purpose of **clause 2.2**, written consent includes agreement of the Chairperson of SRL in a Meeting where that consent is documented in formal minutes of the Meeting.

3. TREATMENT OF PERSONAL INFORMATION

- 3.1 The Confidant understands that, in the course of undertaking activities concerning the Permitted Purpose, the Confidant may have access to Personal Information.
- 3.2 The Confidant acknowledges and agrees that the Confidant will not access, use, disclose, publish, communicate or retain, or otherwise deal in any way, with Personal Information except for the Permitted Purpose.
- 3.3 The Confidant agrees to abide by the provisions of the Privacy Act in respect of Personal Information, including the Information Privacy Principles set out in that Act, whether or not the Confidant is legally bound to comply with that Act.
- 3.4 The Confidant agrees to treat all Personal Information with the utmost care and to protect that information at all times.

4. RESTRICTION ON USE

- 4.1 The Confidant acknowledges and agrees that the Confidant may access, use, disclose, publish, communicate or retain, or otherwise deal in any way, with SRL Confidential Information only for the Permitted Purpose.

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Julia

5. **DISCLOSURE TO NOMINEES**

5.1 If:

- (a) the Confidant has nominated a person to whom the Confidant may give access to or disclose SRL Confidential Information to (a **Nominee**); and
- (b) SRL consents in writing to such access or disclosure being provided to that Nominee,

the Confidant may give access to or disclose SRL Confidential Information to the Nominee on such conditions as may be imposed by SRL.

5.2 For the purpose of **clause 5.1(b)**, written consent includes agreement of the Chairperson of SRL in a Meeting of SRL where that consent is documented in formal minutes of the Meeting.

5.3 The Confidant must ensure that any Nominee to whom access or disclosure of any Confidential Information is to be given pursuant to **clause 5.1**, signs a deed of confidentiality in the form of this Deed of Confidentiality and for the benefit of SRL, prior to any such access or disclosure being given.

6. **DISCLOSURE AS REQUIRED BY LAW**

6.1 The Confidant may disclose any SRL Confidential Information that the Confidant is required by law to disclose, but only if:

- (a) the extent and manner of the disclosure is strictly limited to what is required by law; and
- (b) the Confidant has:
 - (i) given SRL sufficient notice to enable SRL to seek a protective order or other relief from disclosure; and
 - (ii) provided all assistance and cooperation that SRL reasonably considers necessary for that purpose.

7. **DELIVERY UP OF DOCUMENTS**

7.1 SRL may demand, either orally or in writing, at any time and without notice, that the Confidant deliver to SRL all documents containing SRL Confidential Information in the possession or control of the Confidant.

8. **COMMENCEMENT**

8.1 This Deed of Confidentiality commences on the date on which the Confidant first received SRL Confidential Information, whether or not that date was before the date of the execution of this Deed of Confidentiality.

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9. **SURVIVAL**

9.1 The obligations in this Deed of Confidentiality continue for so long as any information disclosed to the Confidant is SRL Confidential Information.

10. **APPLICABLE LAW**

10.1 This Deed of Confidentiality will be governed by and construed in accordance with the laws of the South Australia.

11. **NO EXCLUSION**

11.1 This Deed of Confidentiality does not exclude the operation of any principle of law or equity intended to protect and preserve the confidentiality of SRL Confidential Information.

11.2 The rights and remedies provided under this Deed of Confidentiality are cumulative and not exclusive of any rights or remedies provided by law.

12. **WAIVER**

Failure by SRL to enforce a provision of the Deed of Confidentiality will not be construed as in any way affecting the enforceability of that provision or of the Deed of Confidentiality as a whole.

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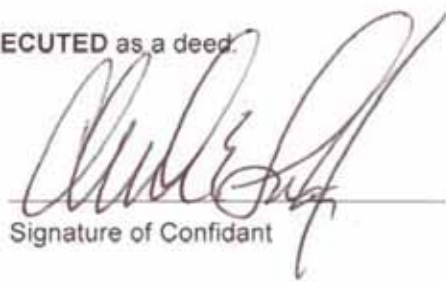
JKK

This DEED OF CONFIDENTIALITY is EXECUTED as a deed.

DATE

SIGNED by

in the presence of:


Signature of Confidant

Signature of witness

Name of witness

SIGNED by Roger Edwards for and on behalf of Southern Rocklobster Limited, ABN 66 108 116 847,

in the presence of:


Signature of SRL representative

Signature of witness

Name of witness

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John



Level 1, 16 Unley Road
UNLEY SA 5061

Ph: 1300 853 880
Fax: 08 8272 7767

ACN 108 116 847
ABN 66 108 116 847

Kevin Partridge
General Manager
Harcor Security Seals
37 Longview Court
THOMASTOWN VICTORIA 3074

Dear Mr Partridge

RE: Clean Green Southern Rocklobster tags

I am pleased to write to confirm Southern Rocklobster Limited's (SRL) commitment to purchase Harcor Security Seals tags over 3 years commencing when the first batch of tags (1st November, 2006) are supplied to SRL with a further 3 years subject to mutual agreement by SRL and Harcor Security Seals.

In doing so SRL wishes to inform Harcor that SRL is a company limited by guarantee and does not have any form of capital reserves, is not underwritten by the members and is unable to secure cash flow support from financial institutions.

SRL therefore can not commit to purchase a minimum quantity of tags over time and the only assurance that can be provided is that the Board has committed to an international 5 year market development program, in which horn tags will be used to brand/differentiate and for traceability purposes.

The success of the program is uncertain but in support of the program, SRL has completed international market research and confirmed the superior quality for the product and identified a range of potential new customers.

SRL is moving forward on the basis of this research work with tagged lobsters. It is the intention to position the Australian Southern Rocklobster as the super-premium lobster in the global market, and branding and traceability are key features of the offer.

We therefore urge you to understand before going forward that there are risks such as exchange rate, changing consumer sentiment, trade sanctions etc for the industry and all suppliers to this new program which are beyond SRL's control. This said, SRL is working with the best available knowledge of price points, supply chain costs and market requirements and conditions in order to minimise risk to all participants.

SRL is currently contracting a range of services to implement the marketing program and the target for the program is 500 tonnes of lobster within 3 years, each tagged and branded as certified Clean Green Australia Southern Green Rocklobster, hence, our target is approximately 196,560 tags per annum

Our commitment is made on the basis of the following:

1. Tag price of \$240 per 1,000 tags + GST for the first 537,000 tags¹ (based on a development cost of \$37,220²);
2. Tag price \$180 per 1000 tags + GST after 537,000 tags;
3. SRL purchase 26,000 tags upfront;
4. No minimum purchases will be made after the initial tags are purchased;
5. Further tags purchased will be paid for on an as used basis with monthly payments – SRL will provide reports from the traceability system to validate numbers of tags used;
6. Delivery to Adelaide at Harcor's costs;
7. Harcor will produce the certified Clean Green Australian Southern Rocklobster tag exclusively for Southern Rocklobster Limited;
8. The tags to be produced and supplied by Harcor will be approved by SRL and comply to the following specifications:
 - a. fully tamper proof (i.e. cannot be removed without breaking the seal) and non reusable;
 - b. feature individual numbers that cannot be removed, re-used or duplicated;
 - c. feature individual barcodes (a) two-dimension bar code or b) conventional bar code that cannot be removed, re-used or duplicated;
 - d. 100% readable barcodes (including straight after removal from seawater) using a PSC Falcon 4420 scanner;
 - e. molded from non-toxic food grade material (polypropylene);
 - f. Can withstand the temperature extremes of cooking and cryogenic freezing;
 - g. can be applied using a hand held applicator, which will avoid cuts to the hands of the person applying the tag (long term or triggered by a negotiated number of tag sales);
 - h. The tag to feature the two colour Clean Green Trade Mark. The Mark must be printed in exactly the same proportions and colours (Blue PMS 286, Red PMS 485) as the authorised electronic version sent to Harcor.
9. Harcor will work in conjunction with SRL to develop an applicator solution for the tag.
10. Risk in all tags remains with Harcor until delivery of those tags is accepted by SRL in Adelaide. Risk in and title to those tags passes to SRL at that time.
11. Harcor acknowledges that all intellectual property rights (including without limitation, copyright, patents, trade marks and design rights) in respect of the tags and their design and appearance vest in and remain the property of SRL.

It should be noted that from time to time SRL may undertake trade facilitation with non-tagged animals. While this is not the long term strategy and not expected to involve many animals, SRL reserves the right to utilise untagged lobster as part of the market development program.

In closing, SRL is looking forward to Harcor developing the tag and applicator solution for certified Clean Green Australian Southern Rocklobster. To signal our intention and good faith SRL will commit \$5000 (exclusive of GST) to assist with delivering the tags by 1st November, 2006. Going forward however SRL will seek a royalty payment of 10% on

¹ No grant monies are received by Harcor to pay for the development costs.

² Harcor will be responsible for all development costs above this amount.

Purchase and Licence Agreement between SASTEK Pty Limited and Southern Rocklobster Limited

Supplier

Sastek Pty Ltd
601 Curtin Avenue East
P O Box 502
Hamilton Queensland 4007
ABN: 76 010 786 482

Purchaser

Southern Rocklobster Limited
Level 1, 16 Unley Road
UNLEY SA 5061
ABN: 66 108 116 847

1. This agreement relates to the purchase and licence of the traceability system comprised of SASTEK hardware and software ("FoodChain Traceability System" or "System") and related support services.

2. Funding Period

Southern Rocklobster Limited (SRL) will commit to purchase SASTEK's services and equipment comprising the FoodChain Traceability System and will pay for the system through a combination of a lump sum* and base payment as set out in Section 4, commencing on October 20, 2006 for three years.

After 3 years, provided the Balance*** is repaid in full, the royalty payment (referred to in Section 5) will commence and continue for as long as the System is functional for use by SRL at its absolute discretion.

3. Goods and Traceability System

Refer to Annexure 1.

Only goods, services and disbursements delivered by SASTEK in regards to this agreement will be invoiced or included in the base rate calculation. This will be reconciled and calculated at the end of each financial year.

4. Pricing Schedule (Base Rate)

Traceability Expenses (start-up and operations for 3 years)		Amount	Comments
1	Capital and Start-up costs	\$244,172	based on SASTEK quote (Annexure 1)
2	3 Year service agreement	\$154,500	based on SASTEK quote – excluding tag administration
3	Total costs (Initial 3 years)	\$398,672	
4	Traceability consulting, training and capital equipment purchased by SRL	\$60,000*	Payment made by SRL
5	Regional Receiver investment	\$56,000** ¹	Each Regional Receiver site that enters the System will be required to pay \$5600**. For the avoidance of doubt, SASTEK and SRL acknowledge and agree that there will be no minimum number of Regional Receiver sites.
6	Balance	\$282,672***	Purchase amount Base rate payment payable in monthly installments in accordance with the base payment schedule set out in Section 5

5. Base Payment Schedule

The Base payment will be \$1.10 per kilogram (live weight) on load out (pack-out prior to the market). The expected volumes and subsequent payments are;

Year	1	2	3	TOTAL
No. AV's	1	2	4	
Weeks	42	42	42	
Tonnes	33	66	131	
Cash	\$36,036	\$72,072	\$144,144	\$252,252

The base rate will only apply until the \$282,672*** (purchase amount) is repaid in full.

6. Royalty system:

The royalty payment system applies after the purchase amount is repaid in full.

Once the purchase amount is paid in full, SRL will pay SASTEK through one of the two mechanisms (the option that is least cost to SRL) for Total Cover Service:

- a. The CPI equivalent of \$52,000 based on a throughput of 200 tonne per year

And throughput exceeding 200 tonne will be paid at the following royalty rates;

Throughput	Royalty (per kilogram)
200t – 500t	\$0.11
500t – 1000t	\$0.06
Throughput exceeding 1000t	\$0.03

¹ Estimation

OR

b. A maximum of \$0.25 per kilogram (live weight) on load out (pack-out prior to the market), with no minimum amount payable.

7. Goods Ownership

Only the goods paid for by SRL become the property of SRL.

8. Minimum base / royalty payment

For the avoidance of doubt, SASTEK and SRL acknowledge and agree that there will not be a minimum annual base or royalty payment.

9. Terms of payment:

- a) SASTEK will invoice SRL for the base rate payment referred to in Section 5 at the end of each month and SRL will pay the invoice within 14 days.
- b) SASTEK will invoice SRL for the royalty payment referred to in Section 6 at the each month and SRL will pay the invoice within 14 days.

10. SRL Royalty

For the term of this agreement a royalty payment of 5% on new SASTEK traceability sales based on this technology (services or equipment) sold to the seafood industry will be paid to SRL at the end of each financial year. SASTEK will provide written evidence, within 1 month of the end of the financial year, of new sales and total amount of sales for the previous financial year.

SRL will invoice SASTEK for the royalty within 14 days of receiving written notification and SASTEK will pay the invoice within 14 days.

11. Government Taxes

GST has not been included in any amounts referred to in this agreement and will be charged to the purchaser on each monthly invoice in accordance with the requirements of applicable Goods and Services Tax legislation.

12. Additional Equipment

Additional equipment, above the goods listed in Annexure 1, for supply chain members will be negotiated between SRL and SASTEK on a case by case basis.

13. Grant of Licence and intellectual property rights

In consideration of the purchase by SRL of the FoodChain Traceability System, SASTEK grants to SRL a non-exclusive worldwide perpetual licence to use the software associated with the System ("Software") and any future improvements to or developments of the Software made by or on behalf of SASTEK for the purpose of utilising the System.

SASTEK warrants to SRL that:

- (1) SASTEK is the owner (free from encumbrances) of all intellectual property rights in the Software;
- (2) the use by SRL of the Software in accordance with this Agreement:
 - (a) will not breach or infringe the rights, including any intellectual property rights, of any person;
 - (b) does not require any further consent of any of SASTEK or anyone else.

SASTEK agrees to indemnify and keep SRL indemnified against any claim made against SRL by a third party alleging that the Software and/or the use of the Software by SRL pursuant to this agreement infringes the intellectual property rights of that third party.

All intellectual property rights in respect to the data, use of the Software in a commercial environment and any other market benefits generated remain the property of SRL.

14. SASTEK Pty Ltd will be subject to SRL's confidentially agreement (Annexure 2).

15. This agreement (which incorporates section 1-15, inclusive of 15) constituted the entire agreement between SASTEK and SRL and supersedes any previous agreements, terms and conditions in respect of its subject matter.

ANNEXURE 1

Our Ref Q5111A

21st July 2006

Attn Mr. Matthew Muggleton
Southern Rocklobster Limited
Level 1, 16 Unley Road
Unley SA 5061

Dear Matthew

Ref: Revised Indicative Proposal for Lobster Traceability solution

We thank you for the opportunity to propose our solution to provide a traceability solution for Southern Rocklobster Limited.

Our solution is based upon the model established over the last 12 months through the work we have done in conjunction with DPI-Vic and yourselves. The systems were recently tested in May with the SRL/DPI trials to USA markets.

Through use of technology, we believe we can offer SRL the systems and tools to streamline and monitor the supply chain activity for quality and conformance that will assist SRL in establishing market access and compliance through the use of proven supply chain and traceability solutions. We aim to assist SRL achieve increased sales margin per kg of lobster and provide benchmarking and value adding to the benefit of SRL members.

We propose a model based on our recent discussions to include

1. Central database system utilising our FoodChain solution. This system it is proposed will be situated at SASTEK Brisbane and we will provide the day to day services and support to ensure the database is operational and maintained.
2. Receipts of tags from manufacture, tag storage. Entry of tags into database against fisherman and distribution of tags to fisherman. As requested, we have removed this task from our proposal and we assume this task will be handled by a 3rd party. A scanner connected to a PC with WAN access will be required.
3. Data capture initially at 7 (seven) processor sites across SA, VIC, TAS for the recording and tagging of lobsters off boat using a scanner device. Supply necessary capability to upload data recorded to for automatic import into foodChain database.
4. Data capture initially at 2 (two) key locations, one in Melbourne and other in Los Angeles. The Melbourne plant will act as a central receipts and consolidation point of lobsters from the 7 processor sites and be the point of despatch into the USA site. The plant in Los Angeles will be able to receive stock and process out to clients. It will also have a hand scanner for processing transaction at Restaurant.
5. Database interface to the SRL web site provided by JABA. While the location of the hosted web site could be anywhere in the world, for speed and simplicity we propose that the web site be co-located with the database in our Brisbane office. JABA can be provided direct access via WAN for web site support/maintenance as required.

Traceability FoodChain was developed from the ground up with traceability as a prime function of the system. We provide the ability to record individual lobster serial numbers that are either still in the supply chain or have been despatched.

FoodChain provides a seamless end-to-end integrated solution from the recording of data off boats to the distribution of product locally and overseas delivering obvious benefits like visibility of information on line and in real time and Data integrity through use of robust and proven data capture tools reducing transcription errors that can occur in manual processes.

SASTEK FoodChain is a true enterprise wide solution (Tier 2 ERP system). In addition to the Traceability functionality being delivered, the system can be grown through use of additional modules to manage and control all functions of finance, production, inventory, operations, management and KPI reporting from a single centralised database. FoodChain can cater for multiple production sites and multiple warehouse sites. The flexibility and power of the system is found when consolidating information such as inventory and then drilling down into the various sites and looking at the detailed lobster information and detailed production and yield reporting.

Sastek is your single source business partner with proven ability to deliver large-scale implementations similar to this proposal. Sastek's clients benefit from our continual interaction with Australasia's food processing companies as we bring to market hardware and software systems that cater for industry best practice and provide information presented in a manner that allows effective decision making.

I draw your attention to the Notes and Exclusions listed below in this document.

I look forward to your feedback and I trust our proposal is acceptable to you.

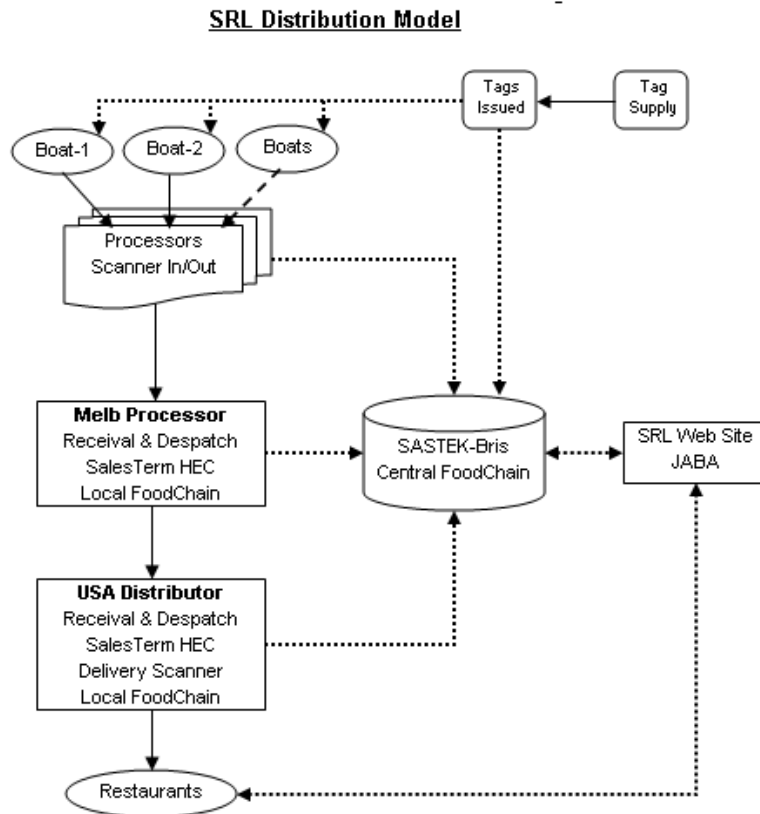
If you have any questions, please don't hesitate to contact me.

Yours sincerely
 SASTEK Pty Ltd

Neil Pitt
 Sastek Account Manager
 MOB : 0417 743 359

Proposal Details: - See separate "Revised Traceability System Q5111A 21jul06.xls" spreadsheet

Total Cover Service (TCS) overview: - See separate "Total Cover Service Overview.pdf" and "Progress Maintenance Overview.pdf"



Project Notes:

1. The SASTEK solution is a highly flexible and configurable standard release and is supplied on that basis. Solution based on current functionality designed during the Vic DPI sponsored project. Any hardware and software enhancements, which may be required, are excluded. (Subject to full specification and quotation.)
2. At time of compiling this proposal, SASTEK are investigating the Technical compliance of our systems for the USA market and any liability, insurance, workers comp etc of installing our systems in the USA. I can advise that we are covered for your general and products liability during the course of your usual business activities and this cover is provided worldwide (although jurisdictionally restricted to actions being brought in New Zealand or Australia).
SRL or its USA client will need to carry their own cover for third party property in their care, custody and/or control, to cover for any loss on their insurance. We reserve the right to seek compensation in the event of a loss/damage whilst in USA processors control.
3. SRL or its Australian user base will need to carry their own cover for third party property in their care, custody and/or control, to cover for any loss on their insurance. We reserve the right to seek compensation in the event of a loss/damage whilst in their control .
4. Should more fisherman or processors join this project, pricing will be based on costs agreed in Sastek's current proposal

Quotation Exclusions :-

- Waiting time caused by sites not being ready
 - The provision of 240 VAC power supply, in accordance with SASTEK document number T-01.A entitled 'Guidelines for the supply of power to SASTEK On-Floor and Off-Floor Equipment'
 - Excludes disbursements costs of flights/accom/car hire were required, invoiced separately to SRL account.
 - Supply and installation of network infrastructure, communication cabling, network switches, fibre optics infrastructure, conduit, WAN, Internet/Broadband.
 - PC report printers and accessories unless specifically included is responsibility of client.
 - Proposal excludes Freight of goods to sites, invoiced separately to SRL account
 - Total Cover Service agreement unless specifically shown in proposal
 - Client responsible for mounting of all hardware under Sastek supervision
 - Ownership of the System remains with Sastek until \$272,672 has been paid in full
 - Taxes, duties etc to implement the system in the US is SRL's cost
 - Processor supplied PC equipment for FoodChain needs to be supplied to Sastek-Brisbane office for software loading and configuration prior to Sastek deploying on to site.
 - Excludes Scan Tag entry on dbase and distribution to fishermen
- ***All intellectual property resulting from this work remains the property of Sastek Pty Ltd.***
- ***Sastek system will be supplied as per current Standard Release. Variation or alteration to system software will be subject to full specification and costing.***
- ***Except where expressly stated, this quotation is subject to SASTEK Standard Terms and Conditions of Sale***

TERMS OF PAYMENT: \$60,000 deposit with order
 \$56,000 on despatch of goods to site
 Residual \$282,672 is based on attached schedule based on payment fee
 of lobster weight shipped over 3 years

GOVERNMENT TAX: All prices plus government tax if applicable
DELIVERY: 6 to 8 weeks, subject to confirmation after order placement
PRICING VALIDITY: Prices firm for 30 days and then subject to variation
WARRANTY: Warranty for SASTEK Hardware and Software is 6 months.
 Includes Parts/Labour, excludes Travel Time

SASTEK TO INSERT THE EXCEL QUOTE – NEIL PITT

SASTEK to insert hard copy of xls file – SRL_processes 201006

ANNEXURE 2:

SUPPLIER

SIGNED for and on behalf of **Sastek** Pty Ltd on theday of2006 by its duly authorized officer.

Name

Position

Signature:

PURCHASER

SIGNED for and on behalf of the Southern Rocklobster Limited on theday of2006 by its duly authorized officer.

Name

Position

Signature:

draft

MANAGEMENT AGREEMENT

**SOUTHERN ROCKLOBSTER LIMITED
(COMPANY)**

**CORVEL MARKETING AND
MANAGEMENT PTY LTD
(MANAGER)**



DMAW Lawyers
Level 3, 80 King William Street
Adelaide South Australia 5000

Phone +61 8 8210 2222
Facsimile + 61 8 8210 2233
Email: dmaw@dmawlawyers.com.au

[EW] 69347;
Dated: 3 March 2012

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MANAGEMENT AGREEMENT

PARTIES

1. **Southern Rocklobster** (ACN 108 116 847) of Level 1, 16 Unley Road, Unley SA 5061 (**Company**)
2. **Corvel Marketing and Management Pty Ltd** (ACN 074 291 366) of Level 1, 16 Unley Road, Unley SA 5061 (**Manager**)

INTRODUCTION

- A. The Company has entered into the Supply and Service Agreements for the purpose of facilitating the supply of goods by Certified Suppliers to niche markets including the United States of America (**Supply Operations**).
- B. The Company agrees to the Manager conducting the Supply Operations in lieu of the Company on the terms and conditions of this agreement.
- C. The Manager is willing to accept such appointment on such terms and conditions.

OPERATIVE CLAUSES

PART 1 – PRELIMINARY

1. Definitions

In this agreement:

Applicable Law means the provisions of all relevant statutes, regulations, licences, orders and directives and any relevant policy statements, codes or directives issued by any legislative, administrative, government or non-government body and any principle or rule of common law or equity which has application to or is relevant to the provision of the Management Services;

Assets means the tangible and intangible assets owned or leased by the Company and used in the conduct of the Supply Operations;

Business Day means any day except a Saturday or a Sunday or other public holiday in South Australia;

CAB means a conformance assessment body accredited to perform a certification audit in relation to the Clean Green Certification Scheme;

Certification means a certification granted by a CAB under the Clean Green Certification Scheme;

Certified Supplier means a person who holds a current Certification;

Clean Green Standard means the applicable set of standards used for the Clean Green Certification Scheme which sets the benchmark for Certification;

Clean Green Certification Scheme means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfied the Clean Green Standard;

Commencement Date means 1 January 2007;

Confidential Information means the terms of this agreement and also any information obtained by the Manager, its employees, sub-contractors or agents, in the course of the Engagement, including:

- (a) trade secrets;
- (b) technical information and technical drawings;
- (c) commercial information about the Supply Operations and persons with whom the Company deals;
- (d) product and market information; and
- (e) any information marked "confidential" or which the Company informs the Manager is confidential or a trade secret;

but excluding:

- (f) any information commonly available to the public (other than as a result of a breach of this agreement);
- (g) information which the Manager can prove the Manager lawfully possessed before obtaining it in the course of the Engagement;

Engagement means the engagement of the Manager under this agreement;

Expenses means any fees, costs, charges, expenses, liabilities, Taxes, payments or outgoings of any kind arising in respect of the Company and/or the Supply Operations;

Extended Term means a further period of three (3) years, commencing on the expiry of the Original Term;

Force Majeure means, in respect of a party, any act event or cause (other than lack of funds) which is beyond the reasonable control of that party, including the following (but only to the extent that the following are beyond the reasonable control of the party):

- (a) act of God, peril of the sea, accident of navigation, war, sabotage, riot, insurrection, civil commotion, national emergency (whether in fact or law), martial law, fire, lightning, flood, cyclone, earthquake, landslide, storm or other adverse weather conditions, explosion, power shortage, strike or other labour difficulty (whether or not involving employees of the party concerned), epidemic, quarantine, radiation or radioactive contaminations;
- (b) action or inaction of any government or governmental or other competent authority (including any court of a competent jurisdiction), including expropriation, restraint, prohibition, intervention, requisition, requirement, direction or embargo by legislation, regulation, decree or other legally enforceable order; and
- (c) breakdown of plant, machinery or equipment or shortages of labour, transportation, fuel, power or plant, machinery, equipment, or material;

GST has the same meaning as it does in A New Tax System (Goods and Services Tax) Act 1999;

Insolvency Event means in relation to a body corporate:

- (a) an administrator of the body corporate being appointed under the Corporations Act 2001;
- (b) the body corporate or a subsidiary executing a deed of company arrangement; or
- (c) the entry by the body corporate into a scheme of arrangement or a composition with, or assignment for the benefit of, all or any class of its creditors, or a moratorium involving any of them;
- (d) the body corporate being insolvent within the meaning of s.95A(2) of the Corporations Act 2001;
- (e) the body corporate being or stating that it is unable to pay its debts when they fall due;
- (f) the appointment of a receiver or receiver and manager in respect of the body corporate or any part of its property;
- (g) the making of a winding up order, or the passing of or attempted passing of a resolution for winding up, in respect of the body corporate except for the purposes of reconstruction;
- (h) an application being made (which is not dismissed within 5 Supply Operations Days) for an order, resolution being passed or proposed, a meeting being convened or any other action being taken to cause anything described above;
- (i) anything analogous to or of a similar effect to anything described above under the law of any relevant jurisdiction; and

and in relation to a person other than a body corporate means:

- (a) the bankruptcy of the person concerned;
- (b) the appointment of an official manager in respect of all or any part of the property of the person concerned;
- (c) the entry by the person concerned into a scheme of arrangement or a composition with, or assignment for the benefit of, all or any class of its creditors, or a moratorium involving any of them;
- (d) an application being made (which is not dismissed within 5 Supply Operations Days) for an order, resolution being passed or proposed, a meeting being convened or any other action being taken to cause anything described above; and
- (e) anything analogous to or of a similar effect to anything described above under the law in any relevant jurisdiction.

Management Fee means the fee payable to the Manager in relation to the provision of the Management Services as specified in Schedule 2;

Management Services means the management services specified in Schedule 1;

Minimum Performance Criteria means the performance measures set out in Schedule 3;

Month means calendar month;

Original Term means a period of three (3) years commencing on the Commencement Date;

Party means a Party to this agreement and **Parties** has a corresponding meaning;

Supply and Service Agreements means the agreements entered into by the Company with each of the Certified Suppliers, various service providers and end buyers of goods required in connection with the Supply Operations;

Supply Operations has the meaning given to that term in Introduction A;

Taxes means a tax, levy, charge, impost, fee, deduction, withholding or duty of any nature, including stamp and transaction duty or any goods and services tax (including GST), value added tax or consumption tax, which is imposed or collected by a Government Agency, except where the context requires otherwise, including any interest, fine, penalty, charge, fee or other amount imposed in addition to those amounts;

Term means the Original Term and includes the Extended Term (if applicable).

2. Interpretation

In this agreement, unless the context otherwise requires:

- 2.1 the Introduction is correct;
- 2.2 headings do not affect interpretation;
- 2.3 singular includes plural and plural includes singular;
- 2.4 words of one gender include any gender;
- 2.5 reference to legislation includes any amendment to it, any legislation substituted for it, and any subordinate legislation made under it;
- 2.6 reference to a person includes a corporation, joint venture, association, government body, firm and any other entity;
- 2.7 reference to a party includes that party's personal representatives, successors and permitted assigns;
- 2.8 reference to 2 or more people means each of them individually and all of them jointly;
- 2.9 if a party comprises 2 or more people:
 - 2.9.1 a promise by that party binds each of them individually and all of them jointly;
 - 2.9.2 a right given to that party is given to each of them individually;
 - 2.9.3 a representation, warranty or undertaking by that party is made by each of them individually;

- 2.10 a provision must not be construed against a party only because that party prepared it;
- 2.11 a provision must be read down to the extent necessary to be valid. If it cannot be read down to that extent, it must be severed;
- 2.12 if a thing is to be done on a day which is not a Business Day, it must be done on the Business Day before that day;
- 2.13 mentioning anything after **include**, **includes** or **including** does not limit what else might be included;
- 2.14 another grammatical form of a defined expression has a corresponding meaning;
- 2.15 an expression defined in the Corporations Act 2001 has the meaning given by that Act at the date of this agreement.

PART 2 – ENGAGEMENT

3. Engagement

The Company engages the Manager to conduct the Supply Operations and perform the Management Services on the terms of this agreement for and on behalf of, and for the account of the Company, and the Manager hereby accepts the Engagement.

4. Term

This agreement will commence on the Commencement Date and will be valid for the Term unless otherwise terminated earlier pursuant to clause 19.

5. Extension of Term upon Review

5.1 The parties will conduct a review of the Manager's to date performance of the Management Services not less than one (1) month and no more than three (3) months before the expiry of the Original Term (**Review**).

5.2 The Original Term will be extended by the Extended Term upon Review if:

5.2.1 the Manager has met the Minimum Performance Criteria; or

5.2.2 if otherwise agreed by the parties,

and the terms and conditions of this agreement shall continue to apply during the Extended Term.

PART 3 – MANAGEMENT SERVICES

6. Powers and responsibilities of the Manager

The Manager has the responsibility to operate, manage and control the Supply Operations and must do all things necessary or advisable for the efficient and economic management and conduct of the Supply Operations.

7. **Services and Management**

During the Term, the Manager must perform the Management Services:

- 7.1 using reasonable skill, care and diligence;
- 7.2 in accordance with established good management methods and practices;
- 7.3 for the benefit of and in the best interests of the Company;
- 7.4 in accordance with this agreement; and
- 7.5 in accordance with all Applicable Laws.

8. **Skill and judgement**

The Manager must use its own skill and judgement as to how to perform the Management Services.

PART 4 – THE MANAGERS OBLIGATIONS

9. **Contracts**

The Manager is authorised to enter into all contracts, agreements, deeds and other documents required to be entered into in the ordinary course of Supply Operations other than the Supply and Service Agreements.

10. **Records, Accounts and Reports**

10.1 The Manager must:

- 10.1.1 keep or cause to be kept comprehensive, true and accurate records and accounts of:
 - (a) the Supply Operations;
 - (b) the performance of the Management Services;
 - (c) the Assets; and
 - (d) all transactions entered into by or on behalf of the Company in connection with the Supply Operations;
- 10.1.2 maintain proper systems of internal control to enable the Assets to be adequately controlled and accounted for and to provide proper control of transactions;
- 10.1.3 ensure that all invoices and financial statements and financial reports and billing rendered by the Manager to the Supply Operations reflect properly the facts of all activities and transactions handled for the account of the Company; and

10.1.4 keep all records and accounts in accordance with generally accepted accounting principles in Australia, consistently applied, and in particular for the seafood supply industry.

10.2 The Manager must furnish to the Company:

10.2.1 such reports of the Supply Operations activities as the Company requires, in such form and containing such information as and when the Company requires;

10.2.2 within two months after the end of each financial year, a statement of account reflecting for that financial year:

- (a) all transactions in connection with the Supply Operations during the financial year, as disclosed by the records and accounts kept or caused to be kept by the Manager pursuant to clause 10.1;
- (b) all Expenses incurred or accrued during the financial year; and
- (c) all Assets in the custody or control of the Manager as at the end of the financial year.

11. Sub-Contractors and Employees

11.1 The Manager must ensure that any of its employees engaged in the performance of the Management Services are suitable and sufficiently skilled to satisfactorily perform the Management Services.

11.2 The Manager may sub-contract the whole or any part of the performance of the Management Services to any person approved in writing by the Company.

11.3 The Manager must:

11.3.1 ensure that the sub-contractor and employees of the sub-contractor are suitable and sufficiently skilled to satisfactorily perform the Management Services;

11.3.2 if the Company so requires, cease to permit a particular sub-contractor or employee of a sub-contractor to perform the Management Services; and

11.3.3 ensure that any sub-contractors and their employees comply with all reasonable requirements of the Company.

11.4 The Manager is responsible to the Company for the acts and omissions of its sub-contractors and the employees of its sub-contractors.

11.5 The number of employees of the Manager employed in connection with the Supply Operations shall be determined by the Manager. The Manager shall also determine their selection, hours of work and remuneration.

12. Insurance and Taxation

12.1 During the Term, the Manager must effect and maintain:

12.1.1 public liability insurance, for at least \$10,000,000.00 per claim covering the Company and the Manager for all claims and for all costs, liability and expenses incurred by both or either of them, arising from the acts or omissions of the Manager its employees, agents or sub-contractors;

12.1.2 professional indemnity insurance for at least \$5,000,000.00 per claim covering the Company and the Manager for all claims and for all costs, liability and expenses incurred by both or either of them, arising from the acts or omissions of the Manager its employees, agents or sub-contractors; and

12.1.3 all other insurances required by law.

12.2 The insurance held by the Manager must be with insurers approved by the Company and on terms acceptable to the Company.

12.3 The Manager must:

12.3.1 punctually pay all premiums for all insurance required to be maintained pursuant to this agreement; and

12.3.2 on demand, produce to the Company certificates of currency for that insurance.

12.4 The Manager agrees:

12.4.1 that the Manager will be responsible for any and all taxation and other liabilities which may arise under any Commonwealth or State legislation as a result of or in connection with its Management Services under this agreement; and

12.4.2 to indemnify the Company in relation to any claims, liabilities and costs which the Manager or the Company may incur as a result of any such taxation and other liabilities.

13. **Regulatory Approval**

The Manager must ensure that all regulatory approvals or consents as may be required by law or by any public authority or professional association, as are necessary to allow full, lawful and effectual implementation of this agreement and conduct of the Supply Operations:

13.1 are granted, given, made or obtained on an unconditional basis;

13.2 remain in full force and effect in all respects until the expiration of the Term or earlier expiration of this agreement; and

13.3 do not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.

14. **Liability and Indemnity**

14.1 The Manager will not be responsible to the Company for any cost (including legal fees), liability or expense that the Company may suffer or incur arising out of the conduct of the Supply Operations or the activities of the Manager or its employees or contractors in providing the Management Services or undertaking the Manager's other duties or obligations under this agreement, except to the extent that such cost, liability or expense arises directly from the

willful misconduct, bad faith or negligence of the Manager or its employees or contractors or a breach by the Manager of its obligation as Manager under this agreement.

14.2 The Company must indemnify the Manager against all costs, liability and expenses incurred by the Manager, arising wholly or in part from the performance by the Manager or its employees or contractors of the Management Services or the Manager's other duties or obligations under this agreement, except to the extent that such costs, liability or expenses arose directly from the willful misconduct, bad faith or negligence of the Manager or its employees or contractors or from a breach by the Manager of its obligations as Manager under this agreement.

14.3 The Manager must indemnify the Company against all costs, liability and expenses incurred by the Company, to the extent that they arise wholly or in part from the willful misconduct, bad faith or negligence of the Manager or its employees or contractors or from the breach by the Manager of its obligations as Manager under this agreement.

PART 5 – REMUNERATION AND EXPENSES

15. Management Fee

15.1 In consideration for the provision of the Management Services, the Company will pay the Manager the Management Fee at the times and in the manner specified in Schedule 2.

15.2 The Company and the Manager agree that the Management Fee will be reviewed at the times and in the manner specified in Schedule 2.

16. Expenses

The Company is responsible for the Expenses and must reimburse the Manager for Expenses incurred or put the Manager in funds in respect of the Expenses incurred in timely manner.

PART 6 – FORCE MAJEURE AND CONFIDENTIAL INFORMATION

17. Force Majeure

17.1 If the Manager becomes unable, wholly or in part, by Force Majeure to carry out the Management Services or to perform any other duty or obligation under this agreement, the Manager:

17.1.1 must give the Company prompt written notice of the Force Majeure with reasonably full particulars and, in so far as known, the probable extent to which it will be unable to perform, or be delayed in performing, the Management Services or such duty or obligation;

17.1.2 will not be required to carry out the Management Services or such duty or obligation so far as they or it is affected by the Force

Majeure during but no longer than the
continuance of the Force Majeure;

17.1.3 must use all possible diligence to overcome and remove the Force Majeure as quickly as possible.

17.2 The requirement that any Force Majeure be overcome or remedied with all possible diligence, will not require the Manager to settle any strike or any other labour dispute on terms contrary to its wishes or to contest the validity or enforceability of any law, regulation or decree by way of legal proceedings.

18. **Confidential Information**

18.1 The Company owns all Confidential Information.

18.2 During and after the Engagement, the Manager may use or disclose Confidential Information only:

18.2.1 to perform the Management Services;

18.2.2 if the Company has consented in writing; or

18.2.3 if required by law.

18.3 The Manager may copy Confidential Information only to perform the Services.

18.4 The Manager must keep all Confidential Information in a secure manner.

18.5 On demand by the Company and at the end of the Engagement, the Manager must:

18.5.1 deliver to the Company all Confidential Information in the Manager's control; and then

18.5.2 delete all Confidential Information held electronically in any medium in the Manager's control.

PART 7 – TERMINATION

19. **Termination of Engagement of Manager**

The Engagement automatically terminates in respect of the Supply Operations if:

19.1 an Insolvency Event occurs in respect of the Manager;

19.2 under or as a result of any applicable law of Australia, the Manager is prohibited from taking part in the management of the Supply Operations;

19.3 the Manager is in breach of a material obligation of the Manager under this agreement and:

19.3.1 the breach is not remedied within 10 Business Days of the Company requesting that it be so remedied; and

19.3.2 the directors of the Company pass a resolution that the Engagement be terminated;

19.4 the parties agree in writing to such termination.

20. **Existing rights**

Termination of this agreement does not affect the rights or obligations of the Parties in respect of any occurrence prior to termination.

21. **Transfer of responsibilities upon termination**

21.1 Upon termination of its Engagement, the Manager must do all things necessary to effect the transfer to the replacement Manager or the Company (as the case may be) all property and all records and documents with respect to the Supply Operations in its possession or custody as Manager and pertaining to operations under this agreement.

21.2 Upon delivery under clause 21.1 and subject to the obligation to do all such things and sign all such documents as shall be necessary to vest in the replacement Manager or the Company (as the case may be) the available benefit of all contracts and arrangements for the Supply Operations made with respect to operations under this agreement, the Manager shall be released and discharged from all future obligations, rights and liabilities as Manager in respect of the Supply Operations, but without prejudice to obligations, rights or liabilities accrued prior to the effective date of termination notwithstanding that any loss or damage relating thereto may not arise until after the effective date of termination of the Manager.

PART 9 – MISCELLANEOUS

22. **GST**

22.1 This clause applies if a party makes a taxable supply (within the meaning of any law imposing GST) in connection with this agreement for consideration.

22.2 Subject to this clause, the consideration payable by a party represents the value of the taxable supply.

22.3 Subject to subclause 5 of this clause, the party liable to pay for the taxable supply must also pay, at the same time and in the same manner as the value is otherwise payable, a further amount calculated by multiplying:

22.3.1 the amount otherwise payable; by

22.3.2 the GST rate for the time being.

22.4 If this agreement requires a party (**paying party**) to pay, reimburse or contribute to an amount paid or payable by the other party in respect of an acquisition from a third party for which the other party is entitled to claim an input tax credit, the amount required to be paid, reimbursed or contributed by the paying party will be the value of the acquisition by the other party plus, if the other party's recovery from the paying party is a taxable supply, any GST payable under the previous subclause.

22.5 A party's right to payment under this clause is subject to a valid tax invoice being delivered to the party liable to pay for the taxable supply.

23. **Consent**

23.1 Unless otherwise provided, a party may give or withhold consent:

23.1.1 in that party's absolute discretion;

23.1.2 with or without conditions and without giving reasons;

23.1.3 when that party chooses.

23.2 A party's consent is valid only if it is in writing and signed by that party or its authorised representative.

24. **Assignment**

A Party may only assign its rights or obligations under this agreement with the written consent of the other Parties.

25. **Amendment**

This agreement may only be amended in writing signed by the Parties.

26. **No waiver**

26.1 A Party may only waive a breach of this agreement in writing signed by that Party or its authorised representative.

26.2 A waiver is limited to the instance referred to in the writing (or if no instance is referred to in the writing, to past breaches).

27. **No merger**

The rights and obligations under this agreement continue after expiry or termination of this agreement.

28. **Further action**

28.1 Each Party must do all things necessary to carry out this agreement, including:

28.1.1 executing documents; and

28.1.2 ensuring its employees and agents perform their obligations.

28.2 A Party must not do anything that will prevent this agreement from being carried out.

29. **Entire agreement**

29.1 This document records the entire agreement between the Parties about its subject matter.

29.2 The Parties exclude all terms implied by law, where possible.

29.3 Neither Party has given any warranty or made any representation to the other party about the subject matter of this agreement, other than those warranties and representations appearing in this document.

30. **Counterparts**

30.1 This agreement may be executed in any number of counterparts. A counterpart may be a facsimile. Together all counterparts make up one document.

30.2 If this agreement is executed in counterparts, it takes effect when each party has received the counterpart executed by each other party, or would be deemed to have received it if a notice.

31. **Notice**

31.1 Notice must be in writing and in English, and may be given by an authorised representative of the sender.

31.2 Notice may be given to a person:

31.2.1 personally;

31.2.2 by leaving it at the person's address last notified;

31.2.3 by sending it by pre-paid mail to the person's address last notified;

31.2.4 by sending it by facsimile to the person's facsimile number last notified and then confirming it by pre-paid mail to the person's address last notified.

31.3 Notice is deemed to be received by a person:

31.3.1 when left at the person's address;

31.3.2 if sent by pre-paid mail, 3 Business Days after posting;

31.3.3 if sent by facsimile and confirmed by pre-paid mail, at the time and on the day shown in the sender's transmission report, if it shows that the whole notice was sent to the person's facsimile number last notified.

However, if the notice is deemed to be received on a day which is not a Business Day it is deemed to be received on the next Business Day.

31.4 If 2 or more people comprise a party, notice to one is effective notice to all.

32. **Governing law**

32.1 This agreement is governed by the law of South Australia.

32.2 The Parties irrevocably submit to the non-exclusive jurisdiction of the courts of South Australia and the South Australian division of the Federal Court of Australia, and the courts of appeal from them.

32.3 No Party may object to the jurisdiction of any of those courts on the ground that it is an inconvenient forum or that it does not have jurisdiction.

33. **Costs**

Each Party must pay its own costs of preparing this agreement and any document required by this agreement.

EXECUTED as an agreement on

Executed by **SOUTHERN
ROCKLOBSTER LIMITED**

.....
Director

.....
Director/Company Secretary

.....
Name (please print)

.....
Name (please print)

Executed by **CORVEL MARKETING AND
MANAGEMENT PTY LTD**

.....
Director

.....
Director/Company Secretary

.....
Name (please print)

.....
Name (please print)

Schedule 1

Management Services

Account Manager (AM)

This position will source potential customers, coordinate distribution of product to the marketplace and manage the client's complaints. This position will work in conjunction with the Importer / Distributor to manage the client's requirements.

The key tasks associated with this position include:

- Quantify pilot deliveries to the marketplace;
- Contract in-market importer to receive and distribute product to the marketplace;
- Review the performance of the importer / distributor;
- Notify the SC of the product requirements 1-2 weeks in advance;
- Manage quality in the market;
- Provide feedback from the marketplace to the Quality Manager;
- Ensure IP data is delivered to the Project Manager;
- In conjunction with the SC manage payment to producers and service providers from the marketplace via a single money interface-bank;
- Provide education and training to the marketplace (i.e. mainly with the SPFD chefs);
- Act as the initial contact and relationship builder with the marketplace;
- Act as the Australian face behind the Clean Green mark;
- Act as a technical specialist to the Distribution Manager and Communication Managers;
- Manage relationships and solve problems between the various human resource groups; and
- Provision of feed-back to the Quality Manager regarding quality in the market place.

Supply Coordinator (SC)

The Supply Coordinator is based in Australia and is primarily responsible for sourcing product in response to the Account Manager's requirements. The key tasks are:

- Receive requests from Account Manager;
- Contract supply from fishers;
- Contract the packers to deliver product to freight forwarders and then to the in-market importer;
- Organise AQIS and other product testing to meet government & quality requirements;
- Maintain a register of Clean Green certified suppliers;
- Provide feedback on product quality to the QM to assist with management of the quality program; and
- Manage in conjunction with the AM payment to the fishers and service providers from the marketplace via a single money interface-bank.

Quality Manager (QM)

This position is based in Australia and is primarily responsible for the following:

- Develop standards in conjunction with the supply chain;

- Work with supply chain partners (fishers, regional receivers, consolidator and USA importer / distributor organisations) to implement the quality standards and ensure conformance to the product specification;
- Manage the distribution of the Clean Green mark to certified organisations;
- Manage the Clean Green program including standards, audit protocol, audits (initial & surveillance) and conformity assessment bodies;
- Maintain a register of certified organisations;
- Manage the quality program (review, dealing with issues (individual level or section of the supply chain) and continual improvement);
- Communicate with all in-market resources regarding quality management; and
- Liaise with conformity assessment bodies regarding certification and standards.

Transaction and Administration Manager

The administration officer will be responsible for day-to-day financial transactions, administration and support for other positions.

Schedule 2

Management Fee

1. The Management Fee is determined on the basis of the quantity of Qualifying Goods delivered to the End Buyer through the Supply Operations at \$5.96 + GST (INTERNATIONAL) and \$5.37 + GST (DOMESTIC) per kilogram of Qualifying Goods delivered to the End Buyer (**Rate**) – See CORVEL's Rate card below.

CORVEL's Rate card:

SERVICE PROVISION	INTERNATIONAL	DOMESTIC
Account management	\$2.59	\$2.00
Supply management	\$1.40	\$1.40
Quality management	\$0.73	\$0.73
Transaction and administration management	\$1.24	\$1.24
Exclusive of GST	\$5.96	\$5.37

2. The Manager may render an invoice to the Company within 5 Business Days after the commencement of each Month in respect of Qualifying Goods delivered to the End Buyer for the preceding Month (**Invoice**).
3. Each Invoice must specify:
 - (a) the quantity of Qualifying Goods delivered and the Rate;
 - (b) the total amount of the Management Fee payable;
 - (c) separately the GST amount payable; and
 - (d) any other information reasonably required by the Company.
4. The Management Fee is payable within [7] days of the date of receipt of an Invoice from the Manager.
5. The Management Fee is reviewed on each anniversary of the Commencement Date as follows:

[insert method of review]

For the purposes of this Schedule 2:

End Buyer means a person situated in the United States of America who places an order for goods to be supplied by the Certified Suppliers through the Supply Operations; and

Qualifying Goods means the goods supplied by Certified Suppliers that meet specifications as to the quality of such goods as specified in the Supply and Services Agreements.

Schedule 3

Minimum Performance Criteria

1. Fishermen are paid contracted rates on time.
2. Service providers are paid contracted rates on time.
3. Customers receive contracted supply.
4. SRL facilitates trade of at least 100 tonnes of lobster within the contract period.
5. At least 5 new customers for large (2kg+) lobster are supplied.
6. Trade facilitation reports of income and expenditure are provided the Board as and when required within 7 days of a request by the Chairman.
7. Operational reports covering volumes, customers, price, program returns are provided at least at every Board meeting.
8. SRL's customers are satisfied by the services and product i.e. product quality, delivery timing, ease of ordering and financial arrangements and any issues are rectified within 14 days.

**MARKET DEVELOPMENT
SERVICE AGREEMENT**

**SOUTHERN ROCKLOBSTER LIMITED
(COMPANY)**

and

**FISHEADS PTY LIMITED
(MARKET DEVELOPER)**



DMAW Lawyers
Level 3, 80 King William Street
Adelaide South Australia 5000

Phone +61 8 8210 2222
Facsimile + 61 8 8210 2233
Email: dmaw@dmawlawyers.com.au

[EW] 69347;
Dated: [3 March 2012](#) - [April 2007](#)

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MARKET DEVELOPMENT AGREEMENT

PARTIES

1. **Southern Rocklobster** (ACN 108 116 847) of Level 1, 16 Unley Road, Unley SA 5061 (**Company**)
2. **Fisheads Pty Limited Pty Ltd** (ACN) of (Market Developer) of

INTRODUCTION

- A. The Company has entered into Supply and Service agreements for the purpose of facilitating the supply of goods by Certified Suppliers to niche markets including the United States of America (**Supply Operations**).
- B. The Company agrees to the Market Developer conducting Market Development activities in lieu of the Company on the terms and conditions of this agreement.
- C. The Market Developer is willing to accept such appointment on such terms and conditions.

OPERATIVE CLAUSES

PART 1 – PRELIMINARY

1. Definitions

In this agreement:

Applicable Law means the provisions of all relevant statutes, regulations, licences, orders and directives and any relevant policy statements, codes or directives issued by any legislative, administrative, government or non-government body and any principle or rule of common law or equity which has application to or is relevant to the provision of the Market Development Services;

Assets means the tangible and intangible assets owned or leased by the Company and used in the conduct of the Supply Operations;

Business Day means any day except a Saturday or a Sunday or other public holiday in South Australia;

CAB means a conformance assessment body accredited to perform a certification audit in relation to the Clean Green Certification Scheme;

Certification means a certification granted by a CAB under the Clean Green Certification Scheme;

Certified Supplier means a person who holds a current Certification;

Clean Green Standard means the applicable set of standards used for the Clean Green Certification Scheme which sets the benchmark for Certification;

Clean Green Certification Scheme means the certification program operated by SRL designed to give confidence to consumers that a product, process or service satisfied the Clean Green Standard;

Commencement Date means 1 January 2007;

Confidential Information means the terms of this agreement and also any information obtained by the Market Developer, its employees, sub-contractors or agents, in the course of the Engagement, including:

- (a) trade secrets;
- (b) technical information and technical drawings;
- (c) commercial information about the Supply Operations and persons with whom the Company deals;
- (d) product and market information; and
- (e) any information marked "confidential" or which the Company informs the Market Developer is confidential or a trade secret;

but excluding:

- (f) any information commonly available to the public (other than as a result of a breach of this agreement);
- (g) information which the Market Developer can prove the Market Developer lawfully possessed before obtaining it in the course of the Engagement;

Engagement means the engagement of the Market Developer under this agreement;

Expenses means any fees, costs, charges, expenses, liabilities, Taxes, payments or outgoings of any kind arising in respect of the Company and/or the Market Development services;

Extended Term means a further period of three (3) years, commencing on the expiry of the Original Term;

Force Majeure means, in respect of a party, any act event or cause (other than lack of funds) which is beyond the reasonable control of that party, including the following (but only to the extent that the following are beyond the reasonable control of the party):

- (a) act of God, peril of the sea, accident of navigation, war, sabotage, riot, insurrection, civil commotion, national emergency (whether in fact or law), martial law, fire, lightning, flood, cyclone, earthquake, landslide, storm or other adverse weather conditions, explosion, power shortage, strike or other labour difficulty (whether or not involving employees of the party concerned), epidemic, quarantine, radiation or radioactive contaminations;
- (b) action or inaction of any government or governmental or other competent authority (including any court of a competent jurisdiction), including expropriation, restraint, prohibition, intervention, requisition, requirement, direction or embargo by legislation, regulation, decree or other legally enforceable order; and
- (c) breakdown of plant, machinery or equipment or shortages of labour, transportation, fuel, power or plant, machinery, equipment, or material;

GST has the same meaning as it does in A New Tax System (Goods and Services Tax) Act 1999;

Insolvency Event means in relation to a body corporate:

- (a) an administrator of the body corporate being appointed under the Corporations Act 2001;
- (b) the body corporate or a subsidiary executing a deed of company arrangement; or
- (c) the entry by the body corporate into a scheme of arrangement or a composition with, or assignment for the benefit of, all or any class of its creditors, or a moratorium involving any of them;
- (d) the body corporate being insolvent within the meaning of s.95A(2) of the Corporations Act 2001;
- (e) the body corporate being or stating that it is unable to pay its debts when they fall due;
- (f) the appointment of a receiver or receiver and manager in respect of the body corporate or any part of its property;
- (g) the making of a winding up order, or the passing of or attempted passing of a resolution for winding up, in respect of the body corporate except for the purposes of reconstruction;
- (h) an application being made (which is not dismissed within 5 working days) for an order, resolution being passed or proposed, a meeting being convened or any other action being taken to cause anything described above;
- (i) anything analogous to or of a similar effect to anything described above under the law of any relevant jurisdiction; and

and in relation to a person other than a body corporate means:

- (a) the bankruptcy of the person concerned;
- (b) the appointment of an official manager in respect of all or any part of the property of the person concerned;
- (c) the entry by the person concerned into a scheme of arrangement or a composition with, or assignment for the benefit of, all or any class of its creditors, or a moratorium involving any of them;
- (d) an application being made (which is not dismissed within 5 working days) for an order, resolution being passed or proposed, a meeting being convened or any other action being taken to cause anything described above; and
- (e) anything analogous to or of a similar effect to anything described above under the law in any relevant jurisdiction.

Market Development Fee means the fee payable to the Market Developer in relation to the provision of the Market Development Services as specified in Schedule 2;

Market Development Services means the Market Development services specified in Schedule 1;

Minimum Performance Criteria means the performance measures set out in Schedule 3;

Month means calendar month;

Original Term means a period of three (3) years commencing on the Commencement Date;

Party means a Party to this agreement and **Parties** has a corresponding meaning;

Supply and Service Agreements means the agreements entered into by the Company with each of the Certified Suppliers, various service providers and end buyers of goods required in connection with the Supply Operations;

Supply Operations has the meaning given to that term in Introduction A;

Taxes means a tax, levy, charge, impost, fee, deduction, withholding or duty of any nature, including stamp and transaction duty or any goods and services tax (including GST), value added tax or consumption tax, which is imposed or collected by a Government Agency, except where the context requires otherwise, including any interest, fine, penalty, charge, fee or other amount imposed in addition to those amounts;

Term means the Original Term and includes the Extended Term (if applicable).

2. Interpretation

In this agreement, unless the context otherwise requires:

- 2.1 the Introduction is correct;
- 2.2 headings do not affect interpretation;
- 2.3 singular includes plural and plural includes singular;
- 2.4 words of one gender include any gender;
- 2.5 reference to legislation includes any amendment to it, any legislation substituted for it, and any subordinate legislation made under it;
- 2.6 reference to a person includes a corporation, joint venture, association, government body, firm and any other entity;
- 2.7 reference to a party includes that party's personal representatives, successors and permitted assigns;
- 2.8 reference to 2 or more people means each of them individually and all of them jointly;
- 2.9 if a party comprises 2 or more people:
 - a promise by that party binds each of them individually and all of them jointly;
 - a right given to that party is given to each of them individually;
 - a representation, warranty or undertaking by that party is made by each of them individually;

- 2.10 a provision must not be construed against a party only because that party prepared it;
- 2.11 a provision must be read down to the extent necessary to be valid. If it cannot be read down to that extent, it must be severed;
- 2.12 if a thing is to be done on a day which is not a Business Day, it must be done on the Business Day before that day;
- 2.13 mentioning anything after **include**, **includes** or **including** does not limit what else might be included;
- 2.14 another grammatical form of a defined expression has a corresponding meaning;
- 2.15 an expression defined in the Corporations Act 2001 has the meaning given by that Act at the date of this agreement.

PART 2 – ENGAGEMENT

3. Engagement

The Company engages the Market Developer to conduct Market Development Services on the terms of this agreement for and on behalf of, and for the account of the Company, and the Market Developer hereby accepts the Engagement.

4. Term

This agreement will commence on the Commencement Date and will be valid for the Term unless otherwise terminated earlier pursuant to clause 19.

5. Extension of Term upon Review

5.1 The parties will conduct a review of the Market Developer's to date performance of the Market Development Services not less than one (1) month and no more than three (3) months before the expiry each 12 months of the Original Term (**Review**).

5.2 The Original Term will be extended by the Extended Term upon Review if:

5.2.1 the Market Developer has met the Minimum Performance Criteria;
or

5.2.2 if otherwise agreed by the parties,

and the terms and conditions of this agreement shall continue to apply during the Extended Term.

PART 3 – MARKET DEVELOPMENT SERVICES

6. Powers and responsibilities of the Market Developer

- 6.1 The Market Developer has the responsibility to identify new potential customers for Certified product and must do all things necessary or advisable to assist SRL to efficiently and economically create orders from those customers; and
- 6.2 provide advice on the market development programs including specific in market development and communication strategies.

7. Services and Market Development

During the Term, the Market Developer must perform the Market Development Services:

- 7.1 using reasonable skill, care and diligence;
- 7.2 in accordance with established good Market Development methods and practices;
- 7.3 for the benefit of and in the best interests of the Company;
- 7.4 in accordance with this agreement;
- 7.5 at the direction of the Company and
- 7.6 in accordance with all Applicable Laws.

8. Skill and judgement

The Market Developer must use its own skill and judgement as to how to perform the Market Development Services.

PART 4 – THE MARKET DEVELOPERS OBLIGATIONS

9. Contracts

The Market Developer is not authorised to enter into any contracts, agreements, deeds and other documents required to be entered into in the ordinary course of market development activities other than the Market Development Service Agreement.

10. Records, Accounts and Reports

- 10.1 The Market Developer must:
 - keep or cause to be kept comprehensive, true and accurate records of:

- (a) the performance of the Market Development Services; and
- (b) the all potential customers and contact details
- (c) must furnish to the company such reports of the Market Development Services and contacts as the Company requires, in such form and containing such information as and when the Company requires;

11. Sub-Contractors and Employees

- 11.1 The Market Developer must ensure that any of its employees engaged in the performance of the Market Development Services are suitable and sufficiently skilled to satisfactorily perform the Market Development Services.
- 11.2 The Market Developer may sub-contract the whole or any part of the performance of the Market Development Services to any person approved in writing by the Company.
- 11.3 The Market Developer must:
 - ensure that the sub-contractor and employees of the sub-contractor are suitable and sufficiently skilled to satisfactorily perform the Market Development Services;
 - if the Company so requires, cease to permit a particular sub-contractor or employee of a sub-contractor to perform the Market Development Services; and
 - ensure that any sub-contractors and their employees comply with all reasonable requirements of the Company.
- 11.4 The Market Developer is responsible to the Company for the acts and omissions of its sub-contractors and the employees of its sub-contractors.
- 11.5 The number of employees of the Market Developer employed in connection with the Market Development services shall be determined by the Market Developer. The Market Developer shall also determine their selection, hours of work and remuneration.

12. Insurance and Taxation

- 12.1 During the Term, the Market Developer must effect and maintain:
 - 12.1.1 public liability insurance, for at least \$10,000,000.00 per claim covering the Company and the Market Developer for all claims and for all costs, liability and expenses incurred by both or either of them, arising from the acts or omissions of the Market Developer its employees, agents or sub-contractors;
 - 12.1.2 professional indemnity insurance for at least \$5,000,000.00 per claim covering the Company and the Market Developer for all claims and for all costs, liability and expenses incurred by both or either of them, arising from the acts or omissions of the Market Developer its employees, agents or sub-contractors; and
 - 12.1.3 all other insurances required by law.

- 12.2 The insurance held by the Market Developer must be with insurers approved by the Company and on terms acceptable to the Company.
- 12.3 The Market Developer must:
- 12.3.1 punctually pay all premiums for all insurance required to be maintained pursuant to this agreement; and
 - 12.3.2 on demand, produce to the Company certificates of currency for that insurance.
- 12.4 The Market Developer agrees:
- 12.4.1 that the Market Developer will be responsible for any and all taxation and other liabilities which may arise under any Commonwealth or State legislation as a result of or in connection with its Market Development Services under this agreement; and
 - 12.4.2 to indemnify the Company in relation to any claims, liabilities and costs which the Market Developer or the Company may incur as a result of any such taxation and other liabilities.

13. **Regulatory Approval**

The Market Developer must ensure that all regulatory approvals or consents as may be required by law or by any public authority or professional association, as are necessary to allow full, lawful and effectual implementation of this agreement and conduct of the Supply Operations:

- 13.1 are granted, given, made or obtained on an unconditional basis;
- 13.2 remain in full force and effect in all respects until the expiration of the Term or earlier expiration of this agreement; and
- 13.3 do not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.

14. **Liability and Indemnity**

- 14.1 The Market Developer will not be responsible to the Company for any cost (including legal fees), liability or expense that the Company may suffer or incur arising out of the conduct of the Supply Operations or the activities of the Market Developer or its employees or contractors in providing the Market Development Services or undertaking the Market Developer's other duties or obligations under this agreement, except to the extent that such cost, liability or expense arises directly from the willful misconduct, bad faith or negligence of the Market Developer or its employees or contractors or a breach by the Market Developer of its obligation as Market Developer under this agreement.
- 14.2 The Company must indemnify the Market Developer against all costs, liability and expenses incurred by the Market Developer, arising wholly or in part from the performance by the Market Developer or its employees or contractors of the Market Development Services or the Market Developer's other duties or obligations under this agreement, except to the extent that such costs, liability or expenses arose directly from the willful misconduct, bad faith or negligence of the Market Developer or its employees or contractors or from a breach by the Market Developer of its obligations as Market Developer under this agreement.

- 14.3 The Market Developer must indemnify the Company against all costs, liability and expenses incurred by the Company, to the extent that they arise wholly or in part from the willful misconduct, bad faith or negligence of the Market Developer or its employees or contractors or from the breach by the Market Developer of its obligations as Market Developer under this agreement.

PART 5 – REMUNERATION AND EXPENSES

15. Market Development Fee

- 15.1 In consideration for the provision of the Market Development Services, the Company will pay the Market Developer the Market Development Fee at the times and in the manner specified in Schedule 2.
- 15.2 The Company and the Market Developer agree that the Market Development Fee will be reviewed at the times and in the manner specified in Schedule 2.

16. Expenses

The Market Developer is responsible for any Expenses incurred in conduct of the Market Development Services unless agreed in writing by the Company.

PART 6 – FORCE MAJEURE AND CONFIDENTIAL INFORMATION

17. Force Majeure

- 17.1 If the Market Developer becomes unable, wholly or in part, by Force Majeure to carry out the Market Development Services or to perform any other duty or obligation under this agreement, the Market Developer:
- 17.1.1 must give the Company prompt written notice of the Force Majeure with reasonably full particulars and, in so far as known, the probable extent to which it will be unable to perform, or be delayed in performing, the Market Development Services or such duty or obligation;
- 17.1.2 will not be required to carry out the Market Development Services or such duty or obligation so far as they or it is affected by the Force Majeure during but no longer than the continuance of the Force Majeure;
- 17.1.3 must use all possible diligence to overcome and remove the Force Majeure as quickly as possible.
- 17.2 The requirement that any Force Majeure be overcome or remedied with all possible diligence, will not require the Market Developer to settle any strike or any other labour dispute on terms contrary to its wishes or to contest the validity or enforceability of any law, regulation or decree by way of legal proceedings.

18. Confidential Information

- 18.1 The Company owns all Confidential Information.
- 18.2 During and after the Engagement, the Market Developer may use or disclose Confidential Information only:
- to perform the Market Development Services;
 - if the Company has consented in writing; or
 - if required by law.
- 18.3 The Market Developer may copy Confidential Information only to perform the Services.
- 18.4 The Market Developer must keep all Confidential Information in a secure manner.
- 18.5 On demand by the Company and at the end of the Engagement, the Market Developer must:
- deliver to the Company all Confidential Information in the Market Developer's control; and then
 - delete all Confidential Information held electronically in any medium in the Market Developer's control.

PART 7 – TERMINATION

19. Termination of Engagement of Market Developer

The Engagement automatically terminates in respect of the Market Developer Services if:

- 19.1 an Insolvency Event occurs in respect of the Market Developer;
- 19.2 under or as a result of any applicable law of Australia, the Market Developer is prohibited from taking part in the Market Development program;
- 19.3 the Market Developer is in breach of a material obligation of the Market Developer under this agreement and:
- 19.3.1 the breach is not remedied within 10 Business Days of the Company requesting that it be so remedied; and
 - 19.3.2 the directors of the Company pass a resolution that the Engagement be terminated;
- 19.4 the parties agree in writing to such termination.

20. Existing rights

[EW] 69347

Dated: ~~3 March 2012~~ April 2007

Termination of this agreement does not affect the rights or obligations of the Parties in respect of any occurrence prior to termination.

21. **Transfer of responsibilities upon termination**

- 21.1 Upon termination of its Engagement, the Market Developer must do all things necessary to effect the transfer to the replacement Market Developer or the Company (as the case may be) all property and all records and documents with respect to the Supply Operations in its possession or custody as Market Developer and pertaining to operations under this agreement.
- 21.2 Upon delivery under clause 21.1 and subject to the obligation to do all such things and sign all such documents as shall be necessary to vest in the replacement Market Developer or the Company (as the case may be) the available benefit of all contracts and arrangements for the Supply Operations made with respect to operations under this agreement, the Market Developer shall be released and discharged from all future obligations, rights and liabilities as Market Developer in respect of the Supply Operations, but without prejudice to obligations, rights or liabilities accrued prior to the effective date of termination notwithstanding that any loss or damage relating thereto may not arise until after the effective date of termination of the Market Developer.

PART 9 – MISCELLANEOUS

22. **GST**

- 22.1 This clause applies if a party makes a taxable supply (within the meaning of any law imposing GST) in connection with this agreement for consideration.
- 22.2 Subject to this clause, the consideration payable by a party represents the value of the taxable supply.
- 22.3 Subject to subclause 5 of this clause, the party liable to pay for the taxable supply must also pay, at the same time and in the same manner as the value is otherwise payable, a further amount calculated by multiplying:
- the amount otherwise payable; by
- the GST rate for the time being.
- 22.4 If this agreement requires a party (**paying party**) to pay, reimburse or contribute to an amount paid or payable by the other party in respect of an acquisition from a third party for which the other party is entitled to claim an input tax credit, the amount required to be paid, reimbursed or contributed by the paying party will be the value of the acquisition by the other party plus, if the other party's recovery from the paying party is a taxable supply, any GST payable under the previous subclause.
- 22.5 A party's right to payment under this clause is subject to a valid tax invoice being delivered to the party liable to pay for the taxable supply.

23. **Consent**

23.1 Unless otherwise provided, a party may give or withhold consent:

in that party's absolute discretion;

with or without conditions and without giving reasons;

when that party chooses.

23.2 A party's consent is valid only if it is in writing and signed by that party or its authorised representative.

24. **Assignment**

A Party may only assign its rights or obligations under this agreement with the written consent of the other Parties.

25. **Amendment**

This agreement may only be amended in writing signed by the Parties.

26. **No waiver**

26.1 A Party may only waive a breach of this agreement in writing signed by that Party or its authorised representative.

26.2 A waiver is limited to the instance referred to in the writing (or if no instance is referred to in the writing, to past breaches).

27. **No merger**

The rights and obligations under this agreement continue after expiry or termination of this agreement.

28. **Further action**

28.1 Each Party must do all things necessary to carry out this agreement, including:

executing documents; and

ensuring its employees and agents perform their obligations.

28.2 A Party must not do anything that will prevent this agreement from being carried out.

29. **Entire agreement**

29.1 This document records the entire agreement between the Parties about its subject matter.

29.2 The Parties exclude all terms implied by law, where possible.

29.3 Neither Party has given any warranty or made any representation to the other party about the subject matter of this agreement, other than those warranties and representations appearing in this document.

30. **Counterparts**

- 30.1 This agreement may be executed in any number of counterparts. A counterpart may be a facsimile. Together all counterparts make up one document.
- 30.2 If this agreement is executed in counterparts, it takes effect when each party has received the counterpart executed by each other party, or would be deemed to have received it if a notice.

31. **Notice**

- 31.1 Notice must be in writing and in English, and may be given by an authorised representative of the sender.
- 31.2 Notice may be given to a person:
- personally;
 - by leaving it at the person's address last notified;
 - by sending it by pre-paid mail to the person's address last notified;
 - by sending it by facsimile to the person's facsimile number last notified and then confirming it by pre-paid mail to the person's address last notified.
- 31.3 Notice is deemed to be received by a person:
- when left at the person's address;
 - if sent by pre-paid mail, 3 Business Days after posting;
 - if sent by facsimile and confirmed by pre-paid mail, at the time and on the day shown in the sender's transmission report, if it shows that the whole notice was sent to the person's facsimile number last notified.
- However, if the notice is deemed to be received on a day which is not a Business Day it is deemed to be received on the next Business Day.
- 31.4 If 2 or more people comprise a party, notice to one is effective notice to all.

32. **Governing law**

- 32.1 This agreement is governed by the law of South Australia.
- 32.2 The Parties irrevocably submit to the non-exclusive jurisdiction of the courts of South Australia and the South Australian division of the Federal Court of Australia, and the courts of appeal from them.
- 32.3 No Party may object to the jurisdiction of any of those courts on the ground that it is an inconvenient forum or that it does not have jurisdiction.

33. **Costs**

Each Party must pay its own costs of preparing this agreement and any document required by this agreement.

EXECUTED as an agreement on

Executed by **SOUTHERN
ROCKLOBSTER LIMITED**

.....
Director

.....
Director/Company Secretary

.....
Name (please print)

.....
Name (please print)

Executed by **FISHEADS PTY LIMITED
PTY LTD**

.....
Director

.....
Director/Company Secretary

.....
Name (please print)

.....
Name (please print)

Schedule 1

Market Development Services

This service will identify and gather information about potential customers and provide strategic advice about market development including programs and communication. This will require SRL to provide, on a weekly basis, a summary of sales, new customers, market intelligence and customer feed-back.

This position will work in conjunction with the SRL Account manager to deliver the client's requirements.

The key tasks associated with this position include:

- Participate in review of the overall market development program
- Provide strategic advice about the directions of the market development program.
- Provide feedback from the marketplace to SRL;
- Ensure IP data is delivered to SRL ;
- Provide advice on education, training and events in the marketplace (i.e. mainly with the SPFD chefs) – participation to be negotiated and funded on a project by project basis;
- Act as a referral point for potential customers to SRL
- Act as a technical specialist to SRL about Market Development and Communication
- Communicate with all market resources regarding the Market Development; program.
- Provide written (and verbal reports about customers, the market place, developments and potential new customers.

Schedule 2

Market Development Fee

1. The Market Development Fee is determined on the basis of the quantity of Qualifying Goods delivered to the End Buyer through the Supply Operations at \$250/tonne + GST.
2. The Market Developer may render an invoice to the Company within 5 Business Days after the commencement of each Month in respect of Qualifying Goods delivered to the End Buyer for the preceding Month (**Invoice**).
3. Each Invoice must specify:
 - (a) the quantity of Qualifying Goods delivered and the Rate;
 - (b) the total amount of the Market Development Fee payable;
 - (c) separately the GST amount payable; and
 - (d) any other information reasonably required by the Company.
4. The Market Development Fee is payable within [7] days of the date of receipt of an Invoice from the Market Developer.
5. The Market Development Fee is reviewed on each anniversary of the Commencement Date as follows:

Consumer price index for the previous 12month period unless otherwise agreed by SRL.

For the purposes of this Schedule 2:

End Buyer means a person who places an order for goods to be supplied by the Certified Suppliers through the Supply Operations; and

Qualifying Goods means the goods supplied by Certified Suppliers that meet specifications as to the quality of such goods as specified in the Supply and Services Agreements.

Schedule 3

Minimum Performance Criteria

1. 25% of contacts converted to sales per annum
2. SRL facilitates trade of at least 500 tonnes of lobster within the contract period.
3. Market Developer Service reports are provided to SRL within 7 days of a request by the SRL but no more than 12 times per annum..
4. Operational reports covering volumes, customers and programs are provided at least at every Board meeting (approximately 4 per annum).
5. SRL's customers and potential customers are satisfied by the services provided by the Market Developer and any issues are rectified within 14

MASTER SUPPLY AGREEMENT

1. TERMS AND CONDITIONS

These Terms and Conditions are the terms governing the master agreement (**Agreement**) between Southern Rocklobster Limited ACN 108 116 847 ("**SRL**") and the person specified in item 1 of the Schedule (**Buyer**) and shall be incorporated by reference, deemed part of, and govern all Orders and all matters for the supply of the goods specified in item 2 of the Schedule ("**Goods**") between SRL and the Buyer.

2. DEFINITIONS

In these Terms and Conditions, unless the context otherwise requires:

"**Accepted Goods**" has the meaning given to that term in clause 5.6;

"**Carrier**" means a third party carrier engaged by SRL at its sole discretion to deliver the Goods ordered under this Agreement to the Buyer;

"**Delivery Charges**" means the cost of delivery of Goods from a Carrier to the Delivery Point;

"**Delivery Date**" means the date or period of delivery requested by the Buyer for delivery of Goods in an Order;

"**Delivery Point**" means the point of delivery of Goods specified in an Order;

"**Delivery Record**" has the meaning given to that term in clause 5.2;

"**Initial Supply Period**" means the initial Supply Period commencing on the date of execution of this Agreement by the parties;

"**Order**" means an order pursuant to clause 3.2 made by the Buyer for the supply of Goods in accordance with this Agreement;

"**Rejected Goods**" has the meaning given to that term in clause 5.1;

"**Revised Supply Price**" has the meaning given to that term in clause 6.1;

"**Specifications**" means the specifications as to the quality of Goods to be supplied pursuant to this Agreement as set out in item 3 of the Schedule or as otherwise specified in an Order;

"**Supply Period**" means the period or periods specified in item 5 of the Schedule during which the Buyer may submit Orders to SRL;

"**Supply Price**" means the USD rate per kilogram for Accepted Goods specified in item 4 of the Schedule or the Revised Supply Price specified in a Variation Notice (as the case may be);

"**USD**" means the lawful currency of the United States of America;

"**Variation Notice**" has the meaning given to that term in clause 6.1.

3. SUPPLY AND ORDERS

3.1 SRL agrees to supply Goods to the Buyer during the Supply Period and otherwise on and subject to these Terms and Conditions.

3.2 The obligation on SRL to supply, and the obligation on the Buyer to purchase, Goods at the Supply Price will arise only upon acceptance by SRL of a written order for Goods provided to SRL by the Buyer that:

3.2.1 is signed by an authorised representative of the Buyer;

3.2.2 specifies the quantity of Goods required by the Buyer for that Order;

3.2.3 specifies the Delivery Date; and

3.2.4 specifies the Delivery Point.

3.3 Subject to clause 3.4, SRL will be deemed to have accepted an Order from the Buyer under clause 3.2 only if the Order is received by SRL by facsimile or other electronic means and:

3.3.1 SRL confirms its acceptance of the Order by facsimile or other electronic means; or

3.3.2 there is no error in the facsimile transmission report or other report which confirms whether or not an electronic transmission has been sent and SRL does not reject the Order within 48 hours of its receipt.

3.4 In the event SRL cannot meet the quantity and/or the specified Delivery Date, it shall notify the Buyer and the parties shall in good faith negotiate mutually revised terms as to quantity and/or Delivery Date at which point such negotiated terms shall become part of the Order.

3.5 Notwithstanding the terms of any Order submitted by the Buyer, the parties acknowledge and agree that these Terms and Conditions will govern the supply of Goods to the Buyer, and in the event of any inconsistency or conflict between the terms of any Order or any other communication between the parties and these Terms and Conditions, these Terms and Conditions will prevail.

4. DELIVERY

4.1 SRL is responsible for providing and arranging transportation of the Goods by the Carrier to be delivered to the Delivery Point.

4.2 SRL will use its best endeavours to supply Goods ordered by the Buyer under clause 3.2 by the Delivery Date for those Goods.

5. INSPECTION AND ACCEPTANCE OF GOODS DELIVERED

5.1 Upon receipt of Goods pursuant to an Order made, the Buyer shall have the right to return any Goods that do not conform to the Specifications (**Rejected Goods**) in accordance with this clause 5.

5.2 Upon the delivery of Goods in accordance with an Order by the Carrier to the Delivery Point, the Buyer must acknowledge the delivery by signing the docket provided by SRL (**Delivery Record**).

5.3 The Delivery Record will specify and be an acknowledgement of:

5.3.1 the unique Order number; and

5.3.2 the weight and quantity of Goods received.

5.4 Any Rejected Goods returned to SRL pursuant to clause 5.1 shall be at SRL's expense and shall be returned by the Buyer in the manner specified by SRL.

5.5 The Buyer's right to return Goods under clause 5.1 shall be limited to the Goods specified as Rejected Goods in a Delivery Record and shall cease after the signing by its authorised representative of the Delivery Record generated under clause 5.2.

5.6 The Goods identified in a Delivery Record minus any specified Rejected Goods shall be taken as accepted by the Buyer for purchase (**Accepted Goods**).

6. PRICE AND PAYMENT TERMS

6.1 The Supply Price for the Initial Supply Period is as set out in item 4 of the Schedule. SRL may vary the Supply Price (**Revised Supply Price**) by not less than 30 days advance notice in writing to the Buyer (**Variation Notice**). The parties acknowledge that payment for Goods will be made on the basis of the prevailing Supply Price in respect of all Orders submitted prior to the date the Revised Supply Price is to take effect as specified in a Variation Notice.

6.2 SRL may render an invoice to the Buyer in respect of Accepted Goods as evidenced by the relevant Delivery Record at any time

- after delivery of the Accepted Goods to the Buyer in accordance with these Terms and Conditions and an Order.
- 6.3 The Buyer must pay for the Accepted Goods at the Supply Price to SRL for Orders within 7 days of the date of receipt of an invoice from SRL. Payment must be made in USD by electronic funds transfer to SRL's bank account specified in item 6 of the Schedule or by cheque forwarded to SRL's nominated representative.
- 6.4 All invoices submitted by SRL to the Buyer must:
- 6.4.1 reference the unique Order number;
- 6.4.2 specify the quantity of Accepted Goods delivered;
- 6.4.3 set out the Supply Price in a manner consistent with the Order;
- 6.4.4 specify the Delivery Date;
- 6.4.5 specify the Delivery Charges (if any); and
- 6.4.6 contain any additional information required under any applicable tax law from time to time.
- 7. RISK AND TITLE**
- 7.1 Risk of loss and damage to Accepted Goods will pass to the Buyer upon the delivery of Accepted Goods to the Delivery Point.
- 7.2 Title to Accepted Goods will not pass to the Buyer until all moneys owing by the Buyer for Accepted Goods under an Order has been received in full by SRL. SRL reserves the right to withhold future deliveries of Goods under this Agreement until any overdue monies owed by the Buyer under this Agreement have been paid in full by the Buyer.
- 8. WARRANTIES, INDEMNITIES AND LIMITATION OF LIABILITY**
- 8.1 SRL warrants that:
- 8.1.1 it has full right and authority to enter into this Agreement; and
- 8.1.2 the supply of Goods in accordance with this Agreement will not infringe any rights of any third party.
- 8.2 To the full extent permitted by law and except as set out in clause 8.1, SRL disclaims all warranties, representations and conditions, express or implied, in relation to the Goods, including without limitation, any warranty that the Goods specified in any Order will be delivered by SRL by the relevant Delivery Date.
- 8.3 Each party unconditionally and irrevocably indemnifies the other from and against all third party claims and proceedings to the extent that they arise out of, or in relation to, a breach of any of its warranties or obligations under this Agreement or any act or omission by the first mentioned party in connection with this Agreement.
- 8.4 In no event will either party be liable to the other for consequential, indirect, or special damages. SRL's liability and the Buyer's exclusive remedy for any cause of action arising out of this Agreement, including but not limited to an action based on negligence, strict liability and/or warranty, is limited to the delivered value of the Goods supplied to the Buyer in accordance with Orders made.
- 9. TERM AND TERMINATION**
- 9.1 Subject to clauses 9.2 and 9.3, this agreement commences on the date the parties sign these Terms and Conditions ("**Commencement Date**") and is automatically renewed on the anniversary of the Commencement Date each year unless terminated by either party providing at least 30 days notice prior to the annual anniversary.
- 9.2 Either party may terminate this Agreement by giving the other party 60 days written notice in writing to the other party.
- 9.3 This Agreement will immediately terminate if:
- (a) either party materially breaches any terms or conditions of this agreement and does not remedy that breach within 10 days of receiving written notice to do so;
- (b) either party ceases, or threaten to ceases, to carry on business.
- 9.4 Notwithstanding termination of this Agreement, SRL still has an obligation to supply all Goods the subject of outstanding Orders issued by the Buyer and accepted by SRL prior to the date of termination and the Buyer will remain liable for all payments due for all Goods supplied pursuant to such Orders.
- 10. DISPUTE RESOLUTION**
- 10.1 If any dispute or controversy arises between the parties out of or relating to this Agreement (**Dispute**), the party believing there to be a Dispute will notify the existence and nature of Dispute to the other party (**Notification**) and both Parties must attempt to negotiate to resolve the Dispute.
- 10.2 If the Dispute is not resolved within 30 days of the Notification then either Party will be entitled to seek such relief as it sees fit.
- 10.3 Notwithstanding the terms of clause 10.1 nothing in this clause will prevent a party from seeking interlocutory relief in a court of appropriate jurisdiction.
- 11. FORCE MAJEURE**
- A party will not be liable for any delay in performing any of its obligations under this Agreement if such delay is caused by circumstances beyond its reasonable control (including, without limitation, acts of God, civil or military authority, accidents, earthquakes, reductions in stocks of live Goods, strikes, the elements, fire, flood, tempest and war) and it will be entitled to a reasonable extension of time for the performance of such obligations.
- 12. NOTICES**
- All notices which are required to be given under this Agreement must be in writing and must be sent to the Buyer's address set out in item 1 of the Schedule or such other address as the Buyer may designate by notice in accordance with the provision of this clause. Any such notice may be delivered personally by pre-paid letter, by email or facsimile transmission and will be deemed to have been served if by hand when delivered, if by post 48 hours after posting and if by email or facsimile transmission when despatched.
- 13. GENERAL PROVISIONS**
- 13.1 No party will assign any of its rights or obligations under this Agreement without first obtaining the consent in writing of the other party.
- 13.2 Except as provided in this Agreement, this Agreement may only be changed, modified, waived, discharged or terminated by an instrument in writing to be signed by all parties.
- 13.3 The failure of either party at any time to require performance by the other party of any provision of this Agreement will not affect in any way the full right of the waiving party to require such performance at any time thereafter nor will the waiver by either party of a breach of any provision be deemed a waiver of the provision itself or any other provision.
- 13.4 If any provision of this Agreement or the application of it is held invalid or unenforceable by a Court of competent jurisdiction, then the remainder of this Agreement, and the application of it, will not be affected thereby and will continue to be valid and enforceable to the fullest extent permitted by law or equity.
- 13.5 This Agreement represents the entire agreement between the parties as to its subject matter and supersedes all previous agreements or understandings whether written or not.
- 14. SPECIAL CONDITIONS**
- 14.1 The conditions specified in item 7 of the Schedule form part of this Agreement and prevail over any other provision of this Agreement to the extent of any inconsistency.

APPENDIX 11: EBI STUDENTS MARKET RESEARCH



School of Marketing
International Marketing Planning Project



Southern Rocklobster Limited Executive Summary

Prepared For
Roger Edwards
Executive Officer

Supervised By
Dr Hervé Remaud

June 2008

Prepared By
Bryony Jardine
Ph: 0417 001 862
Email: jarbi001@students.unisa.edu.au

Ryan Jones
Ph: 0410 131 658
Email: jonesy@ryanjones.com.au

1. Introduction

This report was commissioned by Southern Rocklobster Limited and developed by Bryony Jardine and Ryan Jones for the University of South Australia's International Marketing Planning Project, under the supervision of Dr Hervé Remaud. The purpose of this report is to identify the major factors impeding the progress of the organisations US market development program, and to determine marketing mix activities for addressing these issues.

2. The Research Problem

This project sought to address the following research problem.

Determine effective marketing communications strategies to: increase product awareness and interest within the target market; increase initial purchase rate; and reinforce purchase.

In addition; briefly investigate other marketing mix elements and provide recommendations.

3. Research Objectives

Primary research was conducted in order to meet five research objectives.

- Objective 1 Determine characteristics of the decision making process; including identification of decision makers.
- Objective 2 Identify customer product and purchasing requirements; this will also identify use of competitive brands.
- Objective 3 Identify current communication strategies and media usage within the target market.
- Objective 4 Identify current awareness levels and perceptions of ASR and SRL within the target market.
- Objective 5 Determine customers' potential to utilise the product.

4. Methodology

Primary research was conducted in the form of 168 telephone surveys and 24 in-depth interviews with potential customers from the organisations database. In addition, surveys were conducted with 31 existing customers. This research provided valuable qualitative and quantitative data. Contact was also made with a number of people with involvement in the industry in order to gain a holistic understanding of the industry.

One major factor constrained the methodological approach of this project. The customers (chefs/ decision makers) were very difficult to access and to obtain information from.

5. SWOT Analysis

Table 1 presents the SWOT analysis developed from primary and secondary research. Southern Rocklobster Limited (SRL) must aim to: enhance and protect their strengths; improve their weaknesses; maximise opportunities; and minimise threats where possible.

Table 1 SRL SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Superior quality and meat recovery • Funding from industry bodies for R&D • Industry sustainability • Educational tools 	<ul style="list-style-type: none"> • Limited human resources in the US • Limited marketing budget • Supply chain • Limited and inefficient use of informational resources
Opportunities	Threats
<ul style="list-style-type: none"> • Penetrate new sub-segments • Alliances with complementary products • Lack of brand awareness and brand distinction • Increased demand for healthy, natural foods • Limited promotion by competitors directed at customers 	<ul style="list-style-type: none"> • US economic environment • Difficult to access decision makers and obtain information • Buyers (restaurants) hold bargaining power • Brand strength and market share of American and Canadian Lobster

6. Marketing Objectives

The Australian Southern Rocklobster (ASR) Industry's long term objective is to be the preferred supplier of lobsters to global super premium fine dining customers by 2020. In the next three years, there are two key marketing objectives for SRL:

1. Increase the volume of ASR traded to 200 tonnes by the end of the 2010/2011 financial year;
2. Increase returns to fishers participating in the US market development program to at least beach price (with the aim to become a price maker in the long-term).

7. Recommendations

Recommendations for addressing factors outlined in the SWOT analysis, and for achieving the marketing objectives, are summarised below. Recommendations are focused on marketing communications as required by the research problem.

7.1. Product

Develop the Product Mix

Opportunity exists for SRL to develop their product mix in two ways.

First, demonstrate and emphasise to the market, through education and communication activities, the value ASR can deliver to customers. Second, form strategic alliances with other seafood industries and export a 'basket of seafood' as a product bundle.

7.2. Price

Increase ASR Retail Price in the US

Increase the price of ASR to a level above the minimum SRL can profitably export at for a given exchange rate; though to a level that can still generate value for customers.

7.3. People

Increase Human Resources

Employ additional staff in the US in two key business functions: sales staff; and tank management.

7.4. Distribution

Refine the Supply Chain

Consolidate the regional receiver and exporter/consolidator stages once volume allows.

Penetrate New Sub-Segments

Diversify the customer base by selling to chains/buying groups, and Asian restaurants.

Consider Other Markets

Conduct further research into other identified markets in the Middle East and Europe to determine if these markets are more viable options, particularly until the US economic environment improves.

7.5. Marketing Communications Mix

7.5.1. Message

The key to a successful campaign by SRL is educating the target audience on the benefits (and points of difference) of ASR that justify the premium price. In summary, these benefits are: premium quality; meat recovery; no melanosis; sashimi grade; clean, green, and sustainable; portion control and amount of achievable portions.

7.5.1.1. Rationale

Educating the market is necessary as primary research identified the target market of super premium fine dining restaurants are unfamiliar with lobsters the size of ASR, and are accustomed to paying approximately one third of the price of ASR for whole, live lobster. These factors lead to the following circumstances: chefs are unaware of the recoverable meat from all sections of the ASR; chefs/restaurants are unaware of how to utilise the entire animal effectively, efficiently, and to generate profit.

7.5.2. Audience

The two key audiences of the communication strategy are:

1. Chefs
2. Purchase Decision Makers

In the majority of restaurants, the decision makers are also the chefs.

7.5.3. Communication Mediums

7.5.3.1. Advertising

Five advertising activities are recommended.

1. **Art Culinaire Magazine:** place four full page, full colour advertisements in four issues each year.
2. **Food Arts Magazine:** place two one-third page, full colour advertisements in two issues; then review.
3. **Cookbook:** produce a high quality, 100 page cookbook featuring recipes from the most high profile US customers. Recipes will demonstrate methods of effectively utilising the larger lobsters.
4. **SRL Website:** re-brand the website to align with other marketing materials; enable electronic signup to publications on the website to increase readership.
5. **DVD:** produce a new, modern Food Service Manual DVD that communicates the organisations current messages; reflects current branding; and demonstrates methods of effectively utilising the larger lobsters.

7.5.3.2. Direct Marketing

Three direct marketing activities are recommended.

1. **Customer Database:** export the current customer database into a Customer Relationship Management system to enable the development of more effective marketing communications activities.
2. **Direct Mail:** enhance this activity by telephoning potential customers both before, and after, direct mail has been distributed.
3. **Newsletter:** enable electronic signup to the newsletter on the website to increase readership. In addition SRL should investigate: methods to lower the cost of production; and selling advertising space to complementary products.

7.5.3.3. Public Relations

Three public relations activities are recommended.

1. **Spokespersons:** engage high profile US chefs to act as brand champions of ASR to build credibility and awareness in the target market.

2. **Press Releases:** distribute press releases monthly to key US media and communicate messages including the exportation of live lobsters to the US, and high profile customers of ASR.
3. **Product placement:** placement is more likely to be received in publications which SRL advertise in; therefore advertising recommendations 1 and 2 should be implemented to achieve product placement.

7.5.3.4. Sales Promotion

Three sales promotion activities are recommended.

1. **Loyalty Promotions:** introduce a new rewards program with achievable goals and rewards desired by chefs and wait staff.
2. **Recommendation Promotions:** introduce an incentive scheme for restaurants who recommend other restaurants as customers (recommendation must result in sales).
3. **In-Restaurant Promotions:** work cooperatively with customers to assist them with communicating to consumers through menus, specials, and wait staff.

7.5.3.5. Personal Selling

Two personal selling activities are recommended.

1. **Human Resources:** employ a minimum of two additional staff in the US to assist in developing the market.
2. **Personal Communication:** develop an integrated interview and Customer Relationship Management system, and engage in continual follow up phone calls to customers to build relationships.

7.5.3.6. Experiential Contact

Two key methods of experiential contact are recommended.

1. **Trade Shows:** continue attendance at the annual StarChefs International Congress and the NRA Trade Show, and utilise the recommended public relations activities to enhance the effectiveness of attending.
2. **Product Tastings:** conduct further research into two new methods of group product tastings: Asian Product Tastings; and Late Night Tastings.

7.5.4. Budget

Table 2 Three Year Budget

Year	Human Resources (\$)	Other Activities (\$)	Budget (\$)
2008/2009	200,000	66,850	266,850
2009/2010	400,000	98,450	498,450
2010/2011	600,000	190,975	790,975

7.5.5. Key Outcomes

Six key outcomes of the communication strategy are outlined below.

1. Increase volume of ASR traded in the US market to 200 tonnes by 2010/11.
2. Increase awareness of ASR in the US from 64% in 2007/08 to 73% in 2010/11.
3. Increase market penetration in the US from 3% in 2007/08 to 25% in 2010/11.
4. Increase repeat purchase rate of US customers from 59% in 2007/08 to 73% in 2010/11.
5. Increase web site visits from 644 in 2007/08 to 3,000 in 2010/11.
6. Decrease web site bounce rate from 52% in 2007/08 to 40% in 2010/11.



School of Marketing
International Marketing Planning Project



Southern Rocklobster Limited Communication Plan for Australian Southern Rocklobster

Prepared For
Roger Edwards
Executive Officer

Supervised By
Dr Hervé Remaud

June 2008

Prepared By
Bryony Jardine
Ph: 0417 001 862
Email: jarbi001@students.unisa.edu.au

Ryan Jones
Ph: 0410 131 658
Email: jonesy@ryanjones.com.au

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Abbreviations

ASR	Australian Southern Rocklobster
CR	Contact Report
FRDC	Fisheries Research and Development Council
MLPC	Maine Lobster Promotion Council
NRA	National Restaurant Association
SRL	Southern Rocklobster Limited

All currencies in this report are in Australian dollars unless specified.

1. Introduction

Southern Rocklobster Limited is currently in the initial stages of their US market development program for Australian Southern Rocklobster. Primary research conducted both in market and through telephone surveys indicates that awareness of ASR in the market is relatively low. Sales are also currently low.

This communication plan has been developed based on in market research to communicate to chefs and decision makers, who are the two key audiences, which have proved difficult to contact and communicate with. The emphasis of the plan is on education initiatives, as research identified the majority of US chefs did not understand how to best utilise the large ASR effectively and efficiently. In addition, chefs have some misconceptions of ASR based on their experience with other lobsters and rocklobsters.

While advertising will be important in increasing awareness levels of ASR and SRL among the target audience, of more importance is personal selling, as research identified this is the most effective method of communicating with chefs and influencing their purchase decision. Consequently, additional human resources are required in the US, and additional financial resources, with progress remaining limited until these resources are available.

The communication tools recommended in this report should lead to increased awareness, and ultimately sales, of ASR in the US market. Results of these activities will be measurable monthly; however determination of which aspects of the overall communications strategy are effective and which could be improved should only be made quarterly.

2. Marketing and Promotional Objectives

The following marketing objectives have been developed by SRL for their US market development:

- To be the preferred supplier of lobsters to global super premium fine dining customers by 2020.
- To increase the returns to fishers (from the market development project) to at least match beach price in the short to medium term, and be price makers in the long term.
- To increase the volume of ASR traded to the US market to 200 tonnes per financial year by 2010/2011.

There are three key promotional objectives that SRL need to meet in order to achieve these marketing objectives. They are:

- Educate and create awareness and interest in the product among the target customers and consumers.
- Position ASR as an icon product in the marketplace.
- Increase purchase and repeat purchase rates of ASR in the target market.

3. Communication Strategy

In order to develop an effective communication strategy for SRL, we recommend a number of different approaches. The key to the success of this strategy is the integration of all aspects. All communication should convey the same image, reflect the same branding, and communicate a common message.

The strategy is consolidated through effective use of direct mail, direct email and personal communication, with all messages communicated through multiple media where possible, achieving maximum value for money on all expenditure.

Key to this strategy is the development and utilisation of an effective Customer Relationship Management system which integrates all aspects of SRL's current database and interview system. This consolidated system could specifically target customers through direct mail and direct email depending on responses given.

The communication strategy consists of the following tools:

- Advertising
- Direct Marketing
- Public Relations
- Sales Promotion
- Personal Selling
- Experiential Contact

The effectiveness of this communication strategy should be reviewed at the conclusion of every year before deciding whether or not to continue with the same mix the following year. SRL should also endeavour to review any new opportunities that develop in the future, such as new specialty publications, or new technology that can be taken advantage of to further enhance the communication strategy.

4. Message

The key to a successful campaign by SRL is educating the target audience on the benefits of ASR in order to justify its premium price. The benefits of ASR are also its points of difference. These are:

- Unlike competitive brands, the meat quality does not degrade as the size of the lobster increases. ASR maintains a sweet taste and firm texture regardless of size.
- ASR offers the highest meat to shell ratio of any available lobsters, at 44-52%. Therefore larger lobsters, with more meat that is easier to extract, are better value for money.
- Unlike most rocklobsters or spiny lobsters on the US market, ASR doesn't suffer from melanosis. This attribute is a major benefit for chefs.
- ASR is clean, green and sustainable, which is emerging as an important issue in the industry.
- ASR has a Grade 1 sashimi lobster tail consisting of 30% of the total weight of the animal. This attribute is highly desired by chefs, particularly those that are Asian or work within Asian restaurants.

The majority of chefs are unfamiliar with lobsters the size SRL are exporting to the US and therefore do not understand how to effectively utilise the entire animal. The lobsters they are accustomed to do not have recoverable leg, knuckle and horn meat. Therefore unless chefs know this meat can be extracted from an ASR, they will dispose of it.

Once educated on how to utilise the entire ASR, education is also required on the most effective methods for using the product on menus in order to limit meat wastage and maximise profit. An observed trend towards tasting menus in the US restaurant industry suggests this is perhaps the most effective method, as multiple lobsters can be sold in the one night. Tasting menus also allow the restaurant to serve smaller portions, extracting 18-20 portions from each animal, strengthening the value proposition.

Therefore the key message SRL must communicate to their target customers is that ASR is the world's best lobster, and they can profitably serve it in their restaurant.

5. Audience

SRL's target audience is categorised into two key segments:

- **Purchase Decision Makers**

These are the key to sales for SRL. SRL must educate decision makers on the true cost of ASR, and the value large animals with high meat recovery can provide. For this audience, ASR should be presented in a business perspective, with information on food cost, margin, and how ASR can be of financial benefit to a restaurant.

- **Chefs**

Educating chefs on the quality benefits and culinary capabilities of ASR is important to SRL in order to correct any misconceptions they might have. In many cases the chefs are also the purchase decision makers, or have influence in the decision making process.

Consumers are also included in SRL's key audience; however no research on potential methods SRL can utilise to communicate with consumers external to the restaurant was conducted in the preparation of this report. Research was only conducted into how restaurants communicate to consumers, and how SRL could communicate with the restaurants and chefs. However we recommend further research be conducted in order to determine how best to communicate to consumers in a cost effective manner.

6. Marketing Communications Mix

6.1. Advertising

Advertising is utilised in order to increase public awareness and interest in products and services. In this plan, media considered includes print and the internet. Television and radio have been discounted due to their high cost and wastage. Due to the varying advertising media available to SRL, different messages can be communicated through each:

- Print – “The world’s finest lobster”.
- Internet & Multimedia – Educational messages, usage information, costs and information to further the message conveyed through print advertising.

6.1.1. Print

According to White (2000, p176), magazines are “the richest and most diverse advertising media, in terms of their sheer variety and scope”, and they can be used to target a more specific audience, as “magazines are audience specific rather than general in appeal” (Fletcher & Brown 2005, p553). Two suitable magazines have been discovered through in-market research as being read by chefs and decision makers, and these can be incorporated into SRL’s communication plan in a cost effective manner.

6.1.1.1. *Art Culinaire*

- **Art Culinaire is a premium food magazine**
Targeted at food service professionals, consumers and students, it is published quarterly.
- **Features a specific ingredient every month**
A number of famous chefs publish their favourite recipes with that ingredient.
- **Specialises in fine dining and associated issues**
Issues include seafood sustainability.
- **Has previously featured Eric Ripert and Daniel Bouloud**
Two famous chefs who have used ASR in their restaurants.

6.1.1.1.1. Recommendation

We recommend that SRL place four full page full colour advertisements in four issues of Art Culinaire.

6.1.1.1.2. Budget

Cost of a full page colour advertisement in Art Culinaire is \$US4,000 and \$2,700 for black and white. Volume discounts are available which lower the price significantly, to \$US3,190 each for three or more placements (Art Culinaire 2008). Total cost for four full colour advertisements is \$11,920 per year, starting in year one.

6.1.1.1.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Web Site Usage (detailed in Section 9.5)

6.1.1.2. Food Arts

- **Food Arts is a monthly specialty magazine**

Published 10 times a year circulated to 55 thousand restaurant chefs and decision makers, all who have requested the publication.

- **Claims to have the largest hotel circulation of any food service publication**

98% of readers are willing to spend more for premium quality products, 95% of readers are responsible for food purchasing decisions (Food Arts 2008).

- **Significantly more expensive than similar publications**

At \$US14,730 per full colour page, Food Arts is significantly more expensive than Art Culinaire; however has more detailed and verified readership statistics available (Food Arts 2008).

6.1.1.2.1. Recommendation

We recommend that SRL place two one-third page full colour advertisements in two issues of Food Arts, starting in year two. Depending on results from these advertisements, it is recommended that SRL expand to five one-third page placements every second issue in year three.

6.1.1.2.2. *Budget*

Cost of a one-third page full colour advertisement in Food Arts is \$7,365 each (Food Arts 2008). Total cost for year two is \$14,730, total cost for year three is \$36,825.

6.1.1.2.3. *Outcomes*

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in section 9.2)
- Increase Market Penetration (detailed in section 9.3)
- Increase Web Site Usage (detailed in section 9.5)

6.1.1.3. *Cookbooks*

- **Primary research (see Appendix 6) revealed that cookbooks are a major source of inspiration for SPFD chefs.**

A cookbook featuring recipes from SRL's most high profile customers will be a useful communication tool for SRL in communicating to both customers and consumers.

Such a book can also be used to show chefs what they can cook in terms of dishes and portions with a 2kg ASR.

- **The cookbook could be sent out free of charge to customers and potential customers, and sold at a retail level to consumers.**

Due to the popularity of cookbooks with recipes of famous chefs, this could help to offset the costs of production and printing of the cookbook.

6.1.1.3.1. *Recommendation*

This report recommends SRL produce a high quality, 100 page cookbook featuring recipes from their best customers.

6.1.1.3.2. *Budget*

Cost of printing and binding 2000 full colour, high quality, 100 page cookbooks is \$40,000 (Document Services 2008).

6.1.1.3.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)
- Increase Web Site Usage (detailed in Section 9.5)

6.1.2. Internet

SRL's web site is one of their current communication tools. It is useful, informative and has a number of positive aspects, including:

- High volume of traffic from search engines (75%) – people are searching the internet for information about SRL and ASR;
- High volume of traffic from the US, being the second most interested country;
- Informative, including the publication of newsletters and recipes.

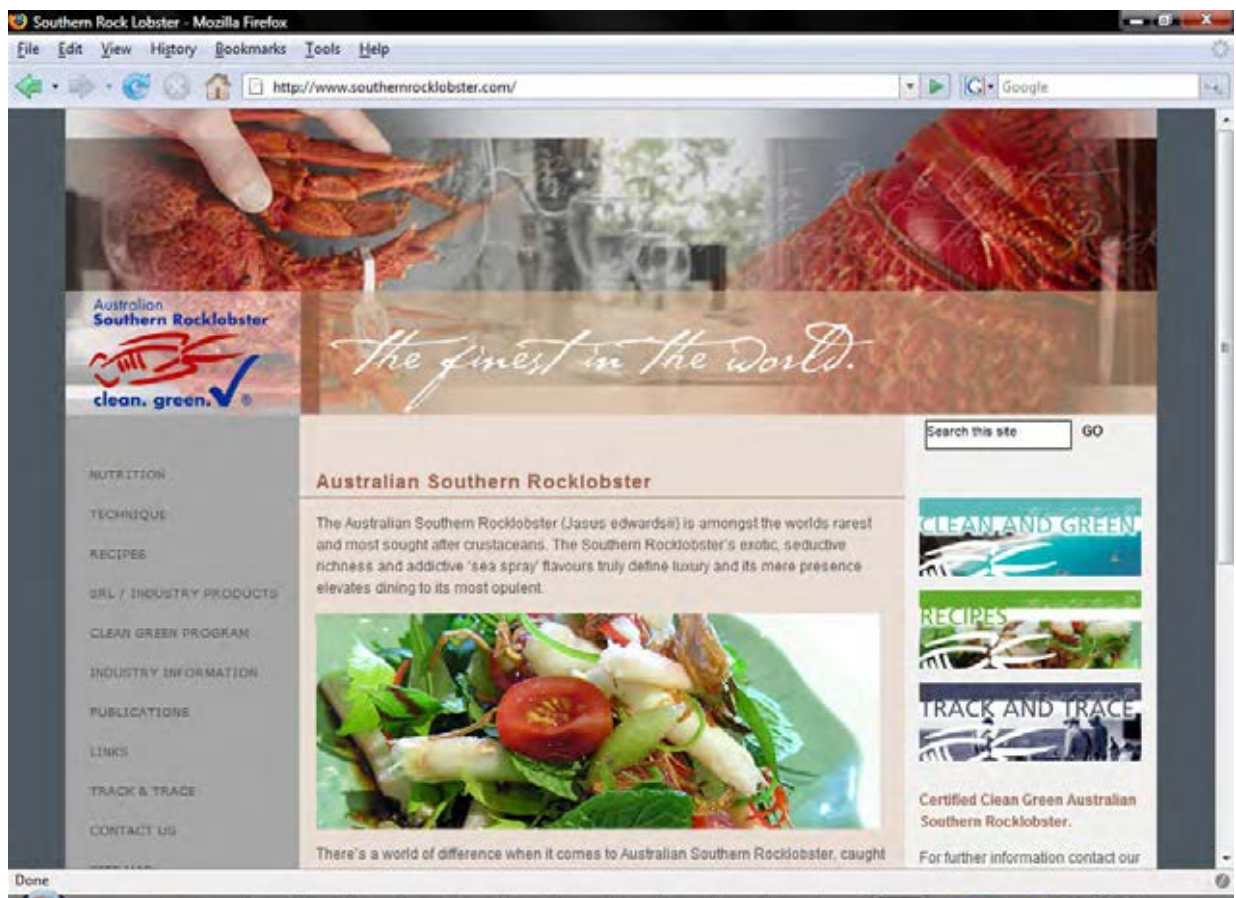


Figure 1 Southern Rocklobster Limited Web Site

However there are also a number of areas for improvement in the current site, including:

- **Low volume of traffic – 584 visits**

Despite their success in attracting visitors through search engines, overall the website receives little traffic. SRL's web site is the 10,233,628th most visited site on the internet (Alexa, 2008). By comparison lobsterfrommaine.com, the official web site of the MLPC, is the 5,573,004th most visited web site on the internet (Alexa, 2008).

- **High bounce rate – 50%**

Bounce rate indicates the number of visitors who visit a web site and leave after having only viewed one page. A high bounce rate is an indication that visitors are either not finding the site appealing, or are not finding the information they require quickly enough. A bounce rate of over 50% is believed to be worrying, with lower bounce rates desired (Kaushik, 2007).

The web site should be used to support other SRL educational resources, and provide more information where possible, including:

- **More effective promotion of newsletters**

Include facilities for online signup for newsletters to increase the potential customer database and increase distribution of newsletters.

- **Online distribution of educational resources**

Resources like the Food Service Manual are already produced; therefore cost to include them on the web site is minimal. Web sites such as YouTube could also be used to host videos, such as the DVD which accompanies the Food Service Manual. This would give SRL's site some interesting multimedia content and reduce the dependence on mail outs and costly physical resources.

- **"Where to Buy" page**

A page listing restaurants currently offering ASR for sale will make it easier for consumers to taste it, and provide some additional promotion for these restaurants. At present, if a consumer is interested in the product there is no information on where they can get it.

- **Consistent branding**

The style and colour palette of the current site doesn't fit with SRL's other marketing and education materials, and doesn't reflect a "Clean Green" image. SRL's other tools utilise a fresh, clean colour palette based around white, with a slightly minimalist approach to their design which is in conflict with the web site. All marketing materials should reflect a common image. Figure 2 shows a potential design for SRL's web site which reflects this image.

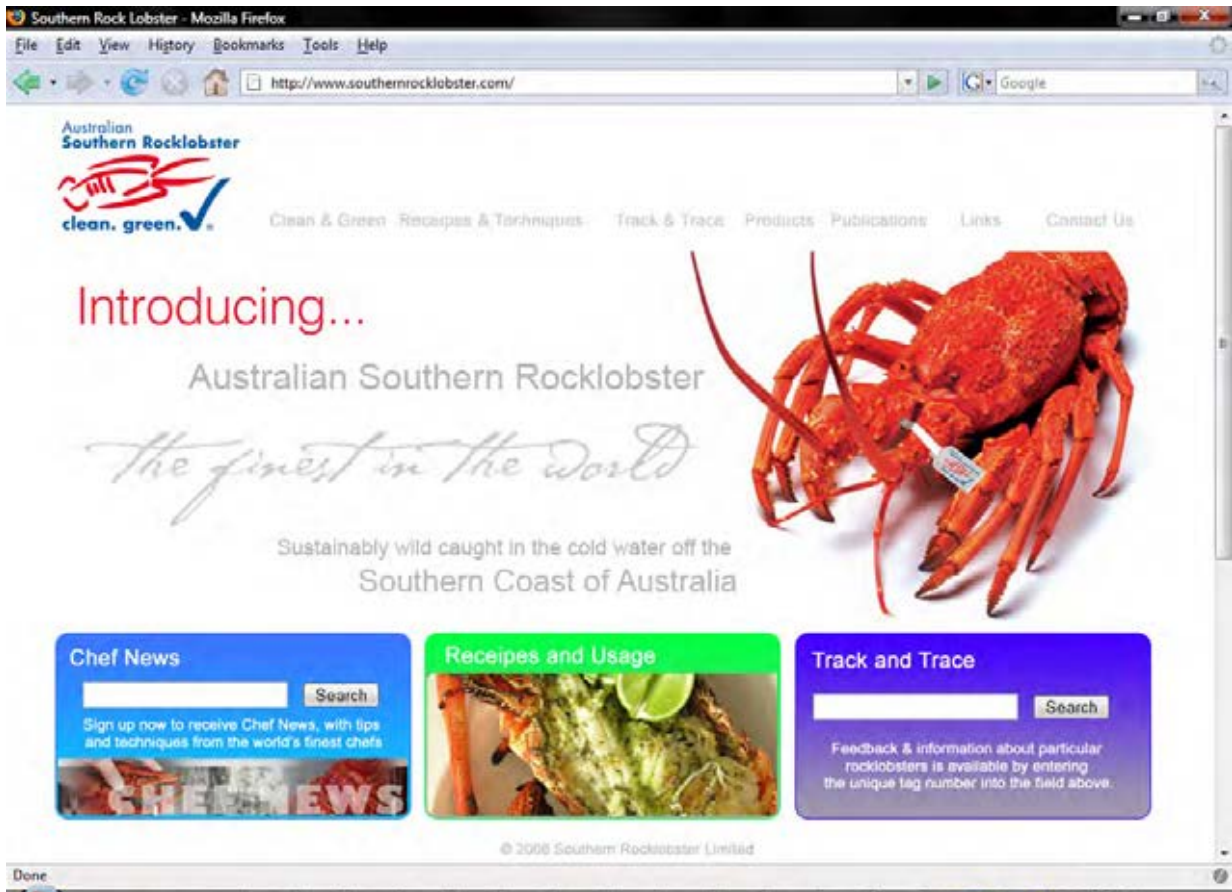


Figure 2 Potential Design for SRL Web Site

6.1.2.1. Recommendation

This report recommends SRL:

- Revise the design of their web site to better integrate with their other communication tools. It is believed this will be necessary once every two years to ensure the web site remains modern and up to date.
- Use their web site as a tool to increase readership of newsletters and publications, such as Chef News, through email signup, which will also increase the current potential client database.

- Develop a customer data collection system to allow web site visitors to sign up for newsletters.
- Invest in the development and implementation of strategies to increase the volume and quality of traffic their web site receives.

6.1.2.2. Budget

Budget for the SRL web site in year one and year three includes:

- \$1,100 for the development of a new page design,
- \$1,100 for applying the design to the current site,
- \$550 to develop a newsletter feature,
- \$280 in training to enable SRL staff to best utilise the new site.

Total budget for web site design and development is \$3,030 (JABA Multimedia Design 2008).

In addition, a budget of \$500 per year for each year is required for the development of strategies to increase web site traffic (Netregistry 2008).

6.1.2.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)
- Increase Web Site Usage (detailed in Section 9.5)

6.1.3. Multimedia

SRL currently supplies a DVD with their food service manuals which includes demonstrations of how to prepare ASR and some background information on the ASR and where it is fished. This DVD is now three years old, and Chef Ann Oliver has previously identified some faults with this DVD, including:

- **Low Quality**
High definition TV and movies now allow a higher resolution to be used than when this was created.

- **Chef Demonstration is Poor**

Techniques utilised aren't professional, and DVD doesn't help chefs understand how to best utilise every part of ASR.

- **Core SRL Messages Are Poorly Communicated**

Messages regarding the benefits of live lobster, Clean Green, meat recovery and usage must be clear and well communicated.

6.1.3.1. Recommendation

This report recommends SRL:

- Produce a new, more modern DVD which better reflects the images and messages they wish to communicate to the US SPFD market. Key messages such as the benefits of live lobster, Clean Green, enhanced meat recovery and the benefits justifying the price premium must be emphasised, and all messages conveyed must reflect messages communicated in other media, such as the food service manual and advertising.
- Upload the video on this new DVD to YouTube, enabling it to be viewed from SRL's web site and by those on YouTube looking for lobster information. This can be used to attract visitors to SRL's web site from YouTube, and by including the video on SRL's web site reduces the need to give a DVD to every SPFD chef. Verified traffic statistics will also allow SRL to know exactly how many people actually watch the videos.
- Distribute the DVD with key media, such as the food service manual and cookbook. Links to the video can be provided in other media, such as advertisements, in order to emphasis the message and provide further information on the same messages.

6.1.3.2. Budget

Total budget for this activity is \$8,000. This includes two camera operators for seven days filming, travelling costs to conduct filming on fishing vessels and at the wharves in south-eastern South Australia, video post production, DVD authoring, and supply of the video in a format suitable for uploading to YouTube (Brecon James 2008).

6.1.3.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Web Site Usage (detailed in Section 9.5)

6.2. Direct Marketing

Direct marketing is a tool that can be utilised to speak directly to current and potential customers. Common forms of direct marketing include mail, email and phone calls, and require a database of contacts to communicate with.

6.2.1. Database

- **SRL has developed a potential customer database.**

Consists of approximately 1200 SPFD restaurants in key cities across the US.

- **Database could be better utilised if merged with a CRM system.**

Allows better targeting of communications, sorting of customers depending on product exposure, rating indicating restaurants' potential as SRL customers, and other identifying features and characteristics.

- **A number of direct marketing opportunities are available to SRL.**

The database currently has phone and fax numbers, as well as email and postal addresses for most of these restaurants.

6.2.1.1. Recommendation

This report recommends that in order to better utilise their database, it should be exported into a CRM system, and all potential customers be rated. It also recommends that SRL conduct more research into these and other restaurants to better refine the database and better target potential customers.

6.2.1.2. Budget

Cost of developing an integrated interview and CRM system is \$3,300 (Ryan Jones 2008).

6.2.1.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)
- Increase Web Site Usage (detailed in Section 9.5)

6.2.2. Direct Mail

- **SRL has previously trialled**

Mailed 500 "Clean Green" lobster tags with an information flyer to restaurants in the US. Of these 500 restaurants, 3 made contact with SRL to enquire about the product, which is a response rate of less than 1% (CR12 2008).

- **Response rate suggests that direct mail in isolation is an ineffective tool.**

There is evidence that it can be used to great effect to provide further support to other communication tools by contacting the recipient before and after (Dwyer & Tanner 2002).

6.2.2.1. Recommendation

This report recommends that SRL contact a restaurant, confirm their interest in ASR, email or mail them a letter outlining key points of ASR and access information for the online food service manual and video, and then follow up with an offer of an in-restaurant product trial. By utilising this process, the customer has some background on the product, and any significant questions or issues can be resolved before SRL enter the restaurant, increasing the effectiveness of personal sales calls.

6.2.2.2. Budget

To achieve SRL's stated objectives (see Section 9.1), SRL must secure a minimum of 100 customers for year one, 200 customers in year two, and 400 customers in year four. In order to allow reasonable margin for error and maximum chance of securing these customers, it is recommended to allow for a 25% hit rate. Therefore SRL must contact 400 potential customers in year one, 800 in year two, and 1600 in year three.

Each letter mailed out will cost \$0.984, consisting of \$0.594 for bulk postage (US Postal Service 2008), \$0.13 for a DL envelope (Robot Print 2008) and \$0.26 for an A4 letterhead (Robot Print 2008).

Therefore the amounts budgeted for this activity are:

- 2008/2009 – \$393.60 (400 mail outs at \$0.984 each)
- 2009/2010 - \$787.20 (800 mail outs at \$0.984 each)
- 2010/2011 - \$1574.40 (1600 mail outs at \$0.984 each)

6.2.2.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)
- Increase Web Site Usage (detailed in Section 9.5)

6.2.3. Newsletter

- **SRL produces a semi-quarterly electronic newsletter titled “Chef News”**

Designed and edited by Adelaide chef Ann Oliver.

- **Focuses on issues of interest to chefs**

Issues such as recipes, methods of reducing food cost, and new preparation techniques.

- **Emailed to a database of chefs, and published on SRL’s web site.**

This resource could also be of interest to high end consumers and connoisseurs, with its wine recommendations and chef profiles.

6.2.3.1. Recommendation

Therefore in order to increase readership and potentially increase web site traffic, this report recommends that SRL allow visitors to their web site to subscribe to the newsletter.

Subscription should be in the form of a small box on the front page which allows visitors to enter their email address with one click, minimising the amount of effort required on their behalf.

This report also recommends that as their readership increases, SRL should investigate offering advertising for complementary products in this newsletter to partially offset costs, possibly to wine companies exporting to the US.

It is also recommended that SRL investigate possible methods to lower the cost of the production of each issue, in order to produce more issues per year with the same budget. Asking chefs who contribute articles to contribute additional comments could reduce the current reliance on Ann Oliver in the creation of the newsletter and in turn reduce the cost of producing each issue.

6.2.3.2. Budget

At present each issue costs \$2,000 to produce (CR12 2008), therefore \$8,000 is budgeted for this activity. However in year two it is hoped six issues per year could be produced at a cost of approximately \$1,300 per issue, maintaining a total budget of \$8,000 for this activity.

6.2.3.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)
- Increase Web Site Usage (detailed in Section 9.5)

6.3. Public Relations

Public relations is the art of communicating with the public and managing the information communicated back and forth between a company and the public. The primary purpose of which is to use “the news or business press to carry positive stories about your company or your products; cultivating a good relationship with local press representatives” (Entrepreneur.com 2008). This is the main purpose SRL can use public relations for, communicating positive information about ASR and its customer base to the public in general. Public relations is generally low cost, and the exposure received through it is often far more valuable than any advertising. Three different sources of public relations have been identified for SRL to explore.

6.3.1. Spokesperson/Representative

- **Reputations are important in the SPFD market**

Use of a respected, high end chef as a spokesperson would help ASR build credibility in the marketplace. SRL have good relationships with high end, well known chefs such as Eric Ripert and Michael Cimarusti, and should approach them to assist in the development of ASR in the US.

- **Offer chefs a discount on their ASR supplies**

In return they will be required for some recipe development and positive words in promotions they take part in.

- **Particularly vital in the important Asian restaurant market**

Ethnicity plays a key role in this market. The recruitment of a well known, high profile Asian Chef, such as Nobu Matsuhisa, would assist in the development of this market.

6.3.1.1. Recommendation

We recommend that approaches be made to some of these key chefs, with the main incentive for their assistance being a discount on their supply of ASR of approximately \$1/kg, equivalent to the marketing levy on each kilogram of lobster traded. A secondary incentive for the chefs is the additional promotional exposure received through taking part in SRL’s public relations initiatives.

6.3.1.2. Budget

It is estimated that this activity will cost SRL approximately \$1,300 per chef, and that 2-3 chefs will be required. Therefore a total of \$3,900 is budgeted for this activity.

6.3.1.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)
- Increase Web Site Usage (detailed in Section 9.5)

6.3.2. Press

Media and press promotion of ASR and SRL is one low cost marketing tool that SRL currently make little use of in the US. Many of the activities SRL undertake in the US are newsworthy and by utilising this communication tool more effectively, they can receive additional promotion without adding significant cost.

Some of the subjects SRL could publish and distribute press releases regarding are:

- **Exporting live lobster to the US**

SRL's export program and initiatives are like few others in the world, and this can be used as a media angle for promotion. Further, the large size of ASR and the associated 'wow factor', and the Australian origin, could also create interest.

- **Current Customers**

SRL count as customers some of the finest restaurants and chefs in the US, and these names carry significant weight in the industry. Promotion of this to the media provides positive brand association for SRL and ASR, exposure for the restaurant and confirmation of the culinary capabilities of ASR to potential customers.

- **Future Customers**

As SRL gain more customers, this is another opportunity to promote their brand and associate themselves with their quality customers. The finest restaurants and chefs in the US utilising a relatively unknown lobster from Australia can be newsworthy, and every time a new customer puts SRL on their menu or tasting menu a release should be issued to the media.

6.3.2.1. Recommendation

We recommend that SRL release monthly press releases for distribution to the US SPFD media and premium general news publications, such as the New York Times. All releases issued must include a photo of the chef involved with a lobster or lobster dish, as the inclusion of a photo in media with the release increases the impact it has and the likelihood of it being published and read (Duncan 2005).

6.3.2.2. Budget

If SRL conduct this activity in house, as they are currently, the cost of this activity is negligible. However should SRL choose to engage an external PR firm to conduct this activity on their behalf, the initial release will cost \$700, due to the development of the media distribution list, with every subsequent release costing \$400 to develop and distribute (Porter Novelli 2008).

6.3.2.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)
- Increase Web Site Usage (detailed in Section 9.5)

6.3.3. Product Placement

- **Strong way to develop positive awareness of ASR and develop brand associations.**
SRL should use product placement in association with other strategies, such as their spokespeople, to associate their brand with the best the food industry have to offer. Avenues for product placement, such as cooking shows hosted by SPFD chefs, premium food magazines, and demonstrations at trade shows are all highly targeted towards the primary audience, increasing their appeal. Product placement in premium food magazines also allows SRL to promote their major educational messages to their targeted audience.

6.3.3.1. Recommendation

We recommend that SRL conduct more research into the cost of product placement in publications they advertise in, such as Food Arts and Art Culinaire. They are more likely to be able to place product in publications they already advertise in, and are likely to receive a discounted rate if booking other advertising placements. If the cost is limited to the lobster, it is recommended that SRL supply the required lobster for the purposes of product placement.

6.3.3.2. Budget

No budget has been developed for this activity, since this is an activity SRL must investigate further as their relationships develop with the publications they advertise in, and decide after investigation whether this is a cost effective activity.

6.3.3.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)
- Increase Web Site Usage (detailed in Section 9.5)

6.4. Sales Promotion

Sales promotion can be used in a number of different ways to achieve a number of different outcomes. It attracts attention to ASR, provides new customers with incentive to make an initial purchase, and provides existing customers with incentive to repeat buy.

6.4.1. Loyalty Promotions

- **Loyalty programs are typically a useful tool in retaining customers and encouraging them to increase their spend (Dwyer & Tanner 2002).**

SRL currently offer restaurants the chance to send one employee on an all expenses paid trip to Australia, valued at \$8,000, if volume targets are met; however current feedback from customers is that these volume targets are unrealistic (CR10 2008). For a trip to Australia, SRL require restaurants to purchase 17,000 pounds of lobster in one financial year, or 327 pounds per week. Le Bernardin, one of SRL's best customers, currently purchases approximately 55 pounds per week (CR10 2008).

- **It is evident that few independent restaurants would reach current targets.**

These targets are perhaps more realistic for restaurant chains of five or more restaurants. These volumes are however required in order to cover the costs of the trip.

6.4.1.1. *Recommendation*

We recommend that existing loyalty programs be discontinued, as customers may have concerns that high cost rewards and associated rebates are adding cost to the product for the restaurant, creating a negative perception of the value of the product (Fletcher & Brown 2005). A new rewards program should be developed, with desired rewards and achievable goals for restaurants. Possible rewards include:

- Every 100th lobster purchased is free,
- Free dinner at an SPFD restaurant for the wait staff who sells the most lobster in their restaurant, with a minimum of 500 pounds required.

Customers should be able to claim recommendation discounts or rewards, but it is not cost effective to allow customers to receive both.

6.4.1.2. Budget

The possible rewards listed are designed to cost no more than \$1/kg, the amount SRL retain for marketing activities. It is estimated only a quarter of SRL's customers not participating in the recommendation promotions detailed in Section 6.4.2 will take part in this activity.

Therefore if fifty tonnes of lobster is traded in year one, the total cost of this scheme is \$12,500 in year one, rising to \$50,000 in year three if 200 tonnes of lobster are traded.

6.4.1.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Volumes of ASR Traded in the US Market (detailed in Section 9.1)
- Increase Repeat Purchase Rates (detailed in Section 9.4)

6.4.2. Recommendation Promotions

- **Personal recommendation carries a lot of weight in the decision making process.**

An incentive scheme for chefs to recommend ASR to their friends could assist in increasing the uptake of ASR in the market. An incentive scheme whereby a restaurant receives a discount of \$0.25/kg on their lobster for each restaurant they recommend who names the referrer and buys a minimum of twice, up to a maximum of \$1/kg, could potentially provide them with considerable savings over the course of a year. Restaurants should only receive discount for each referral for a maximum of one year.

- **This promotion could also assist SRL in developing the chains market.**

It could be used to entice individual restaurants in a chain to recommend ASR to the group.

- **Uptake is likely to be limited to a quarter of SRL's customer base.**

New customers would have to find their own referrals to secure a discount.

6.4.2.1. Recommendation

We recommend a trial of an incentive scheme for chef recommendations in market to determine the long term viability of such a scheme.

6.4.2.2. Budget

If fifty tonnes of lobster is traded in year one, and uptake is limited to a quarter of SRL's customer base, the total cost of this scheme is \$12,500 in year one, rising to \$50,000 in year three if 200 tonnes of lobster are traded.

6.4.2.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Volumes of ASR Traded in the US Market (detailed in Section 9.1)
- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)

6.4.3. In Restaurant Promotions

Primary market research identified two in restaurant promotional tools SRL can take advantage of:

- Daily Specials
- Wait Staff Recommendations

While primary research identified the origin and wild caught nature of ASR as being two points of difference customers would use on their menu, being wild caught is not a point of difference as all lobsters are wild caught. Therefore the origin and Clean Green nature of ASR are the two key points of difference which should be communicated to consumers through the menu, specials, and the wait staff.

6.4.3.1. Recommendation

We recommend SRL work with their customers to assist them in communicating to consumers through menus, specials and wait staff. This should be completed through:

- Guidelines for customers on how best to present ASR on a menu, for example as "Clean Green Australian Southern Rocklobster".
- Supplying customers with recipes and costs for meals which can be sold as specials.
- SRL staff assisting customers to educate wait staff, including supplying tasting notes.

6.4.3.2. Budget

This activity only requires time from SRL staff to prepare tasting notes and work with customers, and as such no money has been budgeted.

6.4.3.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Repeat Purchase Rates (detailed in Section 9.4)

6.5. Personal Selling

It has been identified through primary research that personal selling is one of the best ways to communicate with SPFD chefs in the US market, as other forms of communication don't sufficiently engage the chef. Further, the personal approach to the chefs helps to build relationships.

6.5.1. Resources

- **SRL currently have insufficient human resources in the market to make effective use of personal selling.**

This is primarily due to budget constraints.

- **It is vital to the success of the US market development to increase the human resources available.**

These new people should target specific cities and building relationships in these cities in order to develop one market before focusing on another.

- **Incentives are required**

Commissions and other incentives are required for staff (CR10 2008).

6.5.1.1. Recommendation

We recommend that SRL explore options to increase their human resources in market, as more human resources will allow better results in the market. We also recommend that human resources be offered incentives as part of their remuneration packages.

6.5.1.2. Budget

It is estimated that it will cost \$100,000 per year for each additional employee in market, including salary, accommodation, air fares, car rental, incentives and other costs. At a minimum two additional personnel are recommended at a cost of \$200,000 per year.

6.5.1.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Volumes of ASR Traded in the US Market (detailed in Section 9.1)
- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)

6.5.2. Personal Communication

With personal selling such an important tool in selling to this market,

- **It is important that SRL maintain excellent personal communication with all past, current and potential clients.**

The development and use of a Customer Relationship Management (CRM) system will assist in these efforts. Follow up phone calls after initial phone calls, tastings, and first orders will assist in building the customer relationship. Continual communication in the form of check-up emails and phone calls approximately once every month will assist in keeping the lines of communication open and building customer loyalty.

6.5.2.1. Recommendation

We recommend that SRL invests in the development of an integrated interview and CRM system and continual follow up phone calls to customers.

6.5.2.2. Budget

Cost of continual follow up phone calls to customers is approximately \$1,500 per year depending on volume (Telstra 2008).

6.5.2.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Repeat Purchase Rates (detailed in Section 9.4)

6.6. Experiential Contact

Experiential contact involves potential customers experiencing ASR. This could be through seeing it or tasting it. Two avenues for experiential contact have been identified: trade shows and tastings.

6.6.1. Trade Shows

Trade shows offer the opportunity to show ASR to potential buyers and demonstrate its various uses and benefits without needing to make individual sales calls. It is estimated that a visitor to a trade show stand costs \$125, compared to \$300 for a sales call, making this a useful and cost effective activity (Fletcher & Brown 2005). Further, research shows that of trade show participants, majority do not attend to make purchases at the show, rather the main reasons for attending were to discover new products, contact potential suppliers and get new ideas (Fletcher & Brown 2005).

6.6.1.1. *StarChefs International Chefs Congress*

- **An annual symposium attended by some of the world's best chefs.**

Previous host or presenting chefs including David Bourke, Daniel Bouloud, and Joël Robuchon.

- **A Chef Products Fair is also held displaying fine produce and equipment.**

The emphasis with the congress and fair is on quality produce.

- **Many of those in attendance, including the host and presenting chefs, are involved in the SPFD market segment.**

This makes the congress and fair excellent opportunities to approach the desired target chefs, and also to promote ASR through product placement with SRL spokespeople chefs who could be presenting or hosting.

6.6.1.1.1. *Recommendation*

We recommend SRL attend StarChefs International Chefs Congress, and partner with some presenting chefs in order to best promote SRL to SPFD chefs.

6.6.1.1.2. *Budget*

For this activity a total of \$6,000 has been budgeted, including two industry passes for StarChefs, and the cost of attendance of two Australian-based staff (CR9 2008).

6.6.1.1.3. *Outcomes*

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Web Site Usage (detailed in Section 9.5)

6.6.1.2. ***National Restaurant Association Show***

- **An annual trade show held in Chicago.**

Attended by a variety of people from every segment of the restaurant industry. In 2007, it attracted 74,000 industry figures, and the NRA claim to have had 186 of the top 200 US restaurant chains in attendance.

- **Despite being highly attended by industry figures, it is not specifically targeted at SPFD restaurants.**

- **Austrade have a presence at this show**

Includes a 2000 square foot “Australian National Pavilion” and they also offer assistance in stand design, construction, and making the most out of the show. Cost of this service is \$AUD8,400 including Austrade consulting fees (Austrade 2008). SRL have previously received assistance from Austrade to subsidise this cost (CR9 2008).

6.6.1.2.1. *Recommendation*

We recommend SRL have an annual presence at the NRA show, and utilise direct mail and other communication tools to promote this presence.

6.6.1.2.2. *Budget*

The recommended budget for attendance at the NRA show is \$13,000, including costs for the display, Austrade consulting fees and the cost of attendance of two Australian-based staff.

6.6.1.2.3. *Outcomes*

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)
- Increase Web Site Usage (detailed in section 9.5)

6.6.2. Product Tastings

6.6.2.1. Asian Tastings

- **Asian chefs are an important step in developing a presence in the Asian restaurant market.**

Asian restaurant market is in growth (see Appendix 4).

- **Work has been conducted already by SRL in conjunction with International Marine Products (see Appendix 1) in this area.**

It is clear that key to attracting target customers to these tastings is attracting a well known Asian chef to conduct the evening, such as Nobu Matsuhisa.

6.6.2.1.1. Recommendation

We recommend that SRL further develop this concept, and conduct talks with Asian chefs of the profile of Nobu Matsuhisa to determine what incentives could be offered in return for their assistance, including discounts on ASR.

6.6.2.1.2. Budget

Past trials of similar tastings have cost SRL an average of \$5,000 (CR10 2008). Therefore \$5,000 is budgeted for a trial of one tasting in year one. It is recommended that depending on results from year one, one tasting be planned for year two at a cost of \$5,000 and two for year three, at a cost of \$10,000. The invitees for these tastings should be the top chefs of the Asian restaurant market.

6.6.2.1.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)

6.6.2.2. Late Night Tastings

- **It is not always possible to attract chefs to a product tasting.**

Particularly during the day, as there are many demands on their time.

- **While in market it was observed that many chefs liked to gather at local bars after work to unwind.**

This could present an opportunity to invite chefs to late night tastings and demonstrations of ASR at a local bar, fitting in better with their availability.

- **Key media representatives should also be invited, in order to increase awareness of ASR in the media.**

6.6.2.2.1. Recommendation

We recommend that SRL conduct more research into the appeal of such a concept, and consider conducting one or more tastings as a trial.

6.6.2.2.2. Budget

Cost of such a trial, away from an SPFD restaurant in a more relaxed setting, is likely to be considerably less than those tastings budgeted in Section 6.6.2.1. A total of \$2,500 is budgeted for each tasting. It is recommended one be conducted in year one, with any future tastings conducted depending on the results of the first.

6.6.2.2.3. Outcomes

The following outcomes are expected to be met through this activity:

- Increase Awareness of ASR in the US Market (detailed in Section 9.2)
- Increase Market Penetration (detailed in Section 9.3)

7. Budget Considerations

SRL currently dedicates \$1 from every kilogram of lobster sold in the US for marketing. If 50 tonnes of lobster per year is traded, which is the objective for 2008/2009, their available marketing budget is \$50,000. If this rises to 200 tonnes of lobster per year, as is the objective for 2010/2011, their available marketing budget is \$200,000.

Certain communication activities, including trade shows and development of some educational resources, such as the food service manual, are not included in the marketing budget (CR9 2008). These are included in the budget for FRDC project 2006/216 for the development of effective market penetration strategies for ASR in the US, Middle East & Europe, and are paid for through government funding.

Items identified to be budgeted under FRDC project 2006/216 include:

- **Trade Shows**

StarChefs International Chefs Congress - \$6,000 per year each year

NRA Restaurant Show - \$13,000 per year each year

- **Educational Resources**

Chef News - \$8,000 per year each year

Cookbooks - \$40,000 in year one and three

- **Lobsters Used For Development**

These are currently budgeted for as "Research Lobsters" – 375kg @ \$65 per kg - \$24,375

Totals to be budgeted each year as part of FRDC project 2006/216 are:

- 2008/2009 - \$91,375
- 2009/2010 - \$51,375
- 2010/2011 - \$91,375

7.1. Financial Year 2008/2009

Budget: \$50,000

Table 1 Budgeted Marketing Activities for Financial Year 2008/2009

Activity	Budget
Print Advertising	
Art Culinaire	\$11,920
Internet	
Web Site Development	\$3,030
Search Engine Optimisation	\$500
Multimedia	
Video Filming & Production	\$8,000
DVD Duplication	\$1,800
Direct Marketing	
CRM System	\$3,300
Direct Mail	\$400
Public Relations	
Spokespeople & Representatives	\$3,900
Sales Promotion	
Loyalty Promotions	\$12,500
Recommendation Promotions	\$12,500
Personal Selling	
Resources	\$200,000
Personal Communication	\$1,500
Experiential Contact	
Asian Tastings	\$5,000
Late Night Tastings	\$2,500
Total	\$266,850

7.2. Financial Year 2009/2010

Budget: \$100,000

Table 2 Budgeted Activities for Financial Year 2009/2010

Activity	Budget
Print Advertising	
Art Culinaire	\$11,920
Food Arts	\$14,730
Internet	
Search Engine Optimisation	\$500
Multimedia	
DVD Duplication	\$3,600
Direct Marketing	
Direct Mail	\$800
Public Relations	
Spokespeople & Representatives	\$3,900
Sales Promotion	
Loyalty Promotions	\$25,000
Recommendation Promotions	\$25,000
Personal Selling	
Resources	\$400,000
Personal Communication	\$3,000
Experiential Contact	
Asian Tastings	\$5,000
Late Night Tastings	\$5,000
Total	\$498,450

7.3. Financial Year 2010/2011

Budget: \$200,000

Table 3 Budgeted Activities for Financial Year 2010/2011

Activity	Budget
Print Advertising	
Art Culinaire	\$11,920
Food Arts	\$36,825
Internet	
Web Site Development	\$3,030
Search Engine Optimisation	\$500
Multimedia	
DVD Duplication	\$7,200
Direct Marketing	
Direct Mail	\$1,600
Public Relations	
Spokespeople & Representatives	\$3,900
Sales Promotion	
Loyalty Promotions	\$50,000
Recommendation Promotions	\$50,000
Personal Selling	
Resources	\$600,000
Personal Communication	\$6,000
Experiential Contact	
Asian Tastings	\$10,000
Late Night Tastings	\$10,000
Total	\$790,975

8. Campaign Issues/Limitations

8.1. Budget

SRL are limited in their budget for advertising and marketing activities by the volume of ASR they trade in the US. With their marketing budget directly connected to the volume of ASR traded, as they trade more, they will have more funds for marketing activities. However some of these activities are important in order to increase the volume of ASR traded to levels that can support larger budgets. To trade more ASR in the US, SRL require a larger budget. A larger budget is only available to SRL as they trade more ASR. Therefore key activities have been scheduled later than desired in order to take advantage of higher budgets later, and fit into small, earlier budgets.

8.2. Customer Focused

There is some evidence to suggest that a push-pull strategy would be ideal for SRL, with promotion targeted at consumers who then create demand in the restaurant for ASR. However this campaign is focused on the customer, as no research was able to be undertaken into the effects of consumers in the decision making process, or which media they are most sensitive to. Further research must be conducted into the consumers, and in particular how to educate them on the benefits of ASR to justify the higher price on restaurant menus, identified as an issue by one chef when interviewed (see Appendix 6).

9. Key Outcomes

Key outcomes of this communication plan are developed to address key aspects of the research problem and issues discovered during the course of market research.

9.1. Increase Volumes of ASR Traded in the US Market

This objective is to increase the volume of ASR traded in the US market from 7 tonnes, the estimated result for financial year 2007/2008 to 200 tonnes, the target for financial year 2010/2011 (Figure 3). This can be measured through trade data and financial statements. It is likely to be met as a result of meeting other objectives.

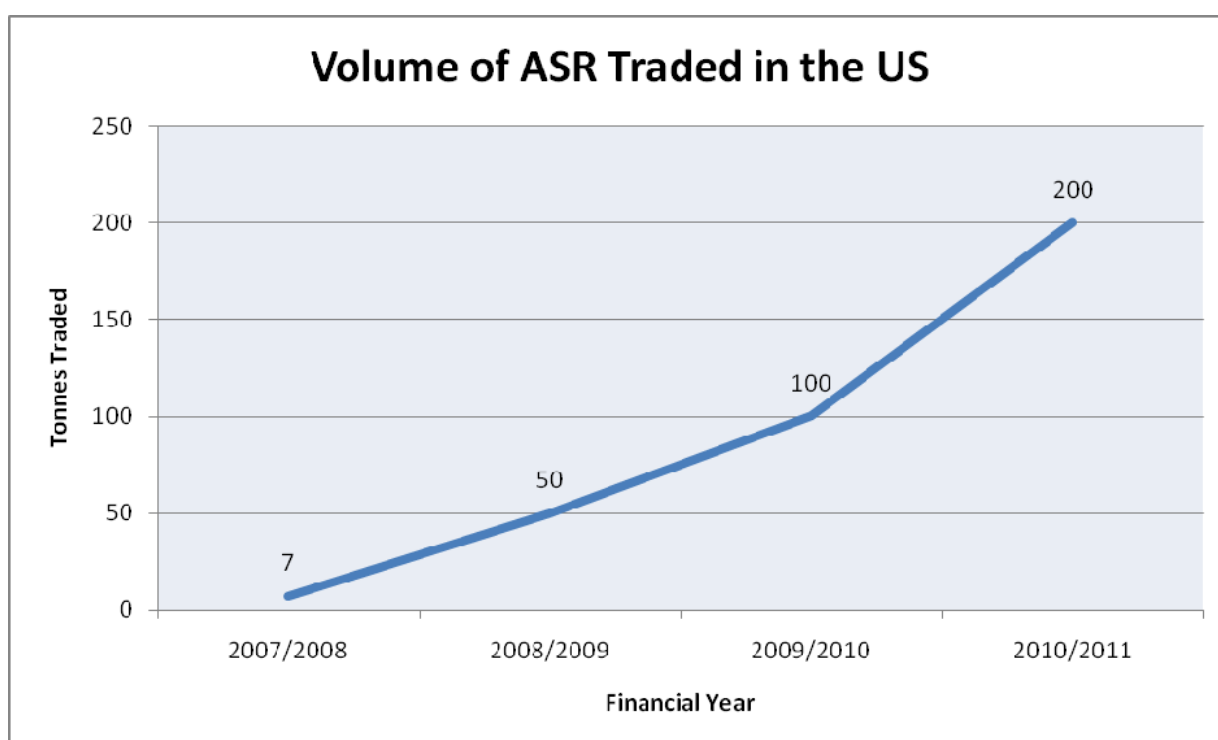


Figure 3 ASR Export Volume Targets to US 2007 - 2011

9.2. Increase Awareness of ASR in the US Market

Table 4 Target Awareness of ASR among US SPFD Chefs & Purchasers

Year	2007/2008	2008/2009	2009/2010	2010/2011
Awareness	64%	67%	70%	73%

In developing the market with a relatively unknown product, an objective is to increase awareness of ASR among US SPFD chefs and decision makers. Initial awareness was measured through a number of phone surveys in March 2008 by asking respondents if they were aware of ASR (see Appendix 6), and shorter phone surveys designed to measure

awareness could be conducted once per year to measure the increase in awareness, with sales leads being a potential flow on effect of this.

9.3. Increase Market Penetration

Table 5 Market Penetration Targets

Year	2007/2008	2008/2009	2009/2010	2010/2011
Customers	3%	6%	12.5%	25%

A key objective of the communication plan is to increase SRL’s penetration of the US market. This can be measured by the number of customers SRL have sold to, and can be determined monthly and at the conclusion of the financial year.

9.4. Increase Repeat Purchase Rates

Table 6 Targeted Repeat Purchase Rates

Year	2007/2008	2008/2009	2009/2010	2010/2011
Repeat Purchase Rate	59%	62%	67%	73%

Another key objective of the communication plan is to increase the repeat purchase rates of SRL’s existing customers. They currently have a significant number of customers who have purchased only once, and increasing their purchase rates will assist in increasing the volume of ASR traded. This can be measured through analysis of SRL’s invoice records.

9.5. Increase Web Site Usage

One possible measure of the effectiveness of the overall communication is an increase in the usage of SRL’s web site, as the web site is part of the overall strategy and the address will be on all communication tools. An increase in the usage of SRL’s web site is unlikely to be significant until the changes recommended by this report have been made. All of these statistics on web site usage are measured using Google Analytics, which is a free statistics package SRL have installed on their web site.

9.5.1. Increase Web Site Visits

Table 7 Target Web Site Visits per Month

Year	2007/2008	2008/2009	2009/2010	2010/2011
Web Site Visits Per Month	644	1000	2000	3000

An increase in the number of web site visits will indicate that people are either:

- Finding information about SRL and ASR through search engines such as Google, indicating an increase in awareness and interest;
- Being exposed to SRL's marketing and communication tools, and being interested enough to visit the web site to get more information.

Both of these indicate that the campaign is having some level of success.

9.5.2. Decrease Web Site Bounce Rate

Table 8 Target Web Site Bounce Rates

Year	2007/2008	2008/2009	2009/2010	2010/2011
Bounce Rate (%)	51.75	45	42	40

Bounce rate is a measure of the number of visitors who leave a web site having viewed just one page (see Section 6.1.2). A decrease in the bounce rate of SRL's web site will indicate that:

- Visitors find the new design more appealing,
- Visitors gain interest from other communication tools to explore more of the site,
- Revised content on the site is considered more relevant and interesting, or
- Visitors are signing up to Chef News when they visit the site.

A continual decrease in the bounce rate is desired, however it is unlikely SRL's bounce rate will fall below 30% as this is extremely difficult, particularly for a static site such as SRL's.

10. Media Schedule

10.1. Year One: 2008/2009

Table 9 Media Schedule for Year One

Activity	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09
<i>Print</i>												
Art Culinaire												
Food Arts												
Cookbooks												
<i>Internet</i>												
Web Site Development												
Search Engine Optimisation												
<i>Multimedia</i>												
Video Filming & Production												
DVD Duplication												
<i>Direct Marketing</i>												
CRM System												
Database Refinement												
Direct Mail												
Newsletter												
<i>Public Relations</i>												
Spokespeople & Representatives												
Press												
Product Placement												
<i>Sales Promotion</i>												
Loyalty Promotions												
Recommendation Promotions												
In Restaurant Promotions												
<i>Personal Selling</i>												
Resources												
Personal Communication												
<i>Experiential Contact</i>												
StarChefs International Chefs Congress												
National Restaurant Association Show												
Asian Tastings												
Late Night Tastings												

10.2. Year Two: 2009/2010

Table 10 Media Schedule Year Two

Activity	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
<i>Print</i>												
Art Culinaire												
Food Arts												
Cookbooks												
<i>Internet</i>												
Web Site Development												
Search Engine Optimisation												
<i>Multimedia</i>												
Video Filming & Production												
DVD Duplication												
<i>Direct Marketing</i>												
CRM System												
Database Refinement												
Direct Mail												
Newsletter												
<i>Public Relations</i>												
Spokespeople & Representatives												
Press												
Product Placement												
<i>Sales Promotion</i>												
Loyalty Promotions												
Recommendation Promotions												
In Restaurant Promotions												
<i>Personal Selling</i>												
Resources												
Personal Communication												
<i>Experiential Contact</i>												
StarChefs International Chefs Congress												
National Restaurant Association Show												
Asian Tastings												
Late Night Tastings												

10.3. Year Three: 2009/2010

Table 11 Media Schedule Year Three

Activity	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11
<i>Print</i>												
Art Culinaire												
Food Arts												
Cookbooks												
<i>Internet</i>												
Web Site Development												
Search Engine Optimisation												
<i>Multimedia</i>												
Video Filming & Production												
DVD Duplication												
<i>Direct Marketing</i>												
CRM System												
Database Refinement												
Direct Mail												
Newsletter												
<i>Public Relations</i>												
Spokespeople & Representatives												
Press												
Product Placement												
<i>Sales Promotion</i>												
Loyalty Promotions												
Recommendation Promotions												
In Restaurant Promotions												
<i>Personal Selling</i>												
Resources												
Personal Communication												
<i>Experiential Contact</i>												
StarChefs International Chefs Congress												
National Restaurant Association Show												
Asian Tastings												
Late Night Tastings												

11. Other Considered Media

11.1. Not Recommended

11.1.1. Print

11.1.1.1. *Qantas – The Australian Way*

- Distributed throughout Qantas aircraft worldwide.
- Consists of consumer demographic desired by SRL
- Most of its readership are wealthy (72% earn over \$60000), professional (65% are professionals or managers) men (63% of readers are male) aged 35-49 (40% of readers) (ACP Magazines Ltd. 2008.2).
- At \$17,200 per full page colour placement, it is cost prohibitive and therefore not recommended (ACP Magazines Ltd. 2008.1).

11.1.2. Internet

11.1.2.1. *MySpace*

- The world's most popular social networking site
Sixth most popular web site in the world (Alexa 2008).
- Most popular demographic is 35-54 year olds (ComScore 2006).
Still considered a web site for younger people.
- Popular with movie and music advertisers
Some food items, such as Wendy's Square Burger, have their own profiles.
- Few premium brands with a presence on MySpace
Believed to be because users "use MySpace for socializing, not buying" (Marketing Profs LLC 2006).
- Time consuming and difficult to connect to relevant people.
While it is free to join MySpace and setup your profile, research indicates that with 70 million profiles on MySpace, it takes time to connect to relevant users. The cost of this time makes it difficult to recommend promotion with MySpace, since there is little evidence of its appeal to high end consumers.

11.2. Potential Future Activities

All of these activities could potentially be used by SRL at a later date, but at the time this report was prepared were not considered either viable or priorities.

11.2.1. Social Networking Internet Sites

While MySpace, as a social networking site, was deemed to be inappropriate, there are other social networking sites which are more appropriate. Primarily they are free; therefore the only cost to SRL is employee labour. If SRL are willing to spend this time on these activities, they could gain value at a later date.

11.2.1.1. Facebook

- **Second most popular social networking site in the world.**
Eighth most popular site on the internet (Alexa 2008).
- **More direct and personal than MySpace.**
Designed originally as a way for college students to connect with their friends. Due to its networking nature, it is easier to connect to people and target them.
- **Allows ads which specifically target potential customers.**
Ads can be targeted by age, location, sex, education, workplace, university/school/college, relationship status and sexual preference.
- **More attractive demographic than MySpace**
58.4% of Facebook members are college educated and 34% work as professionals (Forrester Research 2007). While most Facebook members are unlikely to be interested in ASR at this point, they are likely to be the future targets.
- **As Facebook is free and less time consuming than MySpace, this option could be investigated further or experimented with in order to gauge interest.**
Paid advertisements are not recommended due to a lack of evidence of performance and value for money.

11.2.1.2. YouTube

- **Free video submission web site, third most visited site on the internet (Alexa 2008).**
Claims to have 71 million unique users each month.
- **In isolation is not an effective media tool for SRL.**
Could be used to publish videos which are already created, such as their Food Service video, and these could then be published on SRL's web site, saving them bandwidth costs.
- **If videos are already created, publishing them on YouTube doesn't add any cost, however can give the video a longer shelf life.**
Potential for more visitors to see videos, as well as making someone else responsible for the costs of providing the videos to visitors.

11.2.1.3. Eats.com

- **New social network for food lovers**
Developed by the publishers of Eats Magazine and launched April 1, 2008 (Eats Media 2008).
- **Primarily a restaurant information portal.**
Highly focused on restaurants and dishes they serve rather than ingredients. Most advertising options are also focused on restaurants.
- **SRL should investigate this option further.**
Consider partnering with an exclusive customer such as Le Bernardin to get their ASR dish featured on the site.

11.2.2. Internet Sales & eCommerce

As SRL's target audience is super premium fine dining restaurants, they currently do not offer ASR to the public. No chefs or purchase decision makers interviewed in market expressed an interest in ordering their lobster on the internet; all said that they would prefer to phone SRL with their order (see Appendix 6). This is the reason why eCommerce is not recommended at this point, however if SRL decide to develop a new strategy direct to consumers in the future the two primary avenues for online sales identified should be reconsidered.

11.2.2.1. EBay

- **One of the largest and most famous on the internet.**

Ranked the 19th most popular web site on the internet (Alexa 2008).

- **Primarily an auction house.**

Where almost anything can be auctioned or sold, and includes a category “Meat, Poultry & Seafood”.

- **Low cost exercise.**

Primarily focused on consumer sales, which has already identified as being at odds with SRL’s target customer focus. It is for this reason that eBay sales are not recommended.

11.2.2.2. ECommerce

- **Adding eCommerce functionality to SRL’s web site would not be cost prohibitive.**

However it conflicts with their set objectives and target audience.

- **It is recommended SRL partner with customers**

Provide consumers of a list of restaurants they can purchase ASR from, in the form of a “Where to Buy” page.

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School of Marketing
International Marketing Planning Project



Southern Rocklobster Limited Marketing Plan for Australian Southern Rocklobster

Prepared For
Roger Edwards
Executive Officer

Supervised By
Dr Hervé Remaud

June 2008

Prepared By
Bryony Jardine
Ph: 0417 001 862
Email: jarbi001@students.unisa.edu.au

Ryan Jones
Ph: 0410 131 658
Email: jonesy@ryanjones.com.au

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Abbreviations

ASR: Australian Southern Rocklobster

MSC: Marine Stewardship Council

R&D: Research and Development

SPFD: Super Premium Fine Dining

SRL: Southern Rocklobster Limited

SWOT: Strengths, Weaknesses, Opportunities and Threats

1. Introduction

Southern Rocklobster Limited (SRL) is an Australian company whole-owned by the Australian Southern Rocklobster (ASR) fishers. The organisation is managed by a specialist team from Corvel Marketing and Management, a management consultancy firm based in Adelaide. Following extensive industry-funded research, SRL began exporting live ASR to the US market in 2007, utilising their 'fisher direct' supply chain model where the organisation manages the complete process. SRL are currently developing this market to increase the amount of volume traded.

The key adversities faced by SRL in the development of this market are:

- Lack of awareness of ASR in a market where US and Canadian lobsters have an estimated 80% market share;
- Lack of volume of ASR traded in the market;
- Difficulty in contacting, meeting with, and obtaining information from potential and current customers.

The purpose of this report is to identify the major factors impeding the progress of the organisations US market development program, and to determine marketing mix activities for addressing these issues.

Primary research was conducted in the form of 168 telephone surveys and 24 in-depth interviews with SPFD chefs from SRL's database of potential customers. In addition, surveys were conducted with 31 of the organisations existing customers. This research provided valuable qualitative and quantitative data. Contact was also made with a number of people with involvement in the industry in order to gain a holistic understanding of the industry.

Primary research was conducted in order to meet five research objectives.

- Objective 1 Determine characteristics of the decision making process; including identification of decision makers.
- Objective 2 Identify customer product and purchasing requirements; this will also identify use of competitive brands.
- Objective 3 Identify current communication strategies and media usage within the target market.
- Objective 4 Identify current awareness levels and perceptions of ASR and SRL within the target market.
- Objective 5 Determine customers' potential to utilise the product.

Quantitative research methods were utilised to describe and quantify specific characteristics of the target market, while qualitative methods were used to expand on quantitative research and further investigate responses.

This marketing plan includes key findings discovered through various analyses of the organisation, the product, current and potential customers, and the external environment. These analyses were conducted utilising both secondary research and the results of primary research.

From these analyses, the current internal strengths and weaknesses of the organisation and its product have been identified as well as the the opportunities and threats present in the US market.

Based on this SWOT analysis a number of recommendations are made for the organisation and their marketing mix activities. Marketing communications mix recommendations are expanded upon in the accompanying Communication Plan. Evidence in support of these recommendations is provided in the six appendices.

2. The Organisation and the Product

The analysis in Appendix 1 determined organisation and product strengths that can be used to maximise market opportunities. Organisation and product weaknesses that require improvement were also identified.

2.1. The Organisation

SRL is the national peak body for the ASR Industry and is owned by the industry's fishers.

2.1.1. Key Competitive Capability

The key competitive capability of the organisation is their ability to guarantee customers a premium quality product on every purchase occasion.

2.1.2. Current US Market Position

The organisation is a new entrant in the market and has exported approximately 6.9 tonnes of product to the US. SRL is estimated to have less than 1% of market share. There is risk of the organisation not achieving their objective of sales of 10 tonne by June 2008.

2.1.3. US Sales Process

The sales process involving SRL employees is the most effective of the three current methods of personal selling. However this sales process is adversely affected by a lack of human resources. Employees of Santa Monica Seafood Company and International Marine Products, two distributors for SRL, have not proven to increase sales of ASR and development of the market.

2.1.4. Communication Tools and Penetration Strategies

Impact and effectiveness of a number of these activities is difficult to measure and assess. Importantly, these activities are awareness and relationship building, as well as educational activities, necessary for a new market entrant to engage in. The accompanying Communication Plan provides recommendations for improvement.

2.1.5. Key Organisation Strengths and Limitations

Table 1 Key Organisation Strengths and Limitations

Organisation Strengths and Capabilities	Organisation Weaknesses and Limitations
Clean Green certification program	Limited human resources, particularly within the US
Level of funding for research and development across all investment platforms	Limited marketing-mix funding
Industry sustainability	Limited, unreliable and inefficient use of informational systems
Cooperative supply chain partner relationships	The organisations market and societal orientations toward the marketplace are hindered by application of the selling concept

Importantly, although the Clean Green program is a strength for the organisation, limitations were identified that could lead to a lack of adequate supply if demand increased greatly.

2.2. The Product

The Australian Southern Rocklobster, *Jasus Edwardsii*, is native to the coastal waters of Southern Australia. These lobsters range in colour from orange-red to reddish purple, with those found in deep water generally lighter in colour.



Figure 1 Australian Southern Rocklobster

2.2.1. Major Benefit Delivered

The major benefit delivered to customers by the product is the level of quality provided.

2.2.2. Positioning

SRL position ASR as a premium product: *'Australian Southern Rocklobster – the finest in the world'*.

2.2.3. Customer Product Perceptions

The potential market has very positive perceptions of this premium product. Potential customers rated their experience using ASR as 'excellent' in the majority of cases. In addition, customers rated all sections and all attributes of ASR as either 'better' or 'much better' than other lobsters consumed.

2.2.4. Key Product Strengths and Weaknesses

Strengths and weaknesses of ASR outlined below (Table 2) show the product has only one identified weakness. Further, limited survival time out the water is a weakness shared by all competitors supplying whole, live lobster to the market.

Table 2 Key Product Strengths and Limitations

Product Strengths and Attributes	Product Weaknesses and Limitations
Premium level of quality	Limited survival time out of the water
Culinary capabilities	
Extremely high meat yield	
Produces high margin per plate	
Limited seasonality constraints	
Volume of catch is constrained by quota, making this a rare product	

In addition to the strengths presented above, key tangible and intangible features of ASR include:

- Sweet taste
- Firm texture, delicate white flesh
- No melanosis
- Stable price
- Traceable
- Clean and Green

3. The Industry and the Market

This section is a summary of the analysis conducted in Appendix 2, and provides information on the current state of the market and industry SRL operate in.

3.1. Industry Forces and Practices

Forces and practices of the lobster industry are summarised in Figure 2.

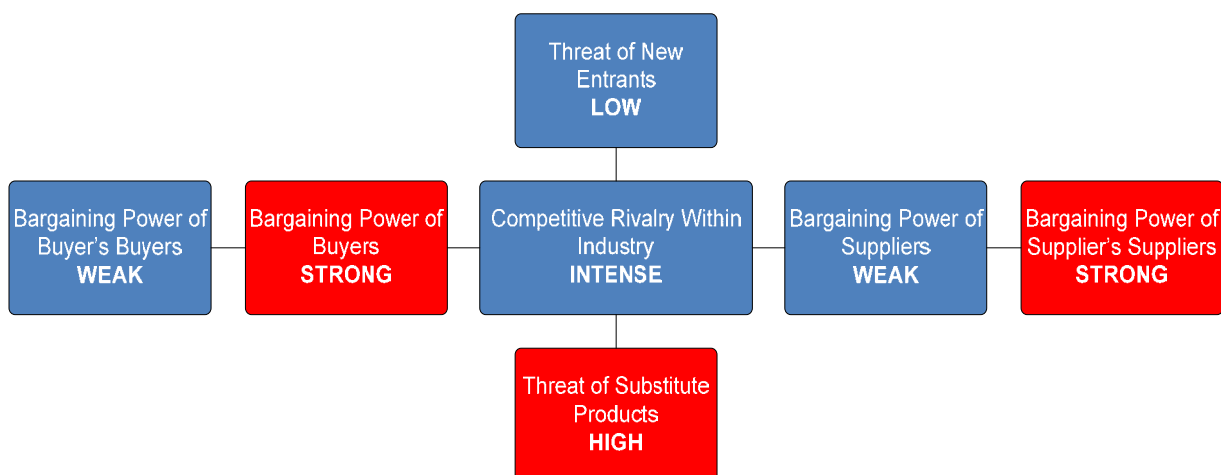


Figure 2 Industry Forces Based on Porter's 5 Forces Model

The bargaining power in the industry is held by two key groups:

- **Buyers** – SPFD restaurants have strong bargaining power due to the ease of switching suppliers.
- **Supplier's Suppliers** – Fishers have the power to choose whether or not lobster enters the supply chain, and how it does, therefore their bargaining power is extremely strong.

In addition, the threat of substitute products is high, however can be reduced through education on how these substitutes can be utilised as compliments.

3.2. Industry Life Cycle

There is no strict industry life cycle for the lobster industry. Production is always constrained by quota or input controls, while demand is continually increasing and a significant decrease in demand in the foreseeable future is unlikely. However there is some evidence to suggest that lifecycles impact on the various forms of lobster available, such as live or frozen. Both fresh and frozen forms over the past 15 years have been experiencing strong growth, despite a reduction in US lobster imports from 2002 onwards. These findings imply the US market for lobster is attractive to enter.

3.3. The Market

The target market for ASR exports is the United States of America Super Premium Fine Dining segment. This segment contains the top 5% of the Premium Fine Dining market and currently consists of approximately 2000 restaurants. The market is located in the United States of America, in North America. Santa Monica Seafood Company, SRL's importer and distributor in the US, is located on the west coast in Los Angeles, California. Los Angeles is approximately 14 hours flight from Melbourne where SRL's Australian exporter is located.

3.4. Market Sensitivities

There are five key market sensitivities in this market:

- Seasonality** – Lobsters are seasonal animals and therefore are not available to catch year round.
- 1. **Exchange Rate Fluctuations** – Exchange rate fluctuations are a key sensitivity for all lobster brands exported to the US, especially at present with a weak US dollar.
- 2. **Beach Price Fluctuations** – Extreme fluctuations in beach price make this a key sensitivity, particularly in periods when the beach price is high and supply is difficult to secure.
- 3. **Increases in Costs** – The weakening of the US dollar, and a strong oil price, has led to increases in a number of other costs, primarily transport costs.
- 4. **Reductions in Quota/ Stricter input controls**– Industry management practices are vital to ensuring the long term sustainability of the industry; however they can also reduce the amount of lobster available for sale.

3.5. Market Success Factors

Three key factors have been identified for success in this market. The first two factors are concerned with securing physical availability, the third is concerned with securing mental availability of ASR.

1. **Securing Supply** – With fishers able to supply to any distributor at any price, securing supply is key to success.
2. **Product Alliances** – Alliances will reduce the threat of substitutes, and potentially reduce the cost of market development through sharing resources.
3. **Education** – This factor is of particular importance to SRL due to many US chefs being unfamiliar with some of the ASR's unique features. However, education on methods to keep food costs down and the differences between lobster species is equally as important for competitors.

3.6. Marketing Practices

3.6.1. Product

There are a number of species of lobster used throughout the industry, and these species can vary with geographic location. Lobsters are available in a number of different forms, the most popular being whole live and frozen tails. ASR is the largest of the species and has the highest meat recovery. Therefore chefs familiar with utilising the smaller species need educating and assistance with the preparation of ASR in order to achieve maximum return.

3.6.2. Distribution

There are two primary methods of distribution present in the industry, the typical industry supply chain and SRL's Management Model. The industry supply chain has fewer overheads, faster payment turnaround times for fishers and competition for supply. These factors assist to keep costs throughout the chain down. Considering these findings, there are some improvements that could be made to SRL's Management Model, primarily through simplification. The structure of the typical industry supply chain, however, makes consistent quality and supply difficult to guarantee; lobsters are not traceable; and fishers lose control of the brand.

3.6.3. Pricing

Pricing is typically determined by the beach price of lobster on the day it was purchased on the wharves. Due to the fluctuating nature of this price, the sale price to restaurants typically varies between \$US7 and \$US29.50 per pound. ASR is one of the most expensive lobsters in the US market.

3.6.4. Promotion

The majority of current in-market promotion is targeted at consumers as a result of many competitors supplying at a retail level. Current in-market promotion and communication consists of:

- **Direct Selling** – This activity is an attempt at forward integration, with fishers and distributors selling lobster direct through their own web sites.
- **Chef Incentive Schemes** – Competitions such as “Chef of the Year”, and direct to chef communication, target chefs directly.
- **Certification Scheme** – Programs including “Clean Green”, “Certified Maine Lobster” and “MSC Certified” attempt to build brand awareness and take advantage of trends towards sustainability.
- **Web Sites** – Most industry promotion bodies have their own web site with a range of information for users of lobster; though these websites generally do have facilities that enable direct purchasing.
- **Festivals** – The Maine Lobster Promotion Council conducts an annual festival target at consumers to promote their lobster.
- **Trade Shows** – Most promotion councils and distributors attend trade shows such as StarChefs and the National Restaurant Association’s NRA Show.
- **Print Media** – Industry print media is a combination of advertisement placement in speciality publications and production of specialised newsletters.

4. The Competitive Environment

The analysis in Appendix 3 identified the main bases of competition within the target market, the key competitors and their capabilities, and major trends within the competitive environment.

4.1. How Companies Compete

Lobster brands within the target market compete primarily on two bases of competition – price and quality.

Research revealed the most important factor for customers when purchasing seafood/ lobster for their menu is price. Quality was determined to be the second most important factor in the customer decision making process.

4.2. Key Competitors and Their Capabilities

ASR's key competitors in the target market are; American, Canadian, Floridian, North Australian/ PNG and Western Australian.

The American and Canadian Lobsters are key competitors primarily due to brand size and strength. Florida Spiny Lobsters are included in the key competitive set as they are the largest domestic brand of spiny lobster in the US and are sold to target customers whole, live. The North Australian/ PNG and Western Lobsters are key competitors due primarily to the fact that being 'Australian' causes customers to confuse these brands with ASR.

4.2.1. Key Performance Indicators

Each brand within the key competitive set was assessed in terms of the five key performance indicators outlined below (Table 3). Results show ASR has the lowest overall rating, implying that all key competitors are in a more favourable position within the target market.

Table 3 Key Performance Indicators of the Competitive Set

Competitor	Market Share/ Coverage	Price	Brand Strength	Industry Sustainability	Quality & Characteristics	Overall Rating (out of 15)
American	3	3	3	2	2.5	13.5
Canadian	3	3	2.5	2	2.5	13
Western	2	3	2	1.5	2	10.5
Floridian	2.5	2	2	2	2	10.5
North/ PNG	2	3	1	1.5	2	9.5
ASR	1	1	1.5	3	2.5	9

Rating values are as follows: 3=strong; 2=average; 1=weak.

4.2.2. Competitive Advantages

The key competitive advantage identified for each competitor is outlined below.

Table 4 Competitive Advantage of Key Competitors

Brand	Competitive Advantage
American	Brand size and strength
Canadian	Brand size and strength
Floridian	Utilisation of a domestic supply chain
North/PNG	Product quality – tail market only
Western	Product quality – tail market only

4.3. Trends in the Competitive Environment

Three major trends (also discussed in analysis of the business and macro environment) in the competitive environment were identified.

4.3.1. Technological

The competitive environment is experiencing two primary forms of technological trends; processing technology and traceability technology.

4.3.2. Economic

The weakening US dollar is contributing to falling profitability of lobster industries, particularly those exporting to the US market.

4.3.3. Sustainability

The increasing trend towards sustainability of lobster fisheries suggests this issue is a future basis of competition within the competitive environment.

5. The Business and Macro Environment

Information presented in this section is summarised from Appendix 4, and provides an analysis of the current business environment in the USA.

5.1. Economic Environment

The US economy is currently in a severe recession. This recession has seen a reduction in local diners in some restaurants, an increase in industry food costs, and a fall in the value of the US dollar.

A reduction in local diners has impacted upon a number of US restaurants. However for some restaurants, this reduction is compensated by an increase in tourists. Tourists have been observed to be taking advantage of the record high values of the Euro and Australian dollar.

The increase in industry food costs has seen restaurants looking for ways to save money wherever possible. There is evidence to suggest the lobster market is one of the major casualties of the current US economic environment, with many restaurants switching to cheaper alternatives.

Research suggests the Australian dollar will reach parity with the US dollar before December 2008. With such a high exchange rate, it becomes difficult to viably export from Australia to the US. Research identified the exchange rate can only reach \$AUD1.09 = \$US1 before it is no longer viable to export ASR to the US. This circumstance must be taken into account when developing plans for the future of the US market development program.

5.2. Ecological Trends

Two key ecological trends are currently affecting the US lobster market; sustainability, and the humane treatment of animals. Both trends are being driven by an observed social trend towards socially responsible foods and restaurants.

Sustainability is vital to the future of lobster industries; therefore this trend has been embraced by the majority of lobster industries. SRL is constrained by a relatively small quota of 4,500 tonnes per year. Therefore if further quota reductions were implemented, SRL would be required increase their prices in order to maintain current financial results.

The humane treatment of animals has emerged as an ecological trend. Retailer Whole Foods no longer sell live lobster due to concerns about the welfare of lobsters in the supply chain. This trend has also instigated a number of new technological developments in order to humanely kill lobsters. SRL, in conjunction with the Australian RSPCA, has developed a humane killing method for ASR.

5.3. Social Trends

Social responsibility, healthy eating and a growth in Asian-style restaurants utilising live spiny lobster are the key social trends observed in the US market.

The emergence of social responsibility as a key social trend has seen consumers looking toward goods promoted as sustainable and socially responsible to assist in helping the environment. A current key indicator of social responsibility is the Marine Stewardship Council certification.

An increase in demand for natural, organic foods, and goods promoted as being healthy or as having health benefits has been observed. This demand is influenced by the aging US population, and has seen household penetration of organic products increasing.

Asian-style restaurants have been observed to use an increasing volume of live spiny lobster. This trend is relatively new and is important for SRL as it identifies an attractive sub-segment to target. SPFD Asian-style restaurants provide an excellent opportunity for SRL.

5.4. Technological Trends

The two key technological trends in this market are improvements in processing technology, and an industry push towards traceability.

Improvements in processing are primarily aimed at addressing concerns of animal cruelty, with new and more humane killing methods now available. Advancements such as a new shucking technique are designed to increase the appeal of lobster; however there is some evidence to suggest this technique degrades the quality of the meat.

The industry push towards traceability is being led by both retailers, such as Wal-Mart who want better tracking of their produce, and consumers who want confirmation of the claims made by producers to satisfy their social conscience. Traceability will become vital in the future.

6. The Customer

The analysis in Appendix 5 investigated the organisations current and potential markets, with a focus on identifying characteristics of potential customers.

Importantly, this analysis identified the level of difficulty in both gaining access to the customers (chefs), and from obtaining information sought from these customers.

6.1. Current and Potential Markets

The total potential market in SRL's database consists of 1,154 super premium fine dining restaurants. This market is concentrated in the states of California, Florida, Nevada and New York. The organisations penetrated market consists of 58 restaurants/customers concentrated in California and New York. These customers represent an even coverage across the independent restaurant and restaurant group sub-segments. There is potential for SRL to diversify their customer base by penetrating the hotel chain and restaurant chain sub-segments.

6.2. Brand Awareness

Research identified a relatively high level of brand awareness (64%) among those who responded to the question. However this result may not be a true representation of the potential markets awareness level, as research identified market confusion among the various brands of Australian lobsters.

There is opportunity for SRL to further increase awareness levels, and to effectively distinguish the ASR from other brands of Australian lobster.

6.3. Customer Satisfaction

Current customers were found to be strongly satisfied with 7 out of 8 product and organisation factors assessed (including product freshness and delivery times). However, customers' satisfaction levels with price were lower than the other factors, suggesting SRL need to improve customer satisfaction with price.

6.4. Customer Decision Making Process

6.4.1. Factors Influencing Purchase Decisions

Price is the main factor influencing the purchase decision process of the majority of potential customers. Quality has the second greatest influence over the market, followed by culinary capabilities and then freshness.

6.4.2. Decision Makers

The Executive Chef is the primary decision maker in the majority of restaurants. The Sous Chefs are the secondary decision makers, and the decision influencers.

6.4.3. Plate Price Decisions

A significant number of customers determine plate price based on margin, or a combination of margin and food cost. Those customers who use food cost work on percentages ranging from 25% to 50%, demonstrating the difficulty these customers have in using a high-priced product such as ASR.

6.5. Communication

6.5.1. Chef Oriented

The 'internal forum' of peers/fellow chefs is the greatest communication influencer on customers (and decision makers). Therefore word of mouth is a strong communication tool within the target market.

6.5.2. Consumer Oriented

In the opinion of chefs, 'premium quality', 'wild caught', and 'origin' are the three points of difference that would be most effective at encouraging consumer purchasing.

6.6. Product and Purchasing Requirements

6.6.1. Form

Research identified greater demand for whole, live lobsters than for frozen tails within the target market.

6.6.2. Size

Potential customers are familiar with using lobsters sized 1-2 pounds, which is significantly smaller than the typical sized ASR. Therefore the market requires education on effective and efficient methods of utilising a larger animal.

6.6.3. Price

Potential customers pay approximately one third the price of ASR for whole, live lobster. Therefore the market requires education on the points of difference of ASR that justify its price premium.

6.6.4. Volume

Usage, in terms of volume, varies considerably among customers. A number of potential customers were found to use less than 50 pounds per week; others use over 200 pounds. The average volume of lobster used per week by customers is 153 pounds (61 kilograms).

6.6.5. Use of Multiple Brands

The majority of customers purchase only one brand of lobster. Therefore in order for ASR to be purchased by customers, it must replace their existing brand, and not be purchased in addition to it.

6.6.6. Distribution

The target market purchase lobster as required, or daily; therefore distributors must be able to supply on demand, or on a daily basis. The majority of potential customers do not purchase on contract, and utilise a variety of lobster/seafood distributors.

6.6.7. Menu Characteristics

The majority of potential customers currently use lobster as a permanent feature on their menu (including tasting menus). The market requires education on how to utilise the ASR effectively and efficiently to remain a permanent feature on a menu/tasting menu.

6.7. Purchasing Behaviour of Current Customers

Analysis of current customers' purchasing behaviour revealed there is opportunity to improve repeat purchase rates and increase volume of purchase.

6.8. Factors Prohibiting Purchase

Research identified that 'price', 'size', and 'competitor', are the three main factors prohibiting initial purchase by potential customers and also repeat purchase by current customers.

There is opportunity for SRL to educate the market on: benefits of the ASR that justify the price premium; methods of utilising a large animal; and benefits over competitive brands.

7. Market Research

Primary research was conducted to address the research problem and objectives specific to this project. Key findings of this research are reported throughout the various appendices; predominantly Appendix 5 Customer Analysis.

7.1. The Research Problem & Objectives

This project sought to address the following research problem.

Determine effective marketing communication strategies to:

- Increase product awareness and interest within the target market;
- Increase initial purchase rate;
- Reinforce purchase.

The five research objectives are outlined above in the Introduction.

7.2. Methodology

Three methods of primary research were utilised for this project:

- Telephone surveys with 168 potential customers;
- In-depth interviews with 23 potential and 1 current customers;
- Person-to-person and telephone surveys with 31 current customers.

Refer to Appendix 6 for a detailed description of the research design, data collection method, method of sampling, fieldwork, method of analysis, and all results for each of the three methodologies.

8. SWOT Analysis

Strengths and weaknesses of the organisation and product are internal and within the control of the organisation. Threats and opportunities are external to the organisation and are out of their control.

Table 5 presents the SWOT analysis developed from primary and secondary research. SRL must aim to: enhance and protect their strengths; improve their weaknesses; maximise opportunities; and minimise threats where possible.

Table 5 SRL SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Superior quality and meat recovery • Funding from industry bodies for R&D • Industry sustainability • Educational tools 	<ul style="list-style-type: none"> • Limited human resources in the US • Limited marketing budget • Supply chain • Limited and inefficient use of informational resources
Opportunities	Threats
<ul style="list-style-type: none"> • Penetrate new sub-segments • Alliances with complementary products • Lack of brand awareness and brand distinction • Increased demand for healthy, natural foods • Limited promotion by competitors directed at customers 	<ul style="list-style-type: none"> • US economic environment • Difficult to access decision makers and obtain information • Buyers (restaurants) hold bargaining power • Brand strength and market share of American and Canadian Lobster

The opportunities and threats from the SWOT analysis are presented in a priorities matrix below (Table 6). This matrix demonstrates that SRL must respond immediately to the threats posed by both the US economic environment, and the circumstance that decision makers are difficult to access.

Table 6 Opportunities and Threats Priorities Matrix

		Impact on Organisation		
		Small	Moderate	Great
Speed	Slow		<i>Periodic Review</i>	<i>Monitor</i>
	Medium	<i>Periodic Review</i>	<i>Monitor</i> <ul style="list-style-type: none"> • Increased demand for healthy, natural foods 	<i>Monitor Continuously</i> <ul style="list-style-type: none"> • Penetrate new sub-segments • Alliances with complementary products • Lack of brand awareness & brand distinction
	Fast	<i>Monitor</i> <ul style="list-style-type: none"> • Limited promotion by competitors directed at customers 	<i>Monitor Continuously</i> <ul style="list-style-type: none"> • Buyers hold bargaining power • Brand strength and market share of American and Canadian Lobster 	<i>Respond Immediately</i> <ul style="list-style-type: none"> • US economic environment • Difficult to access and meet decision makers

8.1. Strengths

8.1.1. Superior Quality and Meat Recovery

ASR is of superior quality to other brands in the US market. In contrast to competitive brands, ASR is not adversely affected by a number of factors that lead to decreased product quality¹. In addition, ASR has a much higher meat to shell ratio than competitors, at 44-52%².

8.1.2. Funding From Industry Bodies for Research & Development

SRL receive funding from a number of industry bodies for research and development across six investment platforms³. This funding has resulted in the development of unique business programs, including the US market development and the Clean Green certification programs.

8.1.3. Industry Sustainability

Secondary research identified industry sustainability as a key trend in the business and macro environment⁴. Sustainability of the ASR Industry is ensured through cooperative management between government and SRL.

8.1.4. Educational Tools

SRL have developed a number of valuable educational tools including the Food Service Manual and two newsletters. These tools enable SRL to address many of the customer concerns identified during primary research⁵.

¹ Appendix 5 Section 6

² Appendix 1 Section 6.3

³ Appendix 1 Section 5.4, 5.8

⁴ Appendix 4 Section 4.1

⁵ Appendix 5 Sections 6, 7.4, 11.7

8.2. Weaknesses

8.2.1. Limited Human Resources in the US

SRL's lack of human resources is their greatest weakness. The organisation has only one employee in-market, who returns to Australia periodically.

Two major aspects demonstrate the importance of in-market employees:

- Observed decline in sales during the months the employee returned to Australia⁶;
- Identified likelihood that SRL may not achieve their sales volume objective for June 2008⁷.

8.2.2. Limited Marketing Budget

Funding for marketing mix activities is limited to \$AU1 per kilogram of lobster traded. The marketing budget is therefore dependent on sales volume, which is currently quite low⁶.

This budget also relies on the research and development process to assist in increasing volume traded.

8.2.3. Supply Chain

The current SRL Management Model has two key weaknesses:

- Redundancy (inclusion of regional receiver stage) due to low volumes currently exported, increases costs along the supply chain⁸;
- Supply from fishers is not always guaranteed⁸.

8.2.4. Limited and Inefficient Use of Informational Resources

Two factors demonstrate this weakness:

- Current customer information systems, and lack of a customer relationship management system, limit the amount of customer analysis that can be performed and used to improve marketing efforts⁹.
- Current traceability software has proved unreliable; however SRL are currently in the process of addressing this issue⁹. Research identified traceability as an emerging trend in the business and macro environment¹⁰.

⁶ Appendix 1 Section 5.12.1

⁷ Appendix 1 Sections 3, 5.12.1

⁸ Appendix 1 Section 5.5.2

⁹ Appendix 1 Section 5.8.2

¹⁰ Appendix 4 Section 6.2

8.3. Opportunities

8.3.1. Penetrate New Sub-Segments

Opportunity exists to penetrate two major sub-segments within the target market:

- The increasing demand of spiny lobster by Asian restaurants provides opportunity for SRL to penetrate this sub-segment¹¹. Importantly, SRL has recently begun attempts to maximise this opportunity¹².
- SRL's lack of presence in hotel and restaurant chains¹³, and lack of relationships with buying groups¹⁴ present opportunities for SRL to further diversify their customer base.

8.3.2. Alliances with Complementary Products

Investigation of the business and macro environment identified opportunity for SRL to form strategic alliances with complimentary products¹⁵. These alliances could be established with products at the product category (seafood) and generic (Australian lamb and beef) levels of competition¹⁶.

8.3.3. Lack of Brand Awareness and Brand Distinction

Primary research identified a relatively low level of awareness of ASR (64% was identified as potentially inaccurate), and a lack of distinction between ASR and other brands of Australian lobster within the target market¹⁷. These findings present opportunity for SRL to engage in marketing activities to build brand awareness and effectively distinguish the ASR from other brands of Australian lobster.

8.3.4. Increased Demand for Healthy, Natural Foods

Increasing demand for healthy, natural, sustainable and socially responsible foods¹⁸ provides opportunity for SRL to promote these aspects of their product and organisation.

¹¹ Appendix 4 Section 5.7.1

¹² Appendix 1 Section 5.13

¹³ Appendix 5 Section 5.3.1

¹⁴ Contact Report 8

¹⁵ Appendix 2 Section 9.9.2

¹⁶ Appendix 3 Section 4; Appendix 2 Section 9.9.2

¹⁷ Appendix 5 Section 6.1

¹⁸ Appendix 4 Sections 4.1, 5.4, 5.5, 5.6

8.3.5. Limited Promotion by Competitors Directed At Customers

The lack of promotion conducted by competitive brands, particularly communication directed at SPFD customers¹⁹, presents opportunity for SRL to target customers with effective marketing communications activities.

8.4. Threats

8.4.1. US Economic Environment

The current US economic environment threatens the viability of continued exportation to this market²⁰.

8.4.2. Difficult To Access Decision Makers & Obtain Information

Primary research identified the level of difficulty faced in gaining access to decision makers, and from obtaining information sought²¹. This circumstance threatens progress of the research and development process, and ultimately progress in developing the market.

8.4.3. Brand Strength and Market Share of American and Canadian Lobster

American and Canadian Lobsters have a very large share of the market and a very strong brand presence²². This circumstance presents a threat to sales of ASR into target restaurants.

8.4.4. Buyers Hold Bargaining Power

Secondary research identified that buyers (customers/restaurants) have strong bargaining power as switching brands is relatively easy²³. This threat highlights the importance of building strong relationships with customers and achieving customer satisfaction.

¹⁹ Appendix 3 Section 3, 6

²⁰ Appendix 4 Section 3

²¹ Appendix 5 Section 4.1

²² Appendix 3 Section 6

²³ Appendix 2 Section 4.5

9. Planning Assumptions

9.1. Market Education

Recommendations are made based on the assumption the target market can indeed be educated on the benefits of ASR that justify the price premium.

9.2. Volume Targets

Recommendations are made based on the assumption the organisations volumes targets will be achieved (see Section 10 for targets).

9.3. Competitive Environment

Recommendations are based on the assumption that, as secondary research indicates, no new competitors will enter the market. In particular, no new direct competitors that share the same quality attributes of the ASR will enter the market.

10. Marketing Objectives

The ASR Industry's long term objective is to be the preferred supplier of lobsters to global SPFD customers by 2020.

In the next three years, there are two key marketing objectives for SRL:

- Increase the volume of ASR traded to 200 tonnes by the end of the 2010/2011 financial year (see Table 7).
- Increase returns to fishers participating in the US market development program to at least beach price (with the aim to become a price maker in the long-term).

Table 7 Yearly Volume Targets for ASR in the US Market

Year	2007/2008	2008/2009	2009/2010	2010/2011
	Target/ Actual	Target	Target	Target
Volume (tonnes)	10 / 7	50	100	200

Note: Actual figure for 2007/2008 is approximate

11. Recommendations

This section provides brief recommendations for all components of the marketing mix.

11.1. Product

11.1.1. Develop the Product Mix

Opportunity exists for SRL to develop their product mix in two ways.

1. Demonstrate Value for Money

The typical size of the ASR, the premium price it commands, and current market perceptions, indicate SRL must focus on demonstrating the value for money ASR offers customers. The ASR has a higher meat to shell ratio than competitive lobsters, which enables approximately 20 portions to be extracted from a 5 pound lobster.

We recommend demonstrating and emphasising to the market, through education and communication activities, the value ASR can deliver to customers. This recommendation will assist SRL to enhance and protect their strength of *Superior quality and meat recovery* (Section 8.1.1).

2. Product Bundling

Primary research identified some market interest in purchasing additional seafood products from the organisation²⁴.

Corvel Marketing and Management consult for the Blue Crab and Prawn industries; therefore these products could also be exported to the US. The organisations Industry Development Manager is currently assessing the use of the Clean Green program in other industries (CR 2, 2008).

We recommend SRL form strategic alliances with other seafood industries and export a 'basket of seafood' as a product bundle.

This recommendation would enable the organisation to maximise the opportunity of *Alliances with complimentary products* (Section 8.3.2). This activity would also result in cost benefits and economies of scale through the utilisation of research completed to sell other seafood products.

²⁴ Appendix 6 Section 6.6.7

11.2. Price

11.2.1. Increase ASR Retail Price in the US

Secondary research²⁵ determined the current sale price of \$USD29.95/pound for ASR is too low to profitably sustain market development, as a result of the current US economic environment.

We recommend SRL increase the price of ASR to a level above the minimum they can profitably export at for a given exchange rate; though to a level that can still generate value for customers.

This recommendation will assist the organisation to minimise the threat of *US economic environment* (Section 8.4.1). Importantly, this recommendation is subject to conditions of planning assumption 9.1.

11.3. People

11.3.1. Increase Human Resources

The organisation requires an increase in human resources in two key areas.

1. Sales Staff

Personal selling is essential to developing the US market. An increase in the number of in-market sales staff would impact positively on progress of the US market development program.

1. Tank Management

SRL require an employee to maintain the tanks and lobsters in the US to allow the Market Development Manager/ Quality Manager increased time for marketing activities.

We recommend SRL employ additional US staff, as staff are key to successful development of the market.

This recommendation will enable SRL to improve the weakness of *Limited human resources in the US* (Section 8.2.1), and also assist to minimise the threat of *Difficult to access decision makers and obtain information* (Section 8.4.4.).

²⁵ Appendix 4 Section 3.3

11.4. Distribution

11.4.1. Refine the Supply Chain

Effectiveness of the SRL Management Model is partly constrained by its cost structure. The inclusion of two separate stages for the regional receiver and the exporter/consolidator functions increases costs. Secondary research indicated these functions can be consolidated.

We recommend SRL consolidate the regional receiver and exporter/consolidator stages.

This recommendation will assist SRL to improve the weakness of *Supply chain* (Section 8.2.3). Importantly, this recommendation is subject to conditions of planning assumption 9.2.

11.4.2. Consider Other Markets

This project was conducted under the assumption the US market is, and will remain, viable. Secondary research identified this market is accessible²⁶. However, research also determined the current sale price of \$US29.95/pound and current US economic environment are resulting in decreased profitability and viability of the market²⁶.

We recommend SRL conduct further research into other identified markets in the Middle East and Europe to determine if these markets are more viable options, particularly until the US economic environment improves.

This recommendation will assist the organisation to minimise the threat of *US economic environment* (Section 8.4.1). Importantly, this recommendation is subject to employing additional staff.

11.4.3. Penetrate New Sub-Segments

Opportunity was identified for SRL to penetrate two major sub-segments within the market: Asian restaurants; and chains/buying groups (Section 8.3.1).

We recommend SRL conduct further research into the characteristics of these sub-segments including the decision making process, communication and media usage, and product and purchasing requirements.

²⁶ Appendix 2

11.5. Marketing Communications Mix

This section presents a summary of the recommendations outlined in the accompanying Communications Plan. Refer to the Communications Plan for further detail and budgets.

11.5.1. Develop Information Storage Systems

A Customer Relationship Management (CRM) system will allow US and Australian employees to record, analyse and share information. A CRM system would also allow improved communication between the US and Australia, and enable the development of more effective marketing communications activities. The system could be integrated into the online interview system²⁷ to allow interviews to be conducted via the CRM system.

We recommend SRL implement an integrated CRM and interview system. This recommendation will assist SRL to address the weakness, *Limited and inefficient use of informational resources* (Section 8.2.4).

11.5.2. Continue Personal Selling and Education Initiatives

Personal selling is an effective method of communicating with customers and building relationships. Education activities are essential to the market development program, as SRL are a new market entrant and target customers are unfamiliar with the product. Personal selling and education are complimentary activities as sales staff assist in reinforcing the messages conveyed during the education process.

We recommend SRL continue to utilise personal selling and education initiatives, however formalisation and refinement of these activities is required (refer to Communications Plan for details).

This recommendation is complimented by the recommendation to increase human resources (Section 11.3.1).

²⁷ Appendix 6 Section 8

11.5.3. Demonstrate Value for Money

We recommend demonstrating and emphasising to the market, through education and communication activities, the value ASR can deliver to customers. See recommendation 11.1.1 and Communications Plan for further details.

This recommendation will assist SRL to enhance and protect their strength of *Superior quality and meat recovery* (Section 8.1.1).

11.5.4. Conduct Further Research

There is opportunity for SRL to improve marketing communication efforts by conducting further research in two key areas:

1. Benchmark analysis

We recommend SRL benchmark themselves against other premium Australian products that have successfully penetrated the US market and identify opportunities for improving SRL's penetration strategies.

2. Consumer research

We recommend conducting consumer focused research. This research should investigate: media usage and influencers; decision making processes external to and within restaurants; perceptions of the ASR and seafood in general. These findings will assist SRL in developing future communication strategies directed at consumers.

12. References

Appendix 1, Organisation and Product Analysis.

Appendix 2, Market and Industry Analysis.

Appendix 3, Competitor Analysis.

Appendix 4, Business and Macro Environment Analysis.

Appendix 5, Customer Analysis.

Appendix 6, Market Research.

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CR 10, 2008. Contact Report

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School of Marketing
International Marketing Planning Project



Southern Rocklobster Limited Appendices

Prepared For
Roger Edwards
Executive Officer

Supervised By
Dr Hervé Remaud

June 2008

Prepared By
Bryony Jardine
Ph: 0417 001 862
Email: jarbi001@students.unisa.edu.au

Ryan Jones
Ph: 0410 131 658
Email: jonesy@ryanjones.com.au

Appendices

Appendix 1: Organisation and Product Analysis

Appendix 2: Industry and Market Analysis

Appendix 3: Competitor Analysis

Appendix 4: Business and Macro Environment Analysis

Appendix 5: Customer Analysis

Appendix 6: Market Research



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Abbreviations

ASR	Australian Southern Rocklobster
CR	Contact Report
CRM	Customer Relationship Management
FRDC	Fisheries Research and Development Council
R&D	Research and Development
Seafood CRC	Seafood Cooperative Research Centre
SPFD	Super Premium Fine Dining
SRL	Southern Rocklobster Limited

1. Introduction

This Appendix provides an analysis of Southern Rocklobster Limited (SRL) and their product, the Australian Southern Rocklobster (ASR). This analysis is focused on the organisation's resources and practices, as well as the product's characteristics and benefits. Key findings, key organisation strengths and weaknesses, and product strengths and weaknesses are outlined.

The aim of this analysis is to determine the organisation and product strengths that may be used to maximise market opportunities. In addition, the identification of organisation and product weaknesses will determine aspects that need improvement in order to achieve industry and organisation goals.

2. Limitations

The following limitations should be considered in relation to the analysis.

- Limited access to supply chain members (fishers, regional receivers, and exporter) was possible to conduct primary research.
- Impact and effectiveness of current communication tools and market penetration strategies are difficult to assess.

3. Key Findings and Implications

Key findings and implications of this analysis are outlined in Table 1.

Table 1 Key Findings and Their Implications

Key Finding	Implications
Total weight of ASR traded in the US from 1 January 2007 to 30 April 2008 is approximately 6.9 tonne	The organisations objective of achieving sales of 10 tonne by June 2008 may not be achieved
Limited human resources, particularly within the US	Restrictions are placed on the level of progress made with both the research and development, and sales processes
Supply of certified Clean Green lobster into the supply chain is not always guaranteed	Adequate supply may not be available if demand increases greatly
Limited funding for marketing-mix activities	Restrictions are placed on SRL's ability to effectively promote, build awareness and salience of the product within the target market
The product has very few weaknesses	Great potential exists to use product strengths, in conjunction with organisation strengths, to maximise market opportunities

4. Key Strengths and Weaknesses

4.1. Key Organisation Strengths and Weaknesses

Table 2 outlines the key strengths and weaknesses identified for Southern Rocklobster Limited.

Table 2 Key Organisation Strengths and Weaknesses

Organisation Strengths and Capabilities	Organisation Weaknesses and Limitations
Clean Green certification program	Limited human resources, particularly within the US
Level of funding for research and development across all investment platforms	Limited marketing-mix funding
Industry sustainability	Limited, unreliable and inefficient use of informational systems
Cooperative supply chain partner relationships	The organisations market and societal orientations toward the marketplace are hindered by application of the selling concept

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4.2. Key Product Strengths and Weaknesses

Table 3 outlines the key strengths and weaknesses identified for Australian Southern Rocklobster.

Table 3 Key Product Strengths and Weaknesses

Product Strengths and Attributes	Product Weaknesses and Limitations
Premium level of quality	Limited survival time out of the water
Culinary capabilities	
Extremely high meat yield	
Produces high margin per plate	
Limited seasonality constraints	
Volume of catch is constrained by quota, making this a rare product	

5. The Organisation

5.1. Organisation History

In 2004 Southern Rocklobster Limited (SRL) was established to act as a national peak body for the Australian Southern Rocklobster (ASR) industry. SRL is owned by the ASR fishers of South Australia, Tasmania, and Victoria. The establishment of SRL emerged from the industry's move towards unification across state based management systems. ASR industry members are represented at the state level by the South Australian Rock Lobster Advisory Council, the Tasmanian Rock Lobster Fishermen's Association, and the Victorian Rock Lobster Association.

The ASR industry currently relies heavily on exportation to Asian markets. Greater than 80% of the ASR catch is exported to China, Hong Kong and Taiwan (Southern Rocklobster Limited 2007a). To reduce the industry's reliance on these Asian markets, industry bodies are funding market development research projects, conducted by SRL, to identify and penetrate new markets. Since its inception in 2004 SRL has driven the direction of the industry at a national level in market development, and across a number of other investment platforms.

5.2. Industry Objective

The ASR industry has set the following major objective:

"The ASR Industry intends to be the preferred supplier of lobsters to global super-premium-fine-dining (SPFD) consumers by 2020" (Southern Rocklobster Limited 2007a).

5.3. Organisation Structure

Southern Rocklobster Limited is managed by a small, specialist team subcontracted from Corvel Marketing and Management located in Adelaide, Australia. The organisation structure is presented below in Figure 1; the number of personnel fulfilling each role is included in parenthesis. The roles of Account Manager (AM) and Quality Manager (QM) are fulfilled by the same two staff members. One AM/QM is based in California in the United States; the other is based in Adelaide.

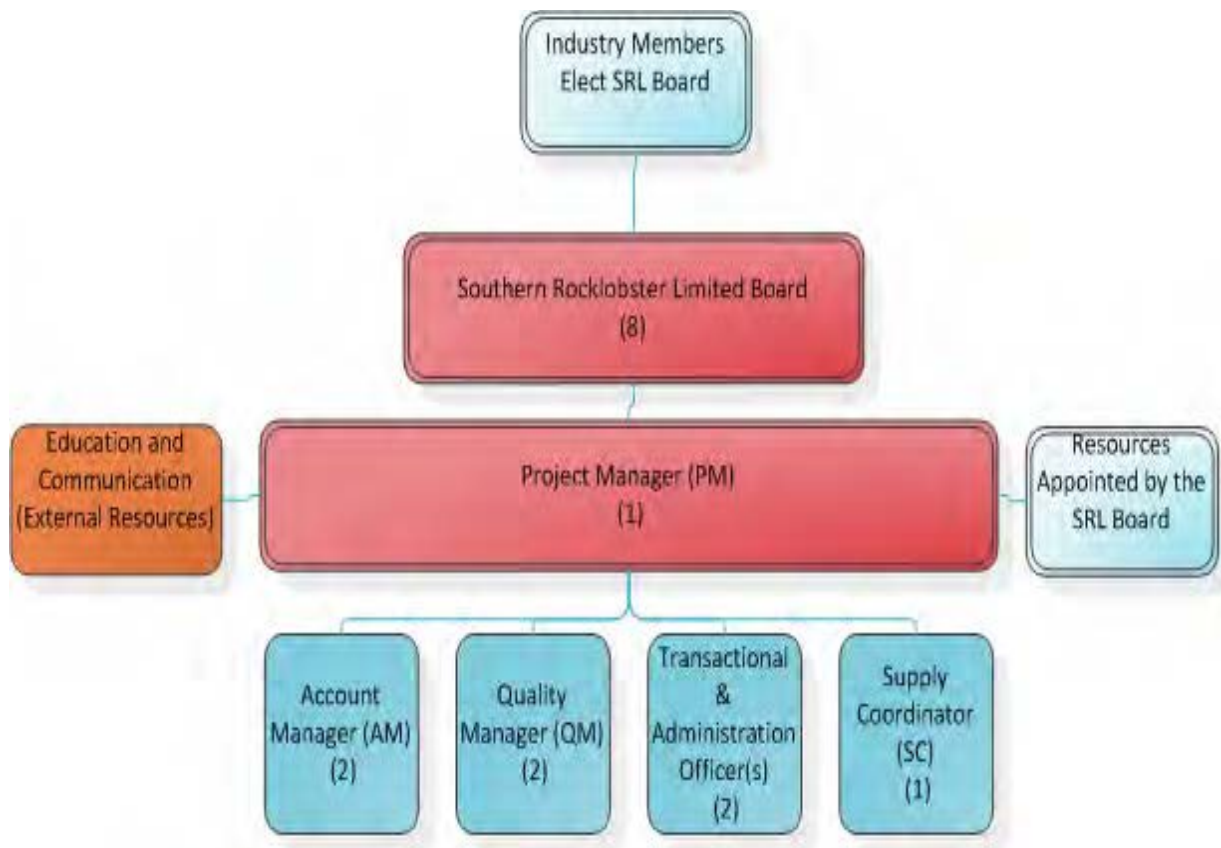


Figure 1 Southern Rocklobster Limited Organisation Structure

5.4. Research and Development

SRL engage in a number of research projects funded primarily by industry bodies, including the Fisheries Research and Development Council (FRDC) and the Australian Seafood Cooperative Research Centre (Seafood CRC). Projects are categorised into several investment platforms. Table 4 outlines six key investment platforms and examples of the strategic issues related to each.

Table 4 Investment Platforms and Related Strategic Issues

Investment Platform	Strategic Issues
Market planning and development	Develop a whole-of-chain approach to market development
Optimising the harvest	Understand, develop and implement tools to increase the available biomass
Sustainability and environment	Reduce adverse environment interactions
Human resources and communication	Maintain a SRL communication plan for industry stakeholders and governments
Running the business	Maintain good corporate governance
Viable funding for SRL	Establish funding for promotion and marketing activities

(Source: Southern Rocklobster Limited 2007a)

SRL's continued commitment to research and development has resulted in the development of a number of unique business programs including:

- SRL Management Model
- Clean Green certification program
- Track and Trace traceability program

These three programs are analysed in the following sections.

5.5. SRL Management Model

The current SRL Management Model (Figure 2) was implemented in 2007. This 'fisher direct' supply chain model differs markedly to the traditional supply chain framework (refer to Appendix 2 for further discussion on industry supply chains).

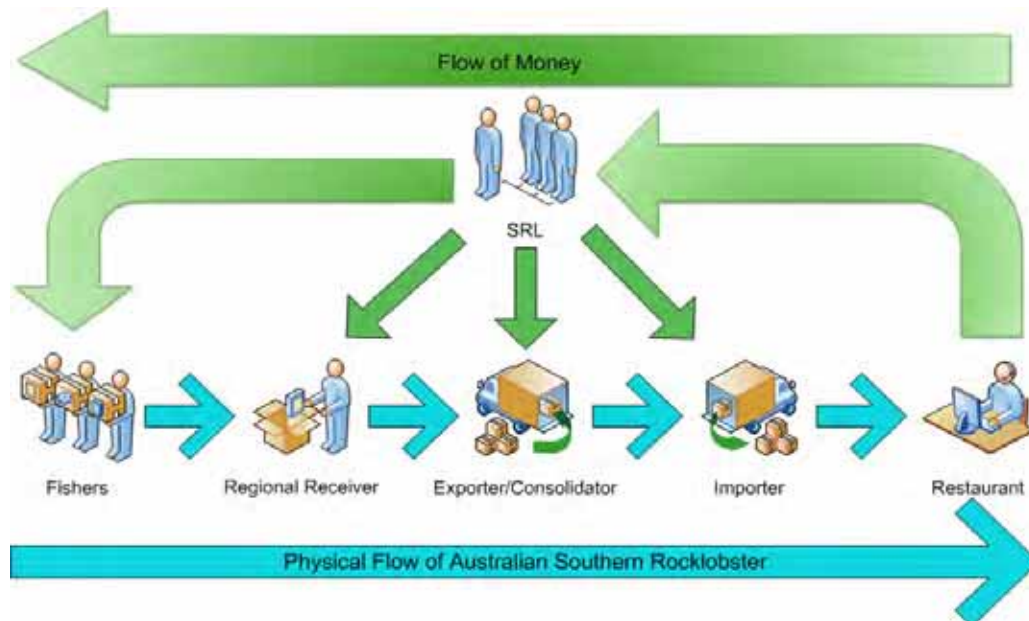


Figure 2 SRL Management Model

5.5.1. Management Model Key Differences and Characteristics

- SRL manages the complete supply chain process, allowing industry greater control over market development.
- Each supply chain partner is contracted to provide services at an agreed rate, and to the specifications of the Clean Green certification program.
- Ownership of the product is retained by the fisher until it reaches the customer.
- Lobsters are fully traceable from the fisher to the customer (or consumer).
- The fishers own: SRL; the Clean Green certification program; the Clean Green trade mark; and the Track and Trace program.
- A stable price is offered to customers (see Appendix 5 Section 11.3.3 for customer perceptions of stable price).

5.5.2. Management Model Risks and Limitations

Risks and limitations of the current SRL Management Model and their associated implications are outlined below (Table 5). These risks and limitations must be assessed, monitored, and addressed where possible.

Table 5 Management Model Risks/ Limitations and Associated Implications

Risks and Limitations	Implications
Fishers receive a fixed price from SRL which can be lower than the current beach price ^{1, 2}	Fishers do not always fulfil contractual requirements when SRL's price is below the beach price; therefore supply into the chain is not always guaranteed ²
Redundancy in the supply chain (inclusion of regional receiver between fisher and exporter stages is necessary due to small quantities of product exported to the US ²)	Lower prices are paid to supply chain members and/ or higher prices charged to customers
The US based AM/ QM is required to manage the importer/ distributor stage of the supply chain	Restrictions are placed on the amount of time this employee can dedicate to the R&D and sales processes
Increased time frame for supply chain members to receive payment ^{1, 2}	Dissatisfaction is created among supply chain members ^{1, 2}

Importantly, for SRL to enforce fulfilment of contractual obligations, they risk permanently damaging relationships with the fisher/s concerned, and ultimately all industry fishers (CR 2 2008).

¹ CR 1 2008

² CR 2 2008

5.6. Clean Green Certification Program

The Clean Green program is an industry managed and independently audited supply chain management model. Clean Green is an award winning product certification program that ensures best practice at each stage of the supply chain (Southern Rocklobster Limited 2008a).

5.6.1. Clean Green Advantages for Industry, Customers & Consumers

SRL aims to offer customers, consumers and the ASR industry the following advantages:

- cost savings for industry on Government auditing;
- improved prices for larger sized lobsters in new markets;
- recognition by AQIS as an alternative quality assurance program;
- world first environmental management system;
- guaranteed standards in environmental management, workplace and animal welfare for industry, customers and consumers;
- guaranteed food quality for customers and consumers.

(Source: Australian Southern Rocklobster Industry 2007)

5.6.2. Customer Perceptions & Understanding of the Clean Green Program

Primary research investigated current customers' perceptions and understanding of the Clean Green program. Results identified that one third of customers were unfamiliar with the program (see Appendix 5 Section 6.3.1). However the remaining two thirds of customers related the program to environmental issues (including sustainability and origin), and/or related the program to providing a high quality product (see Appendix 5 Section 6.3.1 for further details).

Customers also described what benefits they believed the Clean Green program provided to them, and also to consumers. The majority of customers recognise the environmental, origin and sustainability benefits the program brings to both the restaurant and the consumer (Table 6 below).

Several customers also believe the program provides both customers and consumers with a high quality product.

Table 6 Perceived Benefits of CG Program to Chefs and Consumers

Theme	N
Related the program to sustainability, origin and/ or environment (benefits for both the restaurant and their customers/consumers)	9
Related the program to providing a high quality product; mentioned quality attributes	4
Doesn't believe the program offers benefits to their customers (i.e. consumers)	2
<i>"basis to educate wait staff"; "important sales tool for servers"</i>	2

(Source: Appendix 6 Section 7.7.2)

5.6.3. Clean Green Risks and Limitations

Risks and limitations of the Clean Green program and their associated implications are outlined below (Table 7). These risks and limitations must be addressed by the organisation.

Table 7 Clean Green Risks/ Limitations and Associated Implications

Risks and Limitations	Implications
Fishers are required to commit time, monetary and human resources to certification. Not all fishers fully recognise the value of being certified ¹ and either: <ul style="list-style-type: none"> • Do not become certified^{1, 2, 3}, or • Do not renew their certification^{1, 2, 3} 	The current program participation level may not be sustainable, and target participation levels may not be achieved
PrimeSafe (Victoria's Statutory Authority to regulate the safety of meat, poultry and seafood) do not recognise Clean Green as an alternative Quality Assurance program ³	Industry participation in Victoria is substantially lower than other states ⁴

¹ Southern Rocklobster Limited 2007b

² CR 1 2008

³ CR 2 2008

⁴ Australian Southern Rocklobster Industry 2007

5.7. Track and Trace Program

Track and Trace is a unique traceability system developed for certified Clean Green ASR. A branded tag with a unique barcode is placed on each lobster at the fisher stage of the supply chain and remains on/ with the lobster until it reaches the customer or consumer. In theory the lobster is fully traceable from “pot-to-plate”.

5.7.1. Track and Trace Advantages for Industry, Customers and Consumers

- Provides brand protection for Clean Green ASR.
- Provides customers and consumers with feedback and information on the product they purchase.
- Provides customers and consumers with a guarantee of product authenticity.

5.7.2. Track and Trace Risks and Limitations

Risks and limitations of the Track and Trace system and their associated implications are outlined below (Table 8). Importantly, the organisation is in the process of addressing the second item (see Section 5.8.2 Informational Resources for further details).

Table 8 Track and Trace Risks/ Limitations and Associated Implications

Risks and Limitations	Implications
Tags do not always stay on the lobster ^{1,2}	Lobster is no longer traceable by any party (industry, customers, and consumers)
Traceability software does not always work effectively ^{1,2}	Manual data entry is required, increasing the amount of work required of both SRL and supply chain members

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¹ CR1 2008

² CR2 2008

5.8. Organisation Resources

Organisation resources are key determinants of competitive success as they enable the development of core competencies (Wood 2004, p.43). Analysis of an organisations resources helps determine what resources are currently available, where these resources are committed and how effective these resources are. Analysis also reveals any current resource gaps, and the resources that are potentially available to the organisation.

5.8.1. Human Resources

SRL is staffed by a small number of employees (see Section 5.3). This limited amount of human resources places restrictions on the amount of work that may be achieved in each function of the business. In particular the Account Manager position may be too under-resourced to enable SRL to achieve projected sales and business targets for the US market. This circumstance will constrain the organisation if they utilise the SRL Management Model with the current number of in-market US staff.

Two main alternatives are available to SRL. First, the organisation could increase human resources; this option requires an increase in funding for staff. Second, the organisation could outsource the sales function to a third party. Importantly, SRL are currently engaging in this second option with two distributors (see Section 5.13 for further details). However, there are risks and limitations involved in outsourcing sales activities (see Section 5.13).

5.8.2. Informational Resources

Current systems utilised by SRL for capture, storage and analysis of supply chain related data have proved unreliable (see Section 5.7). SRL outsourced the development of the Track and Trace system to SASTEK. However, SRL and supply chain partners are responsible for collection, storage and analysis of the data. The failure of the traceability system to work as anticipated has resulted in SRL and supply chain members reverting to manual, time consuming methods of data collection, storage and analysis. Importantly, SRL have received an AusIndustry grant to address these system issues.

SRL's current systems utilised for capture, storage and analysis of customer data are simplistic and do not allow for detailed analyses. The lack of a customer relationship management (CRM) system results in limited amounts of customer related data that may be recorded and analysed. A CRM system would enable greater analysis of customer information to easily determine, for example, customer profitability and purchasing behaviour (Lehmann and Winer 2005, p. 423-426). The system would also allow more effective and efficient communication between Australia and the US.

5.8.3. Supply Resources

Supply of the product is dependent on ASR fishers being Clean Green certified. Approximately 50% of ASR industry licensed vessels are certified (Southern Rocklobster Limited 2007d); therefore SRL are able to meet current US (and domestic) demand levels for Clean Green ASR. SRL have set a target of 66% participation by June 2008, and 100% participation as a long term target (Southern Rocklobster Limited 2007d).

However analysis of the organisation identified limitations with the SRL Management Model and Clean Green program that may result in the implications reported above (Tables 5 and 7). In addition, if supply decreases by a substantial amount, demand for Clean Green certified ASR may not be met. Supply may decrease as a result of a decline in Clean Green participation levels, or other factors including further industry quota restrictions.

5.8.4. Financial Resources

SRL receives funding from a number of industry organisations, primarily the Seafood CRC and the FRDC. This funding is for the purposes of research and development.

Funding for marketing-mix activities however is low, at \$AU1 per kilogram of lobster traded. Therefore the marketing budget is dependent on sales volume; for the marketing budget to increase, sales volumes must increase. Alternatively, an increase in the dollar amount per kilogram traded that is allocated to marketing would decrease the dollar amount paid to one or more supply chain members, or increase the cost price to customers. Research indicates that increasing the cost price to customers is not a viable option, (in the way the product is currently presented to customers) as the ASR already commands a premium price

that is three or more times the price of competitors (Appendix 5 Section 11.3). However to date, supply chain members' receptiveness to changing costs along the supply chain to accommodate for increased marketing funding has not been assessed. Assessment of this option by SRL may be worthwhile.

Current spend on marketing mix activities for development of the US market is \$0 (CR 9 2008). All activities utilised within the market (including those outlined in Section 5.14) are classified as research and development (CR 9 2008). The \$AU1 per kilogram of volume traded to date has been accumulating since market development commenced in January 2007 (CR 9 2008).

5.9. Company Orientation

While there is no single correct orientation toward the marketplace, literature recommends the adoption of the marketing concept (a market orientation), with possible extension to include the societal concept (Kotler 2003, pp. 17-27).

Analysis of the organisation indicates that SRL adopt, to some degree, both the marketing and societal concepts. In addition, they are observed to have business decisions guided by the philosophy of the selling concept. The marketing and societal concepts are complimentary orientations. However inclusion of a third orientation can result in confusion for the organisation and hinder the effectiveness of the other two market orientations.

5.9.1. Societal Concept

SRL are noticeably focused on enhancing the well being of society and the environment. Social/ cultural trends in recent decades have led to society's increased concern for organisations to be socially and environmentally responsible (see Appendix 4 for further details). SRL address these concerns primarily through two investment platforms: optimising the harvest; and sustainability and the environment (see also Section 5.4).

5.9.2. Marketing Concept

The foundations of the marketing concept are 'target market', 'customer needs', 'integrated marketing' and 'profitability' (Kotler 2003, p. 20). SRL have a clearly defined target market – the SPFD segment in the US (see Appendix 2). In addition the organisation is currently engaged in research activities to better understand various types of customer needs, purchasing requirements, and characteristics of the target market. This particular project is one of those activities (see Appendices 5 and 6 for further details of primary research). SRL also have the ultimate goals of survival and of attracting enough funds to achieve the ASR industry's goals.

5.9.3. Selling Concept

The selling orientation toward the marketplace is characterised by an inside-out perspective: sell what we make rather than make what the market wants (Kotler 2003, p. 19). The methods by which SRL present the product to customers do not emphasise that although the product is not what they are accustomed to (see Appendix 5 Section 11), ASR actually provides greater value.

SRL offers their product for a much higher price than competitors which prohibits purchase by many potential customers, as well as repeat purchase by current customers (see Appendix 5 Section 11.3 and 13.2). In addition, the organisation encourages purchase of the larger sized lobsters in this market, which was found to also prohibit a number of initial and repeat purchases (see Appendix 5 Section 11.3 and 13.2). Emphasising to customers the value ASR delivers would assist the organisation to minimise the selling orientation toward the marketplace.

5.10. Market-Based Assets

Market-based assets are intangible relational and intellectual assets that enable organisations to improve their efficiency and effectiveness in the marketplace (Dawes 1998). The following have been identified as SRL's market-based assets.

5.10.1. Relationships with Funding Bodies

SRL has built strong relationships with funding bodies including the FRDC and the Seafood CRC. These relationships culminate in large amounts of funding for research and development. This funding assists SRL in achieving organisation and industry objectives. The strength of SRL's relationship with the FRDC is recognised by a 5 year Memorandum of Understanding (Southern Rocklobster Limited 2007c).

5.10.2. Relationships with Supply Chain Partners

Cooperative relationships with partners at all levels of the supply chain are necessary for SRL to achieve industry and organisation goals. These relationships are particularly important for SRL as the organisation is responsible for managing each stage of the supply chain. Established, cooperative relationships between SRL and industry members exist at each stage of the supply chain.

5.10.3. Corvel Marketing and Management

Seafood industries are challenging to manage and the related products are complex to market. Corvel Marketing and Management provide SRL valuable informational assets and experience needed to manage and market the Australian Southern Rocklobster.

5.11. Core Competencies

Core competencies enable sustainable competitive advantage (Proctor 2000, p. 172). The following has been identified as SRL's core competence.

5.11.1. Quality Assurance

SRL ensures that all members at each stage of the supply chain meet quality standards. The major initiative to ensure guaranteed quality is the Clean Green product certification program (see Section 5.6). This program is a world first supply chain management strategy for rocklobster. The Clean Green program is not easily replicable by competitors and/ or other industries, particularly in the short to medium term.

5.12. Current US Market Position

SRL is a new entrant in the US market and currently export relatively low volumes of ASR to the US (see Figure 3 below). Market shares for lobster in this market are quite difficult to obtain. Past research (Gittins 2006) indicates that Maine Lobster has approximately 80% market share in the SPFD market, with a number of brands competing for the remaining 20%. SRL is therefore estimated to have less than 1% of market share.

5.12.1. Volume Traded

The total weight of ASR traded for each month during the period 1 January 2007 to 30 April 2008 (excluding volume for R&D) is presented below (Figure 3). Total weight traded for this period is approximately 6,900 kilograms or 6.9 tonne.

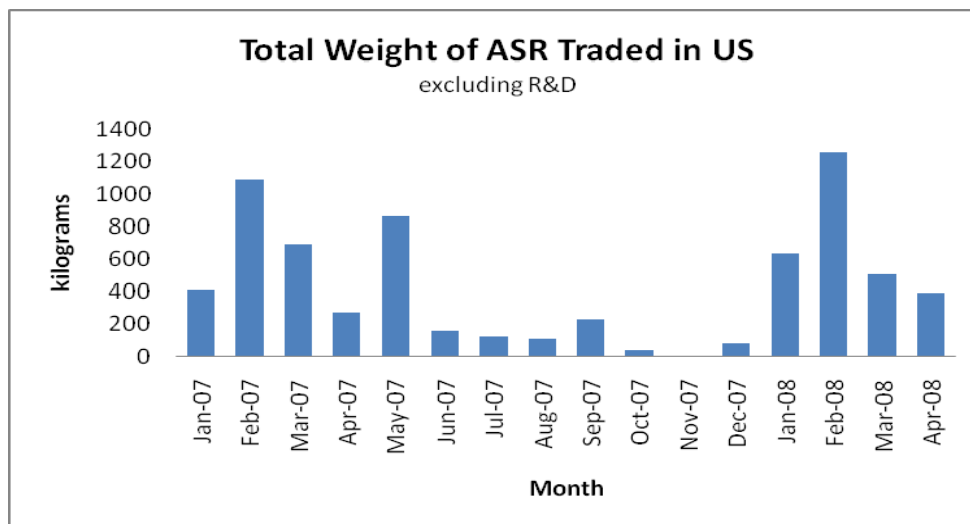


Figure 3 Total Weight of ASR Traded in US
(Sources: Southern Rock Lobster Limited 2008b; CR 10 2008)

Figure 3 above shows a decline (though inconsistent) in weight traded from June until December. A number of factors have been identified that may have adversely affected sales volume during this period:

- Landings of ASR are lowest during the months June through to October (Southern Rocklobster Limited 20007a). Closure of the South Australian fishing season from late May to 1 November greatly affects supply levels (CR 9 2008).
- Holding tanks were not in operation during the months October to mid-December (CR 9 2008).
- The Account Manager was not present in-market during the months June and July (CR 9 2008).

The first factor is largely out of the control of SRL; however the industry utilises measures including overlapping fishing seasons to minimise these seasonality constraints. To address the issue of holding tanks, SRL are utilising tanks supplied by their importer Santa Monica Seafood Company. Finally, SRL attempt to minimise the effect of the third factor by ensuring an Account Manager is present in-market for the majority of the year.

5.13. US Sales Process

SRL currently utilise three methods of personal selling in the US:

- 1) SRL employees;
- 2) Santa Monica Seafood Company sales team;
- 3) International Marine Products sales team.

5.13.1. SRL employees

The majority of activities involved in the sales process are the responsibility of the one in-market Account Manager/ Quality Manager based in California. The structure of the SRL Management Model requires that SRL manage each stage of the supply chain (from the fisher through to the customer) therefore this sales process is necessary under the current supply chain model.

This sales process achieved the following results during the period 1 January 2007 through 30 April 2008.

Table 9 Summary Results of SRL Employees Sales Process

Description/ Measure	Result
Total weight of lobster traded January '07 to April '08 (excluding volume sold by Santa Monica sales team)	approx. 6.7 tonnes
Average weight of lobster traded per month (excluding volume sold by Santa Monica sales team)	416 kg
Initial purchase rate (Number of customers who have purchased at least once)	N = 58
Repeat purchase rate (% of customers who have purchased more than once)	59%

(Sources: Southern Rocklobster Limited 2008b; CR 10 2008)

Advantages and limitations of the SRL Employees sales process have been identified and are outlined in Table 10.

Table 10 Advantages and Limitations of SRL Employees Sales Process

Advantages	Limitations
Ownership of the product is retained by the fisher until it reaches the customer	Limited amounts of human resources restricts the level of progress made with the sales process
The sales process is conducted by the persons most knowledgeable and experienced with the product and organisation	In addition to managing the sales process, employees are required to manage the importer/ distributor function, restricting time spent on the sales process

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5.13.2. Santa Monica Seafood Company sales team

In December 2007 the Santa Monica Seafood Company (current importer of ASR) sales team began selling ASR to target customers (CR 10 2008). For the period 28 December to 30 April 2008 this sales team sold approximately 217 kilograms of ASR to individual restaurants, or restaurants within the Las Vegas Casinos (CR 10 2008). Table 11 presents the percentage of total weight of ASR traded in the US sold by this sales team.

Table 11 Percentage of Total Weight Traded, Sold by Santa Monica

Description/ Measure	Result
Weight of ASR traded in US (28 December '07 to 30 April '08)	3,555 kg
Weight of ASR sold by Santa Monica sales team (28 December '07 to 30 April '08)	217 kg
% of weight of ASR traded in US sold by Santa Monica sales team	6%

Note: values are approximate.

Source: CR 10 2008

Advantages and limitations of the Santa Monica sales process have been identified and are outlined in Table 12.

Table 12 Advantages and Limitations of Santa Monica Seafood Co. Sales Process

Advantages	Limitations
Increased amount of resources should enable greater progress of market development and increased sales	SRL relinquishes control of the product, and the brand, at the distributor stage of the supply chain
Increased amount of resources should assist in building awareness among customers, and ultimately consumers	Fishers lose ownership of the product at the distributor stage of the supply chain
	The sales team have a very large product range to sell and are not particularly dedicated to selling the ASR ¹

Table 12 lists increased human resources associated with this sales team as a means of increasing sales. However, Table 11 above revealed the Santa Monica staff had only sold 217 kilograms in a 4 month period. Therefore this sales process has not proven to significantly increase sales of ASR and development of the market.

5.13.3. International Marine Products

SRL's in-market Account Manager is currently developing a relationship with a Japanese importer/ distributor, International Marine Products (IMP) (CR 8 2008). As at 2 June 2008 this sales team had sold a maximum of 9 kilograms, to 3 customers (CR 10 2008). This limited amount of sales may be partly due to IMP charging customers/restaurants 125% of the price they purchase ASR for (CR 10 2008).

¹ CR 8 2008

5.14. Current US Communication Tools & Penetration Strategies

This section briefly outlines the organisations current US communication tools and penetration strategies. Importantly, effectiveness and direct response/ feedback are difficult to measure for a number of these activities. Customer perceptions of only a limited number of strategies were measured during primary research – refer to Section 5.14.12 below.

5.14.1. Group Product Tastings

SRL have conducted 4 or 5 group tastings across the US (CR 8 2008). These events are held in a SPFD restaurant, and a well known/ award winning chef prepares the menu. Invitees cover a range of segments within the target market (independent restaurants, restaurant chains, hotel chains). Response rates are not high, with approximately 10-15 industry members attending each (CR 8 2008). These events have generally not led to immediate sales; though have often led to sales made at a later date (CR 8 2008).

5.14.2. Mailout

In March and April 2008 SRL posted a Clean Green tag and DL sized promotional flyer to 500 restaurants across the US. A minimal amount of response (phone calls received from chefs) has been received as a result of this communication tool (CR 7 2008).

5.14.3. Chef News

Chef News is a newsletter aimed at both Australian and international chefs. Three separate issues have been emailed to approximately 250 chefs across Australian and the US. Direct response from the market is difficult to measure.

5.14.4. Trade Shows / Congress

SRL have attended key industry events including the National Restaurant Association trade show, and the Star Chefs International Chefs Congress. Chef Michael Cimurusti presented the ASR at Star Chefs and also held a workshop to demonstrate effective utilisation (CR 10 2008). These events are awareness building exercises, however impact and effectiveness is difficult to assess (CR 10 2008).

5.14.5. Food Service Manual

A food service manual directed at chefs has been developed to explain ASR's culinary capabilities and various methods of preparation, storage and handling. A DVD is also included with the manual. The aim of this communication tool is to educate chefs on attributes of the product, and effective methods of utilisation.

5.14.6. Product Donations

SRL have donated product to charity dinners and to the G'Day USA program. Promotion at these events is received as a result, including mention on the menu and product flyers/ brochures made available to event attendees (CR 8 2008).

5.14.7. Television Product Placement

Chef Daniel Bouloud (celebrity chef) featured the ASR on an episode of his television program 'After Hours with Daniel Bouloud'. This product placement was the result of the existing relationship between SRL and Chef Daniel (CR 8 2008). SRL did not receive any direct feedback/ response from this promotion; however response to this type of promotion is difficult to measure (CR 8 2008).

5.14.8. Incentive Schemes

A rewards program is offered to chefs and wait staff. The reward for US customers is a 7-day trip to Australia, which is achieved by reaching volume targets set by SRL (Southern Rocklobster Limited 2007e). Wait staff training and effective communication to consumers are also criteria for achieving the reward. However, no US customers have achieved the volume targets, and customers have advised SRL that current targets are not achievable (CR 10 2008). Current US customers rated continual wait staff education, and chef and wait staff incentive programs, as potentially having a positive impact on increasing sales (Table 13 below). Therefore there is opportunity for SRL to determine new targets that are more achievable for US customers.

5.14.9. Volume Rebates

Rebates are offered to customers for achieving the volume targets determined by SRL (Southern Rocklobster Limited 2007e). Current customers rated volume rates as potentially having the most impact for increasing sales (Table 13 below).

5.14.10. Supply Live Holding Tank

SRL will negotiate supplying customers a tank, subject to conditions (Southern Rocklobster Limited 2007e). Primary research revealed that current US customers rated this strategy as potentially having limited impact on increasing sales (see Table 13 below). In addition, there are a number of limitations associated with this strategy including lack of skilled restaurant personnel to operate the tank (CR 10 2008).

5.14.11. External Sales Support

This strategy involves engaging sales support not linked to a distributor, though with a history in the food service sector. One person in New York has been engaged and their efforts to date have focused on assisting in the research and development process (CR 10 2008).

5.14.12. Communication Program

This strategy aims to educate the industry leaders/ celebrity chefs on the attributes of the ASR and the Clean Green program. The aim is to utilise these industry leaders as brand champions of ASR. This strategy is difficult to assess (CR 10 2008).

5.14.13. Perceived Effectiveness of Strategies to Increase Sales

Current customers ranked on a scale of 1 to 5, how effective each of the 7 promotional strategies in Table 13 would be at increasing sales. See Appendix 5 Section 10 for further discussion.

Table 13 Perceived Effectiveness of Promotional Strategies to Increase Sales

Strategy	Avg Ranking
Volume rate to the restaurant	4.8
Continual wait staff education	4.5
Chef and wait staff incentive program	4.4
Fisher meet and greet	3.9
Customer incentives	3.4
SRL supplied live holding tanks	2.0
Restaurant promotion – branding	1.5

No. of respondents=11. Mark from 1, the least impact to 5, most impact.
 (Source: Appendix 6 Section 7.7.4)

5.15. Product Range

SRL currently sell ASR to US customers in one product form only – whole, live.

ASR is available in a range of sizes to the US market (see Table 14, line 1, below). However, SRL encourage purchase of the larger sized lobsters as they are aiming to achieve a performance measure of \$35/kg for 2kg+ (Southern Rocklobster Limited 2007d).

The complete ASR industry product range sold to other markets is presented below (see Table 14). These additional product forms may potentially be offered to US customers. Primary research (see Appendix 5 Section 11.1) identified a market for frozen tails in SPFD restaurants, and SRL are currently selling a limited number of tails from lobsters that die in transit (CR 10, 2008). However, the tail and other product form markets do not align with SRL's positioning strategy for ASR (see Section 6.2 below). Therefore, risks are involved in developing markets for product forms other than whole, live. The most strategic option for SRL may be to only offer tails from dead lobsters as a 'by product' and at a discounted rate.

Table 14 Complete ASR Industry Product Range

Product Form	Description
Whole Live Lobster	500g – 1kg; 1kg – 2kg; & Large (2kg plus). Sizes also available in whole, green frozen lobsters and cooked lobsters.
Fresh Whole Cooked Lobsters	500g – 1kg; 1kg – 2kg; & Large (2kg plus)
Frozen Tails	Green or cooked
Lobster Medallions	3000 grams
Picked Lobster Meat	Fresh tail meat
Sashimi Tails	Fresh green lobster tails

(Source: Southern Rocklobster Limited 2006)

6. The Product

The Australian Southern Rocklobster (ASR), *Jasus edwardsii*, is native to the coastal waters of Southern Australia. These lobsters range in colour from orange-red, to reddish-purple, to lighter in colour for deep water lobsters (Figure 4). The ASR is distinguishable by two long spines (horns) projecting from the carapace. ASR has a number of defining characteristics including a sweet taste, firm texture, delicate white flesh, and a very high meat yield of up to 52% (Southern Rocklobster Limited 2008a).



Figure 4 The Australian Southern Rocklobster

Only lobsters certified Clean Green are accepted into the SRL supply chain and shipped whole live to the US. Live ASR will last up to 2-3 days in dry storage and one week in holding tanks (Southern Rocklobster Limited 2008a).

ASR is caught wild under strict catch controls. The current annual catch quota is 4,500 tonnes. Of this catch, South Australia produces approximately 55%, Tasmania 35%, and Victoria 10% (Southern Rocklobster Limited 2007d). Five fishing zones across these states have overlapping fishing seasons which enable lobster to be available year round (Southern Rocklobster Limited 2008a). However supply levels vary throughout the year in responses to fluctuations in landings throughout the season (Southern Rocklobster Limited 2007a).

6.1. The Product as a Bundle of Benefits

A product may be viewed in terms of its tangible and intangible features. Both sets of features provide benefits to the customer.

6.1.1. Key Product Tangible Features

The following table outlines the key product tangible features of the ASR, and identifies the related benefits for customers and also consumers.

Table 15 Key Product Tangible Features and Related Benefits

Key Product Tangible Feature	Related Benefits
High meat yield	Allows customers maximum utilisation of the product and greater value for money
Premium quality	Customers and consumers of the SPFD market receive a product that meets their quality expectations
Sweet taste	Provides customers and consumers the sweet taste desired in a lobster
Firm texture, delicate white flesh	The meat suits the culinary requirements of SPFD customers, and provides consumers with a pleasant texture for consumption
No melanosis	The flesh does not turn black and prevent consumption
Size	Size can vary according to customer and consumer requirements/ preferences

6.1.2. Key Product Intangible Features

The following table outlines the key product intangible features of the ASR, and identifies the related benefits for customers and also consumers.

Table 16 Key Product Intangible Features and Related Benefits

Key Product Intangible Feature	Related Benefits
Guarantee of quality	Customers and consumers can feel confident in the quality of the product purchased
Sustainable	Customers and consumers are assured of stable product quotas, product size and sustainability of the fishery's resource
High margin	Customers can achieve the highest seafood plate return with the ASR
Stable price	Purchasing, plate price and menu decisions are made easier for customers
Traceable	Customers and consumers can confirm the product is authentic, and have the option to 'meet' the fisher online
Clean and Green	Customers and consumers can feel confident in the consistent high quality of the product as well as in the environmental and workplace safety standards of the industry
Limited seasonality constraints	ASR is available live the majority of the year

6.2. Positioning

SRL position the ASR as a premium product for sale into SPFD restaurants. This positioning strategy is encapsulated in the positioning statement:

“Australian Southern Rocklobster – the finest in the world” (Southern Rocklobster Limited 2008a).

6.3. Pricing

ASR is currently positioned as a premium offering and therefore commands a price premium. Current price sold to US customers is \$US29.95 per pound and \$US32.95 per pound, depending on size. Despite this price premium, on cost per pound the ASR is almost comparable to cheaper lobster due to its higher meat recovery (see Table 17 below).

Table 17 Lobster Costs with Meat Recovery

	ASR	Other Lobster
Cost/pound	\$US30	\$US12
Meat Recovery %	50%	24%
Cost/ounce of meat	\$US3.75	\$US3.13

(Source: Southern Rocklobster Limited 2008a)

6.4. Customer Product Perceptions

Primary research investigated potential customers’ perceptions of the ASR. Results revealed the potential market has very positive perceptions of this premium product (see Appendices 5 and 6). In summary, potential customers rated their experience using the ASR as ‘excellent’ in the majority of cases (see Appendix 5 Figure 1). In addition, customers rated all sections and all attributes of the ASR as either ‘better’ or ‘much better’ than other lobsters consumed (see Appendix 5 Table 18). Refer to Appendix 5 for further discussion of these, and related results.

7. Major Benefit Delivered

The major benefit delivered to customers by the ASR is the level of quality provided.

Research (see Appendix 5 Section 7) identified quality as the second most important factor for chefs and decision makers when making purchase decisions. Factors that determine the quality of a lobster are product attributes including live, sweeter flesh, no melanosis, and culinary capabilities (see Appendix 5 Section 7.1.1). Research also identified the product attributes of the ASR were rated by the target market as being 'better' or 'much better' than other lobsters consumed (see Appendix 5 Section 6.3.3).

8. Key Competitive Capability

Southern Rocklobster Limited's key competitive capability is their ability to guarantee customers and consumers a premium quality product on every purchase occasion. The Clean Green and Track and Trace programs, management practices, and the product itself enable SRL to provide this guarantee.

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Abbreviations

ASR	Australian Southern Rocklobster
MDM	Market Development Manager
MLPC	Maine Lobster Promotion Council
NMFS	National Marine and Fisheries Service
NRA	National Restaurant Association
SPFD	Super Premium Fine Dining
SRL	Southern Rocklobster Limited

1. Introduction

This appendix provides an analysis of Southern Rocklobster Limited's target US market and the US lobster industry. This analysis will assist in understanding opportunities and threats in the current marketplace in order to develop more effective communication strategies.

Key aspects of this analysis include current industry practices and forces, as well as methods of promotion, pricing, product and distribution utilised in the market.

2. Limitations

This analysis has been constrained by the following limitations:

- Lack of resources to conduct market research, particularly with industry representatives such as fishers and processors, and very few direct, face to face interviews or discussions with SPFD members,
- Market size data used is generalised to the seafood and restaurant industry as specific data on the lobster and SPFD industry was unavailable,
- NMFS trade data for live rocklobster also includes other forms of rocklobster, such as fresh, dried, salted and brine,
- Australian Rocklobster Industry data includes the Western Australian Rocklobster and Northern Australian Rocklobster industries, as well as the ASR industry,
- All currency conversions performed on 9 April 2008 at an exchange rate of \$AU1 = \$US0.931,
- All weight conversions completed at a conversion 1kg = 2.204623lb.

3. Key Findings and Implications

Table 1 Key Findings and Implications

Key Findings	Implications
US SPFD Market consists of 2000 restaurants and is accessible.	Size of the US SPFD market is not a limiting factor for entry.
Majority of current in-market promotion targets consumers.	Further research on the role of the consumer in the restaurant's decision making process should be conducted.
Current supply chains are shorter than SRL's Management Model.	Could partly justify competitors' lower prices.
ASR is one of few species solely offered fresh & live.	Clearly attributes which add value to the offering.
Substitutes can also be compliments.	Threat of substitutes can be reduced through education.
There is potential for alliances with complementary products.	Alliances, particularly with other seafood products, will promote synergies and economies of scale, cutting costs and potentially increasing marketing budgets.
Industry bargaining power rests with supplier's suppliers and buyers	Supplier's suppliers (fishers) can restrict supply to the market, making supply difficult to guarantee. Buyers can also readily switch suppliers or purchase their lobster direct from supplier's suppliers.

4. Industry Forces and Practices

There are a number of key forces impacting on the lobster industry in the US, combining to create the competitive rivalry seen in the industry. These forces are summarised below (Figure 1).

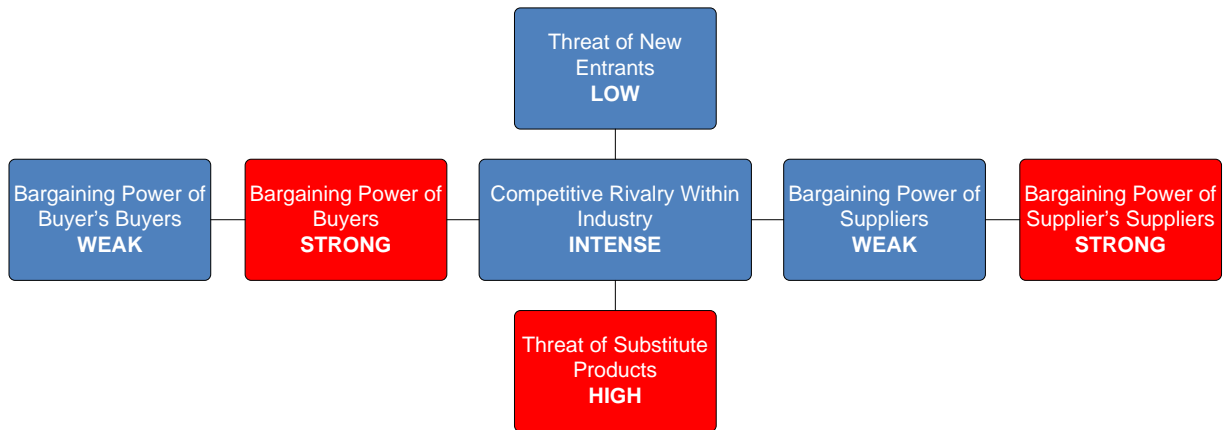


Figure 1 Industry Forces Based on Porter's 5 Forces Model

4.1. Threat of New Entrants

Threat of new entrants is low.

The threat of new entrants to this market is low, due to a number of factors:

- A limited number of lobster species exist worldwide. The majority of these species are already being exported to the US (National Marine Fisheries Service Fisheries Statistics and Economics Division 2008), making the threat of new species or brands extremely low.
- Governments and fishing industries limit the volume of lobsters available for fishing worldwide through quotas; therefore potential new entrants have limited access to supply.
- SPFD restaurants require a high quality, premium product, and live and fresh lobster provides the highest quality meat of any lobster form. Few countries currently exporting to the US do so with a live lobster product (see Appendix 5), and would require significant capital to begin to do so. Therefore an increase in the number of competitors offering live, fresh lobster in the target market is unlikely.

These factors demonstrate that it is unlikely new market entrants will enter the market in the foreseeable future.

4.2. Threat of Substitute Products

Threat of substitutes is high.

In the US market, there are many substitute products available for ASR, both lobster and other meats (see Appendix 3). There is some form of substitute present on every restaurant's menu, and each substitute can be prepared in a number of ways for a number of different dishes. These substitutes include:

- Kobe Beef
- Beluga Caviar
- Lamb
- Fish
- Oyster
- Crab
- Over 8 different species of lobster

These substitutes, with the exception of substitute species of lobster, are already on restaurant menus, making switching costs for buyer's buyers, consumers, nonexistent. However research (see Appendix 6) indicates that wait staff make recommendations to consumers, with customers exerting some influence. Therefore the restaurant does not need to switch to a substitute to harm sales of ASR.

Some of these substitutes do not always have to be competitors, but can also be used as compliments, such as with beef as a premium 'surf and turf' (The Bartolotta Restaurant Group 2002), or with other seafood, such as Morton's Prime Ocean Platter (Morton's The Steakhouse 2008). Therefore education on the benefits of ASR and its various uses, and assistance with menu development for high profit margins for restaurants should be key activities for SRL to combat threats from substitutes and, where possible, turn them into compliments.

For substitute species of lobster, there are very few switching costs for customers, with most of these costs being for labour, spending time searching for and securing an alternative supply of lobster. Therefore there is little incentive for customers to continue with a supplier they are not satisfied with, and the likelihood of switching to a substitute is high.

Many of these substitutes are not of equal quality to ASR, and they offer no obvious benefits to consumers. They are different to ASR and as such they do offer the consumer a different taste and texture, and may better appeal to consumer preferences on a case by case basis, however it is widely acknowledged that ASR has a superior taste and texture to other lobsters on the market (see Appendix 6).

4.3. Bargaining Power of Suppliers

Bargaining power of suppliers is weak.

In the US SPFD market, there are a number of suppliers of both lobster and other produce. These suppliers are primarily food distributors or corporate purchasing firms, selling both lobster and other produce. Due to the ease in switching between different species of lobster and substitutes for buyers, suppliers have little power. The threat is greater for species constrained by quota, such as ASR, as there is limited volume available. If ASR sold out or became otherwise unavailable, customers could easily switch to another supplier offering a different species, with no guarantees they will switch back.

Bargaining power of suppliers is further reduced by the threat of forward integration, with supplier's suppliers supplying direct to customers. Some are already selling their lobster direct over the internet to the public, and it would not be difficult for them to target the SPFD segment. Therefore the threat of forward integration is great, and will become greater in the future as more suppliers' suppliers take advantage of new technology to increase their returns.

4.4. Bargaining Power of Suppliers' Suppliers

Bargaining power of supplier's suppliers is strong.

Suppliers' suppliers are the fishers, who possess the majority of the power in the industry. Under SRL's Management Model, the ASR fishers can choose whether or not to sell their lobster as "Clean Green", with this decision primarily driven by the difference between the beach price and the fixed price SRL are offering (CR2 2008). Should the fishers choose not to sell to SRL, there are a number of distributors they can supply who export primarily to Asia. In the case of fishers of other species of lobster, they choose who they sell their lobster to

dependant on the price they are offered (see Section 7.2). Some fishers sell to distributors, whilst others sell direct to restaurants or the public. If the fisher chooses not to sell their lobster to a particular supplier, the supplier is unable to trade.

The implication for SRL is that they need to minimise the risk of fishers restricting supply through addressing their concerns and educating them on the incentives of the SRL Management Model and Clean Green program.

4.5. Bargaining Power of Buyers

Bargaining power of buyers is strong.

The buyers targeted by SRL, SPFD restaurants, have a lot of power over the suppliers in the industry. This strategy is due to the relative ease with which buyers can substitute ASR for another lobster with little notice as they are relatively similar products. These buyers are limited in available substitutes by quality concerns, as most substitutes are of inferior quality to ASR; therefore they are substitutes by default. The threat of backward integration, that is buyers purchasing their lobster direct from their supplier's suppliers, is minimal as for buyers this would be an involved and time consuming process that few busy restaurateurs are likely to have time for. Supplier's suppliers are more likely to attempt to deal direct with buyers than vice versa.

Continuing education of buyers will ensure that they are familiar with the quality advantages of ASR and methods with which it can be utilised within budget. This in turn will make them less likely to switch.

4.6. Bargaining Power of Buyer's Buyers

Bargaining power of buyer's buyers is weak.

The buyer's buyers are those that purchase lobster from the buyers, therefore restaurant consumers. These buyers have little power in the industry as once they enter a restaurant there are few selections they can make from the menu, however it is the customers who have influenced these menus over time. Buyer's buyers can choose other produce from the menu however selections are limited to what the restaurant will prepare. A recent trend towards

degustation, or tasting, menus results in a further loss of buyer's power, as in a degustation menu all selections are made for the consumers by the chef (see Appendix 4).

4.7. Industry Rivalry

Rivalry is intense.

In the US SPFD market, a high number of competitors and low switching costs combine to give buyers power. There are at least 8 species of lobster in the US market of differing quality, with a number of competing suppliers for each (see Appendix 3), making competition between suppliers extreme. Switching costs for buyers are limited as infrastructure changes are not required; merely time (see Section 4.5). Further, barriers to exit are minimal, as most competing distributors also distribute other seafood products, and can use the infrastructure used for lobsters for other forms of seafood. In addition, the industry is currently expected to be in decline, a casualty of a weakening US economy (see Appendix 4), further intensifying rivalry as competitors fight for every sale.

SRL offer a number of points of difference in the market, such as the Clean Green initiative, Track and Trace program, fixed price and guaranteed supply. These unique points of difference give the customer far more certainty. SRL is the only supplier on the market who guarantees supply at a fixed price due to their unique Management Model (see Section 7.2). An SRL customer switched to another supplier due to price concerns in March 2008, however the new supplier couldn't supply and the customer was forced to switch back to SRL (CR2 2008). This example shows that while switching costs may be low, there are risks associated with switching and it is for the individual restaurants or chains to determine if the benefits outweigh the risks.

4.8. Barriers to Trade

4.8.1. Visa Requirements

With no US citizens working for them in market, SRL face issues in being approved for visas for their staff to be present and work in the US. Until April 2008 SRL's MDM was present in the US on a B1 'Visitor for Business' visa; however the conditions of this visa do not allow

the holder to run a business or receive payment from a business within the US

(Workpermit.com 2008.1).

From April 2008 onwards, following the preparation of extensive documentation, SRL's MDM was approved for an E2 Treaty Investor visa, allowing him to work in the US indefinitely assuming he meets the renewal conditions every 5 years. To be eligible for an E2 visa, an applicant must make a significant capital investment in the US market (Workpermit.com 2008.2).

The United States Government now operates a Visa Waiver Program, enabling citizens from approved countries, including Australia, to enter the US for up to 90 days (Embassy of the United States 2008). This program is not intended for those conducting business in the US, however it is permissible to use this program for admission into the US for meetings (Embassy of the United States 2008). Applicants must have no criminal convictions and cannot extend their stay beyond 90 days (Embassy of the United States 2008). This program will allow SRL employees to enter the market for a short period, e.g. trade shows, with ease.

The implication for SRL is that planning will be required before sending employees to the US, to determine if a visa is required, and if so that the correct visa has been applied for. This process takes approximately two to four weeks, therefore one months notice is required before sending employees on a long term assignment to the US (CR11 2008). Now that the documentation has been prepared for SRL's MDM's E2 visa it will be easier to apply for this visa for other employees in the future. It should be noted that for Maine Lobster, one of SRL's key competitors in the US market, this barrier to trade doesn't exist, as they are a US company.

4.8.2. Significant Trends

- **Tariffs have been eliminated**

Australia and the US entered into a free trade agreement which came into force in the beginning of 2005, which has seen a relaxation and elimination of tariffs on some Australian goods, including rocklobster (Commonwealth Government 2007).

- **Customs restrictions increased**

Due to the threat of terrorism, the US adopted the Bioterrorism Act in 2002, requiring importers to give notice to the US Food and Drug Administration (FDA), Border Protection and US Customs of the shipments impending arrival (Australian Trade Commission 2008). In addition, the Australian Quarantine and Inspection Service (AQIS) requires exporters to have Hazard Analysis and Critical Control Points (HACCP) plans in place, and hygienic practises in order to ensure there is no contamination or infection of food products (Commonwealth of Australia 2007).

4.9. Strategic Alliances

4.9.1. Current Strategic Alliances

SRL has invested in creating strategic alliances with a number of supply chain partners, such as Stanke Ociana Seafoods and Santa Monica Seafood. The University of South Australia has also proved a useful strategic partner providing market research consultancy services.

Well known chefs such as Ann Oliver have proven strong allies for SRL, preparing meals for photographs, writing recipes and making themselves available for opinion on chef communications. Competitors such as MLPC also have similar alliances in order to assist them in promoting their lobster as a usable, desired product, and publish recipes designed to assist chefs in utilising their lobster on their web sites (Maine Lobster Promotion Council 2008.1).

SRL's key strategic alliance is with Corvel Marketing & Management, a consulting firm specialising in the day to day running of seafood industry boards. Corvel staff run SRL on a day to day basis and act as the serving officers, as well as serving this function for the SA Rock Lobster Advisory Council, SA Blue Crab Pot Fishers, Prawn Industry SA and the Seafood Council SA. This alliance allows economies of scale many competitors can't enjoy, and is unique to SRL. However the economies of scale which could be appreciated by this alliance are currently not being achieved due to the complete focus of SRL's Market Development Project being ASR. Considering the cost this alliance adds to the supply chain, it is likely this will be a more highly valued strategic alliance when it brings about economies of scale, which allow a reduction in the management cost per kilogram of lobster traded.

MLPC also has a unique alliance, with the Culinary Institute of America, to create a scholarship fund for students interested in pursuing a “Culinary Arts” degree (Maine Lobster Promotion Council 2008.3). The objective of this is to keep “the Maine Lobster Brand, in their hearts and minds, as well as on their plates” (Maine Lobster Promotion Council 2008.3) of student chefs. While this alliance is interesting and unique, it focuses on acknowledging future SPFD chefs, rather than current chefs, and MLPC are the only competitors in the market with this type of alliance. Smaller competitors such as SRL would be better served pursuing more targeted alliances.

The alliances SRL have entered into are in the right direction for their business, with some, such as the alliance with Corvel, giving SRL unique advantages in the marketplace (See above). These alliances assist in penetrating and understanding the US market and customers within this market, and assisting in developing communication strategies. Due to the SRL Management Model, and the role SRL play in overseeing the distribution chain, the alliances with distribution partners are unique in the industry and strengthen the supply chain.

Other than SRL and MLPC, there is little evidence of unique strategic alliances by other lobster promotional councils at present, most relying on typical alliances such as with chefs and supply chain partners.

4.9.2. Potential Strategic Alliances

The main strategic alliances lobster industries could enter into in this industry are with complementary products, or with customers, and there is little evidence of current alliances in these areas.

Promotional alliances with complementary products could be investigated, using research already undertaken for penetrating the SPFD market with lobster to promote these other products. Economies of scale would be realised, and through combining marketing budgets these products could better communicate to the market. For SRL, products such as premium Australian wines and complementary seafood could be considered, allowing SPFD restaurants to be presented with a ‘complete package’ to serve to their customers.

Lobster industries could also enter into strategic alliances with customers, strengthening the business relationship between the two and reducing the risk to the supplier of the customer switching. SRL, with their relatively small catch, could create alliances with few customers, or even restaurant chains, ensuring them exclusivity and allowing SRL to meet their export goals.

5. Industry Life Cycle

Life cycle analysis is a method used to address marketing problems throughout the life of a product or industry, in order to develop strategies to maximise opportunities (Kotler 2003). However this approach assumes “products have a limited life” (Kotler 2003, pg. 328), and this is unlikely for foods and fresh produce (see Figure 2). For lobster and rocklobster, there is a constraint in production; therefore as fishers begin to fish the maximum sustainable amount of lobster, supply and sales will be unable to increase, with the market reaching maturity. A trend has been observed over the past 25 years of an increase in seafood demand, and a prediction for the next 20 years that demand for seafood in the US will continue to increase (see Figure 6, Section 6.3.2).

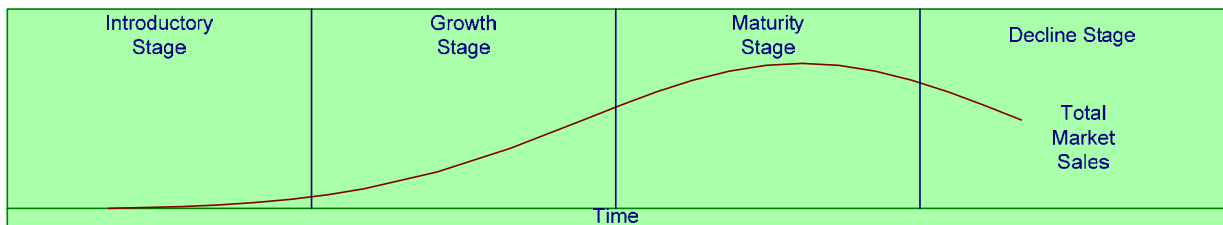


Figure 2 Product Lifecycle Graph

However from research conducted and presented in this section, it is evident that individual forms of lobster, such as live, frozen and portions are subject to minor product lifecycles. There is currently a movement away from the sale of live lobsters in US supermarket chains, with retailer Whole Foods leading the way, believing it is inhumane (Microsoft 2008). However Whole Foods still sell frozen lobster portions, and admitted they would consider selling live lobster again if they could do so humanely (Microsoft 2008). Therefore there is a likelihood of different forms of lobster being popular at different times.

The total amount of lobster in all forms in the US market from 1992-2006 is shown below (Figure 7). The linear trend line shows a consistent trend towards growth for the 14 years of data recorded.

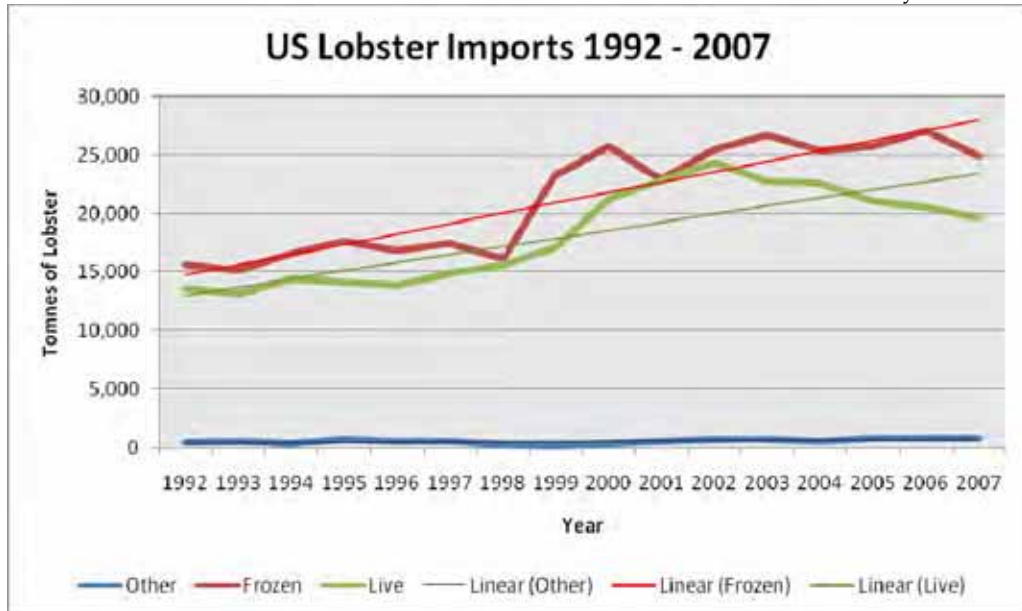


Figure 3 US Lobster Imports 1992 - 2007 (NMFS NOAA 2008)

Upon examination of the specific forms of lobster imported into the US, it can be seen that in general imports are experiencing growth. Trends show imports of these products into the US have increased (Figure 3), however frozen lobster imports have increased at a greater rate. Other forms of lobster, such as fresh, cooked & chilled, cooked in ATC and other preparations, have seen a downward trend over this period and are traded in relatively insignificant volumes compared to live and frozen. Interestingly from 2002 onwards, the time of the last US recession, live lobster exports have been on a consistent downward trend, however exports of frozen lobster are relatively stable (Figure 3). This situation is likely to be due to the higher price of live lobster over frozen lobsters and frozen lobster portions. The decision of major food retailer Whole Foods Market in June 2006 to cease selling live lobster is likely to have also had an impact on live lobster imports (Weblogs, Inc. 2008).

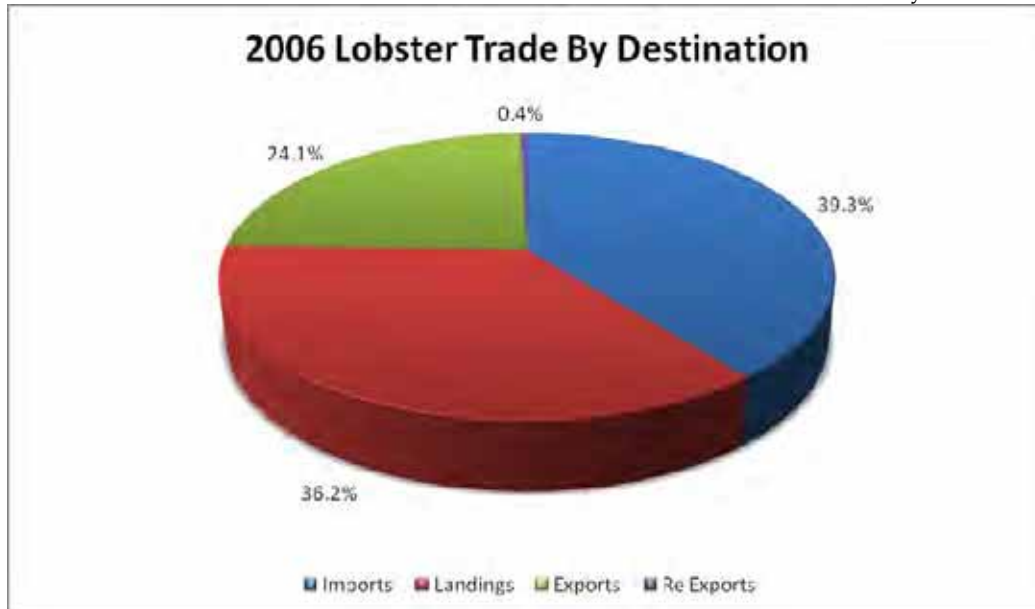


Figure 4 2006 Lobster Trade by Destination (NMFS NOAA 2008)

In 2006 imports accounted for over 39% of all lobster traded in the US (NMFS NOAA 2008, Figure 4), therefore trends seen in US imports are of relevance to the total market. From the trends observed in US lobster imports it can be concluded that the frozen lobster market is in a period of growth. However despite a trend towards growth since 1992, the live lobster market has seen a downturn in sales since 2001, possibly indicating this market is in maturity, or even decline. These figures are for the entire market though, and research indicates that live is the preferred form in the SPFD segment (see Appendix 6). Therefore both markets are attractive to SRL, however frozen is more attractive. The market for other forms of lobster are either in maturity or decline, and as such is not recommended for entry. This market is not one SRL have entered or are considering entering.

The implications of these product lifecycles for SRL is that the frozen market is clearly the more attractive market to enter, with its greater growth, however the live market still has potential, particularly within the target SPFD market. Further, as SRL are only currently entering the live lobster market, they could consider conducting further research into introducing other forms of ASR to the market, particularly frozen forms, to capitalise on the increased growth experienced in this market.

6. The Market

6.1. Definition

SRL's target market for ASR is the Super Premium Fine Dining (SPFD) market in the United States of America. Within this market a segment has been identified (Yap 2005) for luxury seafood products with premium attributes, such as fresh, live, clean & green.

6.2. Location

The target market, the SPFD market in the USA, is located in North America, in close proximity to other potential markets such as Canada. SRL is currently using Santa Monica Seafood as their importer and distributor in the US, who are based in Santa Monica, California, on the west coast.

6.3. Size & Projected Growth

6.3.1. Size & Segmentation

The US full service restaurant market currently consists of 195,492 restaurants (US Census Bureau 2004), with the fine dining market estimated to consist of 40,000 of these (National Restaurant Association 2001). Further, the SPFD market is defined as the top 5% of the restaurants in the fine dining market. There are approximately 2,000 of these SPFD restaurants currently in the US market, and these are the restaurants SRL are targeting. The full service restaurant market has suffered with reductions in revenue every year since 2005 (Figure 5). It is forecast that the US economy will begin to recover in 2009, leading to increases in revenue in the market from 2009 to 2013 (IBISWorld 2008).

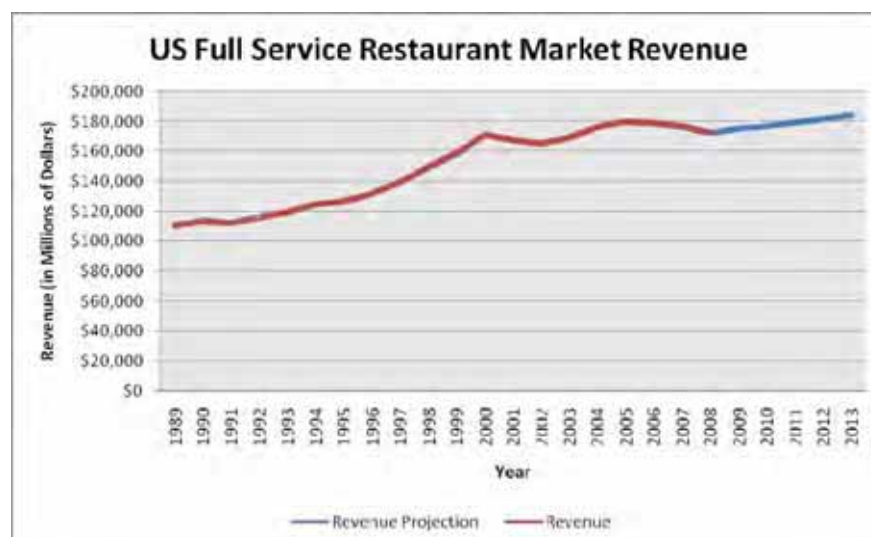


Figure 5 US Full Service Restaurant Market Revenue 1989-2013 (IBISWorld 2008)

6.3.2. Seafood Consumption

In terms of the total market size, NMFS estimates that 6.5 million metric tonnes of seafood was consumed in 2005 (see Figure 6). In the next 20 years, at the current rate of consumption, a peak of approximately 8.5 million metric tonnes is expected to be reached. If US consumers abide by new government dietary guidelines of two seafood meals per week consumption of seafood is expected to rise to 14 million metric tonnes, although this is unlikely. NMFS also predicts an ongoing and consistent trend of demand for seafood products being higher than supply (see Figure 6), which is an advantageous position for the industry to be in and is likely to lead to price increases as fisheries are fished at their maximum sustainable level.

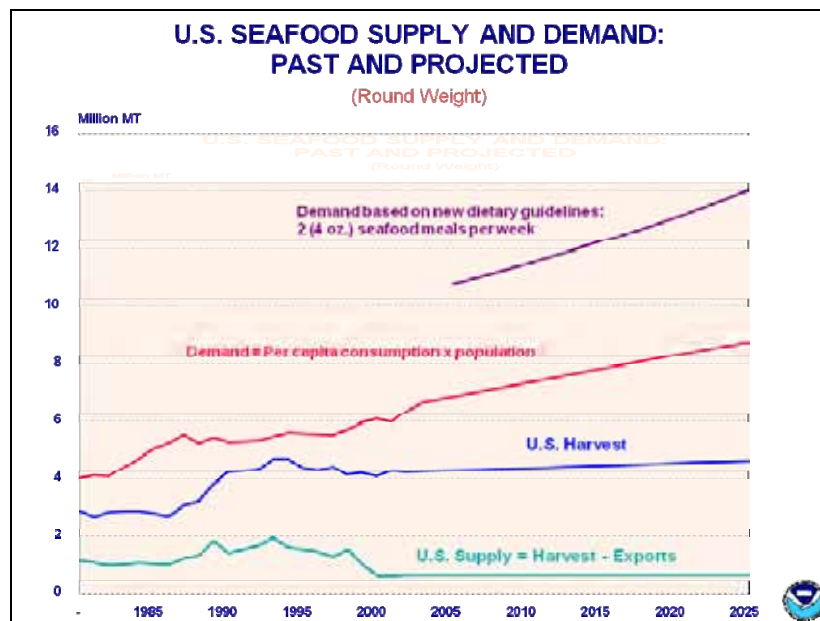


Figure 6 US Seafood Supply and Demand (NMFS 2004)

The total volume of lobsters in the US market in 2006 was 62.9 thousand metric tonnes (see Figure 7), which is approximately 1% of the total seafood market (Figure 6). Therefore the lobster market is unlikely to benefit greatly from the predicted sharp rise in seafood consumption as one of the highest priced seafood items, as many consumers in the US market won't be able to afford lobster (see Appendix 4).

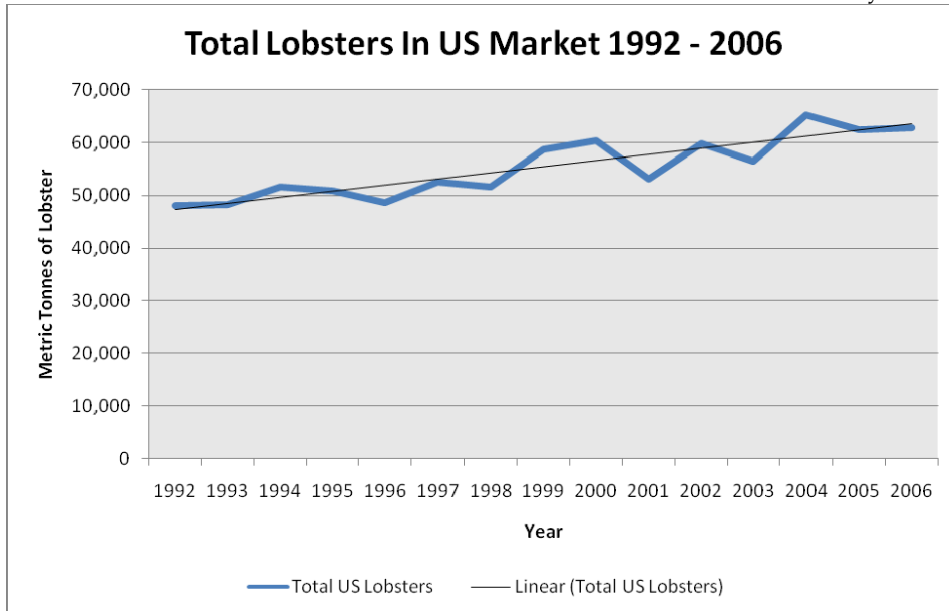


Figure 7 Total Lobsters in US Market 1992-2006 (NMFS 2008)

6.3.3. Place of Expenditure

Of the 6.5 million metric tonnes of seafood consumed, majority, 58%, was consumed at home (Figure 8). A further 25%, or 1.75 million metric tonnes, were consumed in restaurants. If lobster accounts for 1% of total seafood consumption, approximately 17.5 thousand metric tonnes of lobster were consumed in restaurants, 28% of the total lobster market. This data indicates a large and healthy market for both seafood and lobster in US full service restaurants.

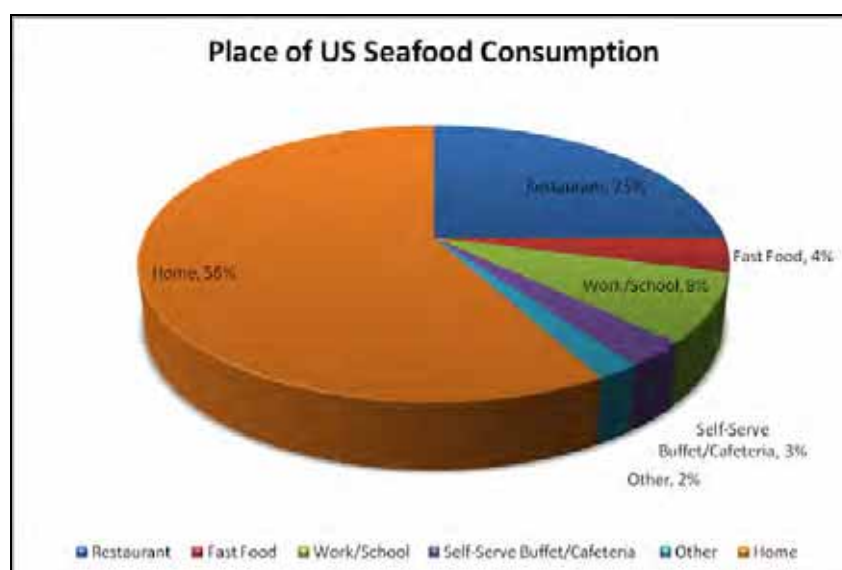


Figure 8 Place of US Seafood Consumption (National Academy of Sciences 2008)

6.3.4. Consumer Origin

The majority of spend, 70%, within the US full service restaurant market comes from middle to high income earners (Figure 9). Significant is that business, corporate and international traveller spend consists of 15% of the market (Figure 9), and these groups of customers are currently increasing in number at a time when middle income earners are reducing their spend in SPFD restaurants (see Appendix 4 for further details). Middle to high income earners, business, corporate and international travellers are the majority of the customer base of SPFD restaurants, as these are the customers with sufficient wealth to dine in SPFD restaurants.

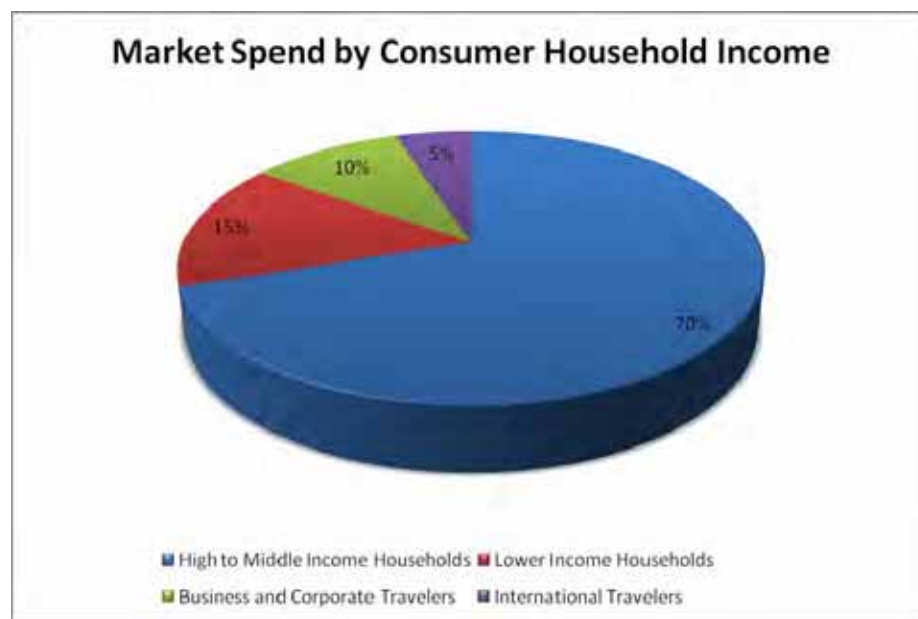


Figure 9 Market Spend by Consumer Household Income (IBISWorld 2008)

6.4. Cost Structure

The most common supply chain used by lobster suppliers in the US includes a series of intermediaries who take title of the lobster one after the other (Figure 15 Section 7.2). The cost structure associated with this supply chain, specifically for the Canadian lobster industry, is outlined in Figure 10.



Figure 10 Cost Structure for Live Lobster Supply Chain (Gardner Pinfold Consulting Economists Ltd 2006) (Prices in CAN Dollars)

This cost structure shows that the highest margin is made by the harvester/fisher, who also incurs the highest cost.

The cost structure of the SRL Management Model (Figure 16 Section 7.2) is illustrated in Figure 11. Important features are:

- The biggest cost in the model after the payment to the harvester is the management costs incurred by SRL.
- The total additional cost of this managed approach is \$13.43/kg, with the largest portion (8.7%) of this being \$6/kg paid to Corvel Marketing & Management for account management. This is a significant percentage of the sale price, and a cost that isn't incurred in the traditional supply chain.



Figure 11 SRL Management Model Cost Structure (SRL 2008) (Prices in AU Dollars except where otherwise stated)

This account management cost is part of the reason why ASR must be sold at a significant price premium compared to its rivals (\$US29.95/lb for ASR vs. \$US11.82/lb for Canadian Lobster, almost triple the price). The other is the costs incurred in the exportation of a live product via air from a country as remote as Australia, something the Canadian industry isn't burdened with.

¹ Air freight for Melbourne to LA

² Based on importing 300kg at a time

³ Cost Price - \$AU64.76/kg, \$US60.26/kg, \$US27.34/lb, Margin - \$US2.61/lb

For processed lobster, the supply chain is slightly different to the common supply chain for live lobster, as it must make room for the processing stage (Figure 12). Characteristics include:

- Higher costs, with the final price almost double that of the live lobster supply chain,
- The harvester/fisher, buyer and broker/distributor all make the same margin,
- The processor assumes the role of shipper, and makes the same margin the shipper would, and
- The major cost difference is in the processing, however buyers typically purchase processed segments of lobster with the highest meat content, therefore pay for less shell and other parts they won't use.

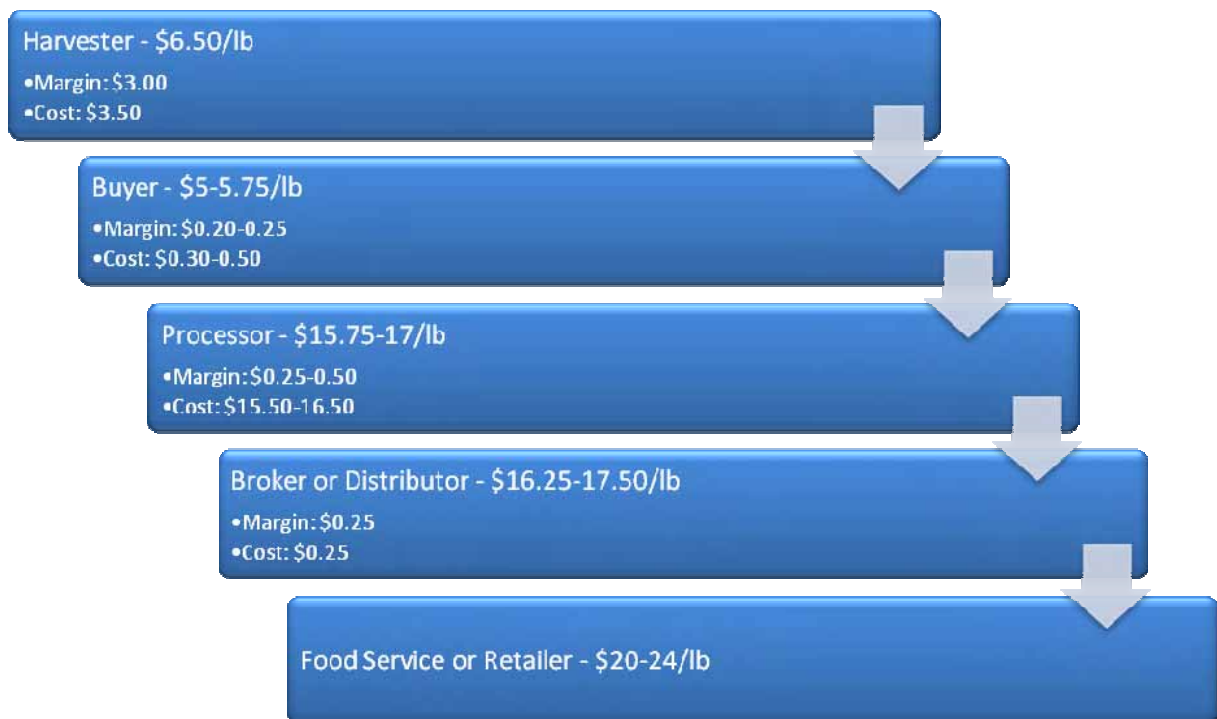


Figure 12 Cost Structure for Processed and Frozen Lobster Supply Chain (Gardner Pinfold Consulting Economists Ltd 2006) (Prices in CAN Dollars)

There are benefits that some of SRL's competitors enjoy that SRL cannot possibly take advantage of due primarily to geographic location, which lead to far higher transport costs. The additional costs brought about by the SRL Management Model also prevent ASR from competing on price with its competitors. However the quality advantages that this model allows are highly valued and highly sought after in the SPFD market. There is some redundancy in the SRL Management Model and this should be reviewed in order to ensure

that the SRL Management Model adds value to ASR, without unnecessary cost (see Section 7.2). Further research is required as to whether ASR requires this model in order to maintain consistent quality, or whether it can be achieved through utilisation of a model closer in concept to the traditional model.

6.5. Profitability

The Canadian lobster industry has a far larger fishery than SRL, which consists of the American lobster. Fishers in this industry earn an average of 33% profit, varying depending on fishing zone (Figure 13).

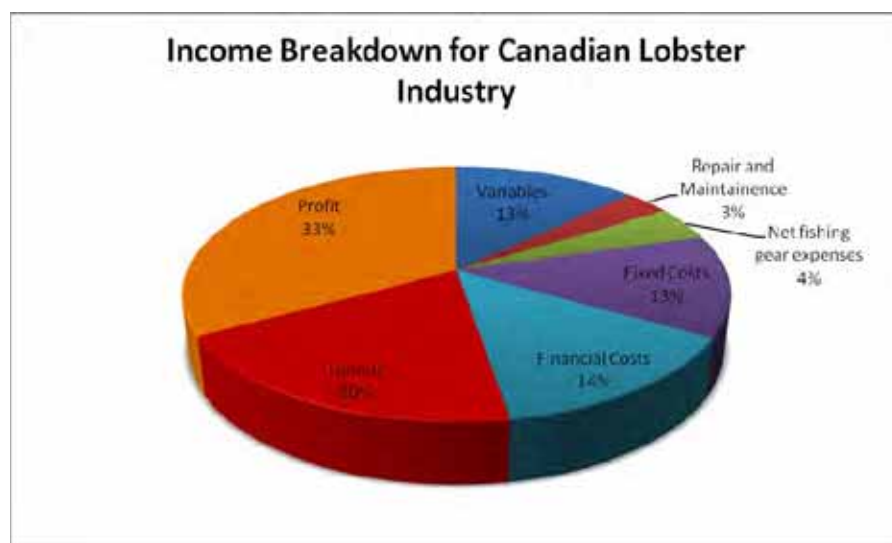


Figure 13 Income Breakdown for Canadian Lobster Industry Averaged Across Fishing Zones (Fisheries and Oceans Canada 2006)

Of the income ASR fishers receive for their catch, 20% of this is currently profit (Figure 14). Therefore the Australian Rocklobster industry is profitable. However the Canadian industry is currently more profitable, possibly because of their larger catch and more income allowing the offsetting of fixed costs.

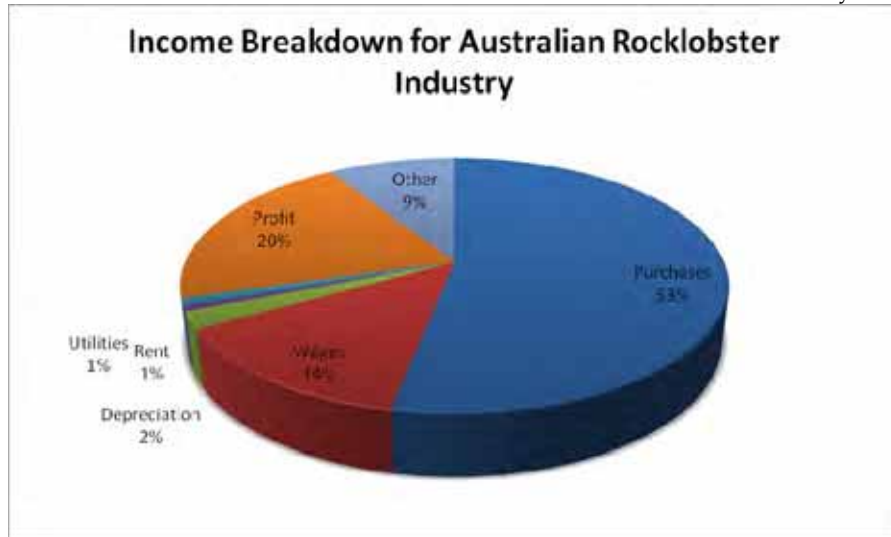


Figure 14 Income Breakdown for Australian Rocklobster Industry (IBISWorld 2007)

7. Marketing Practices in the Market

Across the market there are a number of different marketing practices, varying depending on species, promotional council and distributor. These practises are detailed in the following sections.

7.1. Product

The species of lobster used throughout the industry can vary according to geographic location, and which species are distributed in that region. Lobster is offered in a number of forms, depending on species and distributor, including:

- Whole lobster
- Tails
- Medallions
- Whole shucked (shell removed under pressure)
- Livers
- Spiders (head, body and legs)

These different forms of lobster are then offered live, green (uncooked) or cooked, and either fresh or frozen. At present ASR is only offered in the US as a fresh, whole live lobster, unique in being the only lobster in the market offered solely in that form. It was previously identified (Yap 2005) that this was a good point of difference for SRL in the SPFD segment. One chef in the SPFD market actually defined a quality lobster as 'alive' (see Appendix 6 for further details). Primary research also identified that the SPFD market only utilises whole live lobster and frozen tails (see Appendix 6). Offering live lobster also helps to ensure the quality of meat, as stress and incorrect killing methods can reduce the tenderness and quality of lobster meat (CR2 2008).

In general, ASR grows larger than other species of lobster; however ASR is caught in a variety of sizes. US chefs are familiar with the preparation of the smaller lobster species, and are often found to be hesitant to work with the larger ASR, not knowing how to best utilise it (see Appendices 3 & 6). Adapting to the larger ASR requires education by SRL, which is available in the form of their food service manual, and utilisation demonstrations.

7.2. Distribution

The SRL Management Model has been discussed in detail in Appendix 1. This section is presenting a comparison of the SRL Management Model and the typical industry distribution structure. The typical industry supply chain is very simple (Figure 15), and consists of:

- Fishers - Catch seafood products at sea, bring them to port.
- Exporters/Distributors - Purchase seafood direct from fishers, then sell domestically or export.
- Importers/Distributors - If goods are exported, purchase seafood from exporters/distributors, and then sell domestically.
- Restaurant/Retailer/Consumer – Typically, the industry does include some direct selling, taking another link out of the chain.

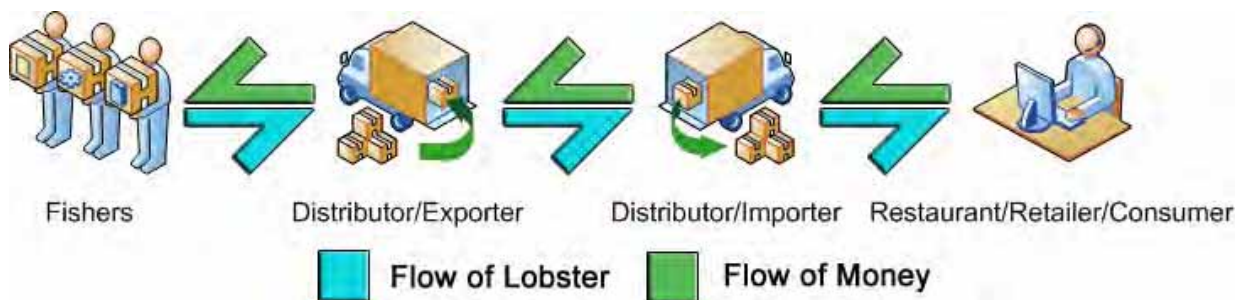


Figure 15 Typical Industry Supply Chain

Additional steps are often included for processing (i.e. cooking, preparation of different forms, etc). In this model, all parties operate independently, with no party controlling the supply chain, and title of the lobster is passed down the supply chain. This is unlike SRL's "Management Model" supply chain (Figure 16, see Appendix 1), where every aspect is controlled by one managing body, with the fishers retain ownership of the lobster until it is sold to the restaurant.

The typical industry supply chain has a number of benefits over SRL's Management Model, such as:

- One stage less, therefore less partners seeking margin and less overheads.
- Fishers have no contractual obligations to supply at a fixed price; therefore can trade their lobster at open market prices. This is an advantage for the fishers as it ensures they get a higher return, unlike SRL's Management Model in which they are forward

contracted for supply, often at lower prices than the beach price offered when they land with their catch.

- Faster payment turnaround times for supply chain partners, particularly fishers who are last to receive their payment in SRL's model due to the delay in the title of the lobster passing. Faster payment turnaround times could be achieved by SRL maintaining good working capital.
- Freedom for suppliers to deal with a variety of partners for each stage, therefore ensuring competition keeps costs down, and
- No account management overheads.

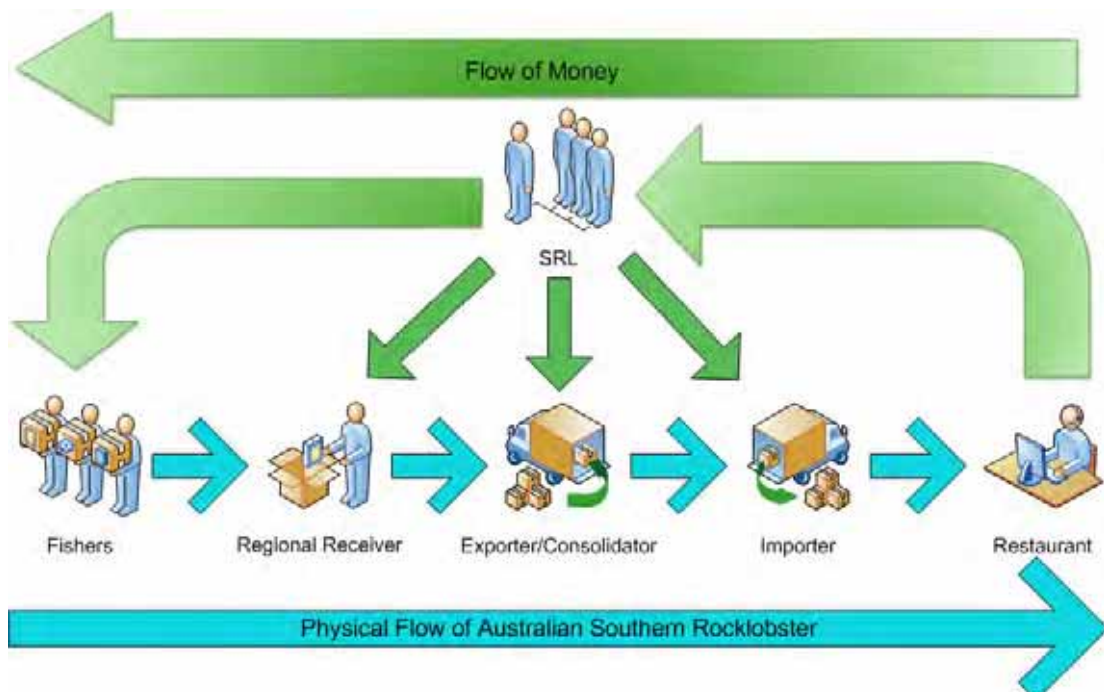


Figure 16 SRL Management Model

There are also a number of key weaknesses in the typical approach, such as:

- Less control over the supply chain doesn't allow guarantees of supply and consistent quality,
- Suppliers' lose control over their brand between the first and last stages of the supply chain, denying them control over the sales methods utilised, and
- Lobsters are not traceable, therefore denying customers and consumers guarantees of authenticity and quality. However competitors are maintaining traceability through the typical industry supply chain.

Cost savings for SRL could be realised through simplification of the SRL Management Model.

7.3. Pricing

Pricing to customers is typically determined by the beach price, the price paid for lobster on the wharves. For most lobsters in the US market, the price paid by customers is between \$US4.50 per pound and \$US60 per pound (see Appendix 6). The price depends on the size of the lobsters, with lobsters under 2kg (approximately 4.4 pounds) attracting a price premium over larger lobsters, due to their increased attractiveness in the US and Asian markets. For ASR, SRL have developed their "Management Model" to allow them to offer customers lobster at a fixed price. This circumstance allows certainty for the customer in developing menus and pricing.

For consumers, many restaurants charge a price premium per plate for lobster, such as Le Bernardin, who also charges a price premium for other premium menu offerings, such as caviar and Kobe Beef (Le Bernardin 2008). This price premium varies from restaurant to restaurant.

7.4. Promotion & Communication

A number of different promotion methods are utilised in the lobster industry. However secondary research indicates there is little variation between the approaches competitors use, which include:

- **Direct Selling**

A number of fishers have their own web sites, where they sell their catch (or a percentage of their catch) direct to the public or restaurants. The fishers rely on internet traffic to their web site in order to sell their stock, and offer extras such as lobster bibs and aprons. Their prices vary considerably, in much the same way as they would from supermarket to supermarket. Distributors and retailers also engage in direct selling, competing against the fishers. Direct selling is primarily directed at consumers; however it is available to SPFD restaurants.

- **Chef Incentive Schemes**

Some promotional councils, such as MLPC, target chefs directly with promotions such as "Maine Lobster Chef of the Year" (Maine Lobster Promotion Council 2008.2) and communication such as SRL's "Chef News".

- **Certification Schemes**

SRL has its “Clean Green” certification scheme (see Appendix 1) and MLPC have a certification scheme which, rather than certifying the fishers, certifies the point of sale, whether it is a restaurant, fish market or grocery store (Maine Lobster Promotion Council 2008.2). Rather than promoting standards and sustainability, this certification gives certified businesses permission to display “Certified Maine Lobster” signage, promoting that they sell lobster from Maine. There are no other benefits, as it is a brand building exercise, rather than a compliancy certification like “Clean Green”.

- **Web sites**

Most industry promotional bodies have their own web sites, which communicate to chefs and the public product information, recipes, usage information, and retailer information. In general, the promotional bodies do not have the facility to purchase lobster direct from their web site, but link to web sites that do.

- **Festivals**

MLPC run a “Maine Lobster Festival”. This festival includes sale of promotional clothing and accessories, and events such as a Merchant Showcase, Sea Goddess Coronation, Coast Guard Station tour, US Navy Ship tour, Cooking Contest, Seafood cooking contest, children's crafts, music and carnival rides. This form of promotion is not common in the industry and is consumer focused.

- **Print Media**

Advertisements in publications such as Art Culinaire and Food Arts, exposure in chef's cookbooks, and press exposure are used across the industry. Some competitors, primarily SRL, produce their own publications (Chef News, Australian Southern Rocklobster Industry News) targeted at chefs and industry members.

- **Trade Shows**

There are a number of highly attended trade shows that SRL and their competitors currently attend, including:

- *StarChefs.com International Chefs Congress*

This show is focused solely on chefs, where “60 of the world's most influential and innovative chefs, pastry chefs, mixologists, and sommeliers

present the latest techniques and culinary concepts to their peers” (StarChefs 2008). Chefs choose what product they utilise in their demonstrations, and this is a good opportunity to showcase ASR to its intended customers. Food, alcohol and kitchen utensil purveyors, including Alaska Seafood, sponsor the event and showcase their wares.

- *National Restaurant Association’s NRA Show*

This show is focused on restaurants and is held around May every year in Chicago (NRA 2008.3). In 2008 over 2100 exhibitors (NRA 2008.1), including SRL (NRA 2008.3), are expected in attendance with a variety of different products including food, kitchen utensils, alcohol, fittings and more. The NRA claims this is the largest food service event in North America, with over 40 different food service segments represented and buyers from the top 200 restaurant chains in attendance. This is an opportunity for SRL to educate these target decision makers on the advantages of ASR and promote it to them. Lobster purveyors and distributors in attendance in 2008 include Kono New Zealand (NZ Lobster) and Halperns’ (NRA 2008.4).

- *G’day USA Australia Day Black Tie Gala*

The cornerstone of Australia Week, a weeklong promotion of all things Australian to Americans (G’day USA 2008). The dinner is overseen by an Australian celebrity chef, and all food products come from Australia. SRL have previously supplied ASR for this dinner. The audience is mainly film and television personalities and representatives (G’day USA 2008), therefore this event isn’t as high priority as formal trade shows; however it does provide some positive public relations for SRL.

8. Market Sensitivities

8.1. Seasonality

Majority of the lobsters available for sale in the US market are seasonal, and can become difficult to obtain in their off season. Distributors keep lobster in tanks or pounds for the off season; however space is limited. Seasonality has minimal effect on ASR due to the different fishing zones (see Appendix 1). However SRL choose not to supply in October and November, while ASR's are shedding their shells and quality can't be guaranteed. SRL should consider keeping stock in tanks to ensure supply during this period.

8.2. Exchange Rate Fluctuations

Australian exporters are highly sensitive to exchange rate fluctuations, particularly at a time when the Australian Dollar is performing strongly against the US Dollar (see Appendix 4). SRL withhold 10% of the payment to the fisher in order to protect against this fluctuation, however cost structures must be constantly kept up to date in order to avoid losses. Any increases in the value of the US Dollar will be of assistance to SRL.

8.3. Beach Price Fluctuations

SRL's Management Model is designed to pay fishers a fixed price for their lobster, and charge customers a fixed price. However beach price of lobster fluctuates, with SRL's fixed price above and below beach price depending on time of year. When beach price is higher than SRL's fixed price, fishers are reluctant to supply to SRL, knowing they can get a higher price elsewhere. This causes fishers to often break their supply contracts (see Appendix 1). Therefore there is a need to further secure supply through the support of fishers.

8.4. Increase in costs

Increases in costs, such as fuel costs, freight costs, and certification costs negatively impact on the profit margin for the fishers. This circumstance is likely to be as a result of exchange rate fluctuations (see Section 8.2), and will make the exportation of lobsters to the US market more difficult (see Appendix 4).

8.5. Reductions in quota

In order to maintain the sustainability of the catch, the possibility exists that governments will reduce the catch quota, therefore reducing the total available for sale (CR2 2008).

9. Market Success Factors

There are three key factors to succeeding in the US lobster market. These are detailed below.

9.1. Securing Supply

Securing supply is one of the biggest success factors in the US, particularly for SRL (see Section 8.3). The implication for SRL is that they need to have the fishers committed to the market development program, to ensure they will continue to supply ASR even when the beach price is above the offered fixed price. The fishers must share the long term view of SRL management.

9.2. Product Alliances

Based on analysis of the industry (see Section 4.2), it has been determined that the threat of substitutes to SRL is high. Therefore any strategies to minimise this threat successfully will be key to success. Some substitutes can also be compliments, and alliances with these products will lessen the threat they pose.

9.3. Education

For SRL, education is of particular importance, due to some of ASR's unique features (no claws, 44-52% meat yield, up to 7lb in size) which many US chefs are not used to. Therefore communication strategies centred around education of chefs, which SRL are currently pursuing, will assist in understanding of the product, its quality and effective utilisation, and prevent lack of sales due to lack of knowledge or fear of using costly food products.

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Appendix 1 – Organisation and Product Analysis

Appendix 3 – Competitor Analysis

Appendix 4 – Business and Macro Environment Analysis

Appendix 6 – Market Research

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Abbreviations

ACL & SPG	Atlantic Canadian Lobster and Seafood Promotion Group
ACL	Atlantic Canadian Lobster
ASR	Australian Southern Rocklobster
CR	Contact Report
DFO	Department of Fisheries and Oceans
ECTRLF	East Coast Tropical Rocklobster Fishery
FSL	Florida Spiny Lobster
MLPC	Maine Lobster Promotion Council
MSC	Marine Stewardship Council
NOAA	National Oceanic and Atmospheric Administration
SPFD	Super Premium Fine Dining
SRL	Southern Rocklobster Limited
TRL	Tropical Rock Lobster
TSTRLF	Torres Strait Tropical Rocklobster Fishery
WRL	Western Rock Lobster

1. Introduction

This Appendix provides an analysis of the competitive environment among lobsters within the US super premium fine dining (SPFD) market. The competitive set is defined, the nature of the competition within the market is analysed, and key performance indicators are compared across brands. Each key competitor is assessed in terms of their industry's characteristics, marketing mix activities, marketing advantages and key competitive advantage. Observations of major trends within the competitive environment are also provided.

The aim of this analysis is to identify competitors' weaknesses that may lead to market opportunities for Southern Rocklobster Limited. In addition, identifying competitors' strengths will determine market threats facing the organisation.

2. Limitations

The following limitations should be considered in relation to the analysis.

- This project analyses only those competitors at the product form level of competition (key competitive lobster brands). The set of key competitors analysed is itself limited due to time and space constraints.
- Accurate market share data was not attainable.
- A limited amount of information was obtained from survey respondents regarding marketing mix activities of competitors. The length of the surveys did not allow for a greater amount of questions relating to these topics.
- Information regarding promotional activities directed specifically at the SPFD market was not obtained with secondary or primary research for all competitors other than Maine Lobster.
- Maine/USA Lobster and Canadian Lobster were not analysed separately in the in-depth interviews, therefore the results could not be separated either.
- Ratings of key performance indicators are based on available information.
- The location (state) of potential customers surveyed was only determined for in-depth interview respondents due to the nature of storage of telephone survey data.
- Representativeness of the target market and generalisability of results is limited due to those limitations outlined in Appendix 6.

3. Key Findings and Implications

Key findings and implications of this analysis are outlined in Table 1.

Table 1 Key Findings and Their Implications

Key Finding	Implications
ASR has the lowest overall rating of key performance indicators among all brands in the competitive set	Opportunity exists for SRL to achieve a more favourable competitive position within the target market
<i>Homarus americanus</i> (American and Canadian lobsters) has a very large share of the market and a very strong brand presence	Stealing market share from these brands, however small, will prove difficult
Customer purchase decisions are made based on price and quality	Price and quality are the two main bases of competition
Lack of market awareness of the distinction between different brands of Australian lobsters	Product and industry characteristics, both-negative and positive, associated with other Australian brands are projected onto ASR and SRL
Three key competitors have a dedicated industry marketing/promotion peak organisation; though only one of these appears to actively engage in activities	A limited amount of marketing and promotion is conducted by competitors

4. The Competitive Environment

The competitive set in which a brand competes can be defined across three levels of competition; product form, product category, and generic (Lehmann and Winer 2005, pp 52-55). The set of competitors facing the ASR in the target market is defined below (Table 2).

Table 2 Levels of Competition Facing the ASR

Level of Competition	Competitors
Product form	American (<i>Homarus americanus</i>) Canadian (<i>Homarus americanus</i>) Floridian (<i>Panulirus argus</i>) Western Australian (<i>Panulirus cygnus</i>) North Australian/PNG (<i>Panulirus ornatus</i>)
Product category	Oysters; fish; prawns; shrimp; squid; octopus; shark; clams; caviar; crab; abalone
Generic	Kobe beef; white and black truffles

This project analyses competitors at the product form level of competition only. Analysis is confined to these competitors as they compete directly with ASR in terms of *customer* rather than consumer purchasing, and it is the customer who is the focus of this study.

Another important aspect of the competitive set facing the ASR is the circumstance that competitors at the both the product category and generic levels can also be complimentary products (see Appendix 2 also).

5. How Companies Compete

Lobster brands within the target market compete primarily on the following two bases of competition.

5.1. Price

Research revealed the most important factor for customers when purchasing seafood/ lobster for their menu is price (Appendix 5 Section 7.1). Forty-four percent of customers surveyed who responded to this question rated price as either the most, or the second most, important factor in their purchase decision (Appendix 5 Section 7.1).

5.2. Quality

Quality was determined to be the second most important factor for customers when making seafood/ lobster purchase decisions (Appendix 5 Section 7.1). Twenty-one percent of customers surveyed who responded to this question rated quality as the most, or the second most, important factor (Appendix 5 Section 7.1). Factors that determine the quality of a lobster are product attributes including live, sweeter flesh, no melanosis, and culinary capabilities (Appendix 5 Section 7.1.1).

6. Key Competitors and Their Capabilities

ASR's key competitors in the target market are; American, Canadian, Floridian, North Australian/ PNG and Western Australian.

These brands were determined to be ASR's key competitors based on the following:

- The competitive set analysed in Gittins 2006;
- Results of surveys and in-depth interviews conducted with current and potential customers (see Appendix 6);
- Results of discussions with SRL staff (CR 8 2008).

The American and Canadian Lobsters were chosen as key competitors based primarily on brand size and strength. These lobsters are the same species, though for the purposes of analysing the industries separately, the two brands have been analysed individually within this Appendix. The North Australian/ PNG and Western Lobsters were chosen primarily on the fact that being 'Australian' causes customers to confuse these brands with the ASR (Appendix 5 Section 6.1). Florida Spiny Lobsters are included in the key competitive set as they are the largest domestic brand of spiny lobster in the US and are sold to target customers live (Section 6.5). Section 8 outlines the extended competitive set.

6.1. Key Performance Indicators

Each brand within the key competitive set was assessed in terms of the five key performance indicators (KPIs) outlined in Table 3 below. Primary research (Appendix 6; CR 8) and analyses in Sections 6.3 through 6.7 were used to determine ratings for each KPI.

Rating values for the KPIs are: 3=strong; 2=average; 1=weak. An overall rating for each brand, out of a possible 15, is also provided. Brand strength is measured in terms of marketing advantages, key competitive advantage, perceived/observed loyalty, and perceived/observed brand awareness. Results show that ASR has the lowest overall rating, implying that all key competitors are in a more favourable position in the target market.

Table 3 Key Performance Indicators of the Competitive Set

Competitor	Market Share/ Coverage	Price	Brand Strength	Industry Sustainability	Quality & Characteristics	Overall Rating (out of 15)
American	3	3	3	2	2.5	13.5
Canadian	3	3	2.5	2	2.5	13
Western	2	3	2	1.5	2.0	10.5
Floridian	2.5	2	2	2	2	10.5
North/ PNG	2	3	1	1.5	2.0	9.5
ASR	1	1	1.5	3	2.5	9

6.2. Seasonality

Lobster fishing seasons vary for each competitor, resulting in fluctuating supply levels among the competitive set. The lobster fishing season for ASR relative to its five key competitors is shown below (Table 4).

Table 4 Lobster Fishing Seasons by Brand

Brand	Ja	Fe	Ma	Ap	Ma	Ju	Jul	Au	Se	Oc	No	De
American												
ASR												
Canadian												
Floridian												
North Australian/ PNG												
Western Australian												

(Source: various sources – refer Sections 6.3 to 6.7)

6.3. American Lobster

Key product and industry strengths and weaknesses are outlined below (Table 5).

Table 5 American Lobster Key Product & Industry Strengths and Weaknesses

Key Product & Industry Strengths	Key Product & Industry Weaknesses
Brand size and strength	An increase in animal size leads to decreased flavour and increased toughness of meat
Price	Meat quality may not be suitable for sashimi
Limited seasonality constraints	
Origin and species	
Product size	
Product form	
Promotional activities of the MLPC are directed specifically at target customers	

6.3.1. The Industry

6.3.1.1. Description

The US resource of American Lobster (*Homarus americanus*) occurs from the waters of Maine down to North Carolina. Commercial landings exceeded 42 thousand metric tonnes in 2006, generating close to USD\$400 million (NOAA 2008a). The state of Maine harvests the majority of the industry's catch, averaging 75% per year over the years 2000 to 2006 (Figure 1).

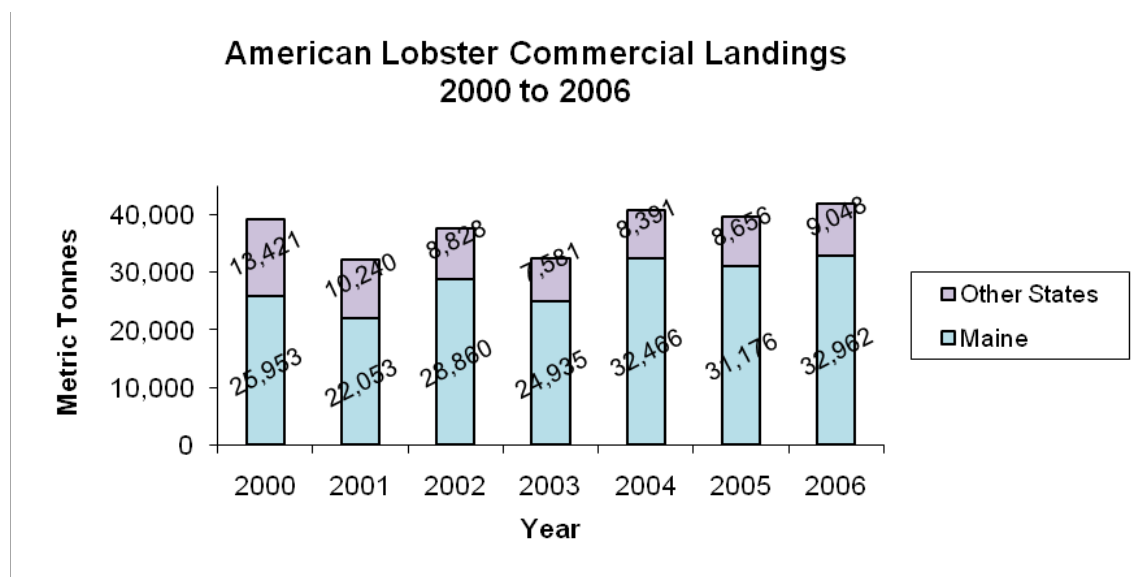


Figure 1 American Lobster Commercial Landings
(Source: NOAA 2008a)

6.3.1.2. Management & Sustainability

The American Lobster fishery is managed by the Atlantic States Marine Fisheries Commission (ASMFC). American Lobster is harvested by hand, one trap at a time. Management practices vary only slightly among the fishery's 7 management areas and include: tail notching; minimum and maximum carapace size limits; trap limits; nominal effort control measures (MLPC 2008; ASMFC 2008).

The ASMFC 2006 American Lobster stock assessment report determined stock abundance and recruitment levels are stable in some areas (Georges Bank and throughout most of the Gulf of Maine) though are depleted in others, primarily Southern New England (ASMFC 2008; ASMFC 2006; NOAAc 2008). All areas show concerning levels of dependence on new recruits (ASMFC 2006). In addition, the ASMFC (2006, p.3) advised that "available data are woefully inadequate for the management needs of this fishery" and that a mandatory catch system is needed.

6.3.1.3. Seasonality

American Lobster is harvested all year round (MLPC 2008); therefore seasonality is not a major constraint on supply levels for this brand. However, seasonality does influence the volume of supply and appearance of the lobsters at various times throughout the year (MLPC 2008). The fishery utilises pounds (primarily January to March) to overcome some issues of seasonality (MLPC 2008). Supply levels of *live* lobster are highest during the months of July through to November (Holmyard and Franz 2006, p. 28).

6.3.1.4. Notable Trends / Developments

Certification

The Maine Lobster fishery has begun pursuing Marine Stewardship Council certification (Central Florida News 13 2008).

6.3.2. Marketing Mix Practices

6.3.2.1. Product

American Lobsters are wild caught cold water lobsters characterised by their two large front claws (Figure 2 below). These lobsters are generally a dark greenish brown colour; however most will turn red once cooked. A majority of American Lobsters are 'new-shell' lobsters as effort and catches are highest in the immediate post-moult period (Holmyard and Franz 2006). These lobsters are of lower quality than 'hard-shell' lobsters (Gardner Pinfold Consulting Economists Ltd 2006, p. ii), command lower prices, and have higher mortality rates (Holmyard and Franz 2006, p.11 & p. 23).

Research revealed that as the *Homarus americanus* increases in size, it decreases in flavour and the meat becomes tougher (Appendix 6, Section 6.6.2 Table 33). One customer suggested these lobsters are not of high enough quality to use as sashimi (Appendix 6 Section 6.6.7 Table 104.) Further, one customer referred to the *Homarus americanus* as the "workhorse" of lobster (Appendix 6 Section 6.6.2 Table 33) implying they are a dependable, readily available, low priced brand. However, three potential customers stated they view quality aspects of the *Homarus americanus* such as taste and texture, more favourably than ASR (Appendix 6, Section 6.6.6 Tables 80 & 81).

Product Size and Forms

Typical weight of *Homarus americanus* sold to SPFD customers is 1 to 2 pounds, which is the most popular size of lobster used throughout the market (Appendix 5 Section 11.2).

Research (Appendix 5 Section 11.1) revealed that target customers only purchase *Homarus americanus* in the form of whole, live.



Figure 2 Certified Maine Lobster

6.3.2.2. Price

Whole, live *Homarus americanus* are sold to target customers for US\$4.50 - \$14 per pound (Appendix 5 Section 11.3). However price per pound can reach as high as US\$20 (Appendix 6 Sections 6.6.2).

6.3.2.3. Promotion

The Maine Lobster Promotion Council (MLPC) has established a 'brand' for lobster harvested in the state of Maine. The council engages in a number of general promotional activities characteristic of those discussed in Appendix 2. Notably, the MLPC engages in a number of promotional activities directed specifically at target customers (Appendix 2; MLPC 2008). The absence of a dedicated promotional body for American Lobster harvested in other states and visible promotional activities within the target market, suggest that promotion of lobster from other states is minimal.

Brand Differentiation

The MLPC attempts to differentiate lobsters harvested in Maine from other brands of *Homarus americanus* (both domestic and Canadian). Research was not able to measure and identify customers or consumers levels of awareness of this distinction.

6.3.2.4. Distribution

American *Homarus americanus* is a domestic product and therefore distributed through a typical industry supply chain as outlined in Appendix 2. These lobsters appear to have very wide coverage across the US market (CR 8 2008) and were used by customers in all 5 states analysed during in-depth interviews (Appendix 6 Section 6.6.2 Table 35).

6.3.3. Market Position

Homarus americanus has a very strong market position, with Maine Lobsters estimated to have approximately 80% market share within the SPFD market (Gittins 2006). Customer analysis (Appendix 5 Section 11) revealed these lobsters are the most commonly purchased brand within the 'whole live' market, and the market overall.

6.3.4. Marketing Advantages

Table 6 American Lobster Marketing Advantages

Advantage	Description
Brand Size and Strength	American Lobster is a well established, large and strong brand in the market.
Marketing Organisation	A dedicated peak body, the Maine Lobster Promotion Council (MLPC), conducts marketing and promotion of Maine lobsters.
Certification	The Maine Lobster Industry certifies their lobsters through the Certified Maine Lobster™ program. However this program is not as extensive as SRL's certification/QA programs discussed in Appendix 1.
Supply/Seasonality	American Lobsters are available to customers year round in all product forms, including live.
Domestic Product	American Lobster is distributed through a domestic supply chain, which has cost advantages over international supply chains that lead to lower prices charged to customers. In addition it provides lower risks of mortalities and shorter travel and storage times for live lobster ¹ .
Product Form	American Lobsters are available to the target market in the form whole, live.
Size	The majority of American Lobsters are of a size that target customers are familiar with using.
Price	American Lobster is sold to target customers at a per pound price point that is significantly lower than the ASR.
Origin/ Species	The US market is more familiar with the clawed, as opposed to the spiny, lobster as <i>Homarus americanus</i> is the largest brand in the market
Raw Lobster	New opportunities have been created for the use of raw Maine Lobster by the introduction of a hydrostatic pressure technique for removing raw meat from the shell (see Appendix 4). This technique has proved a small threat to sales of ASR in the target market ² .

6.3.5. Competitive Advantage

Brand strength and size

American Lobster is a well established, strong, and large brand in the market. This circumstance enables brands in this position to achieve a number of advantages including: large and loyal customer base; established relationships with all value chain members; and high levels of awareness in the target market.

¹ CR 8 2008

² CR8 2008; Appendix 6 Sections 6.6.2 and 6.6.6

6.4. Atlantic Canadian Lobster

Key product and industry strengths and weaknesses are outlined below (Table 7).

Table 7 Canadian Lobster Key Product & Industry Strengths and Weaknesses

Key Product & Industry Strengths	Key Product & Industry Weaknesses
Brand size and strength	Quality assurance and food safety
Supply matches demand	An increase in animal size leads to decreased flavour and increased toughness of meat
Price	Meat quality may not be suitable for sashimi
Species	
Product size	
Product form	
Majority of catch are hard-shell lobsters	

6.4.1. The Industry

6.4.1.1. Description

Lobster harvested in Atlantic Canada is the *Homarus americanus*; the same species as the American Lobster. Atlantic Canadian Lobster (ACL) is harvested throughout the Atlantic Provinces (Newfoundland, New Brunswick, Nova Scotia, and Prince Edward Island) and Quebec. Commercial landings exceeded 53,300 metric tonnes in 2006 (Figure 3). The largest export market for the ACL is the US with approximately 80% of the total production exported to this market; half of which is live lobster (Holmyard and Franz 2006, p.24; Gardner Pinfold Consulting Economists Ltd 2006, p. i).

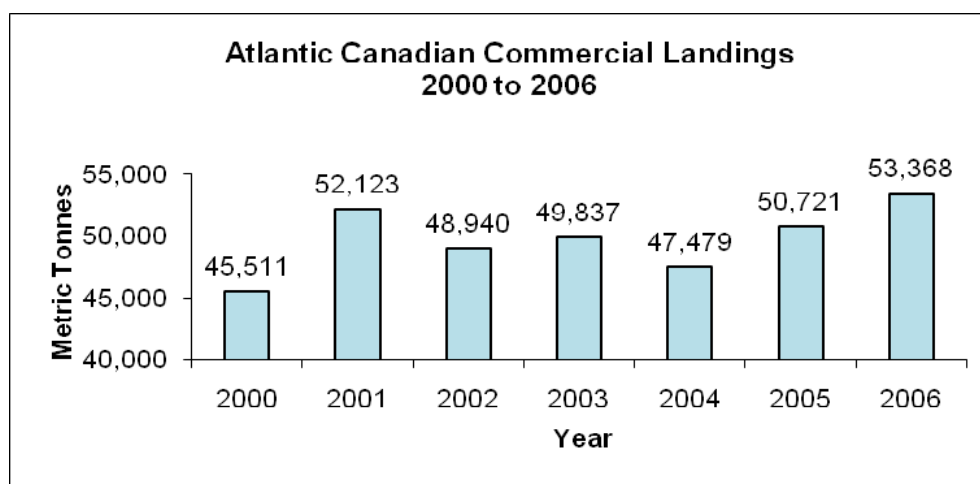


Figure 3 Atlantic Canadian Commercial Landings (Source: NOAA 2008a)

6.4.1.2. Management & Sustainability

Management of the fishery is overseen by the Department of Fisheries and Oceans (DFO) while support for export market development is provided by Agriculture and Agri-Food Canada (AAFC). The industry's integrated management system overseen by the DFO is regarded as one of the most complex and sophisticated in the world (Holmyard and Franz 2006, p.16; ACL & Seafood Promotion Group 2004).

However, in 2007 the Fisheries Resource Conservation Council (FRCC 2007) observed "the fishery has been managed with minimal information rather than comprehensive knowledge". The FRCC strongly suggested establishing better controls on fishing effort as current efforts and economic dependence on the resource pose a threat to sustainability (FRCC 2007).

ACL is harvested via traps in a labour intensive, though ecologically responsible process. The fishery is managed based on input controls. Management practices include: the harvest method; staggered lobster seasons across the 41 Lobster Fishing Areas; carapace size limits; limited number of licenses; trap limits; escape mechanisms; female size limits; and trap designs (Agriculture & Agrifood Canada 2004; ACL & Seafood Promotion Group 2004).

6.4.1.3. Seasonality

With the exception of the single off-shore Lobster Fishing Area (LFA 41), the Atlantic Canada lobster fishing season is limited to the months April through to October (Agriculture & Agrifood Canada 2004). Landings peak twice a year; April through June and again in December (Agriculture & Agrifood Canada 2004). However, the industry utilises methods including pounds and dry-land holding tanks to ensure lobster (including live) is available all year round (Gardner Pinfold Consulting Economists Ltd 2006, p. ii; Holmyard and Franz 2006, p.17; ACL & Seafood Promotion Group 2004).

6.4.1.4. Notable Trends / Developments

Legal trade size of lobster

In late 2005 and early 2006 a high proportion of ACL lobsters exported to the US were found to violate US minimum trade size restrictions (Gardner Pinfold Consulting Economists Ltd 2006, p.34).

Food safety standards

Research (Gardner Pinfold Consulting Economists Ltd 2006, p.40) has revealed inter-industry concerns regarding processing plants failing to meet food safety standards on a consistent basis.

6.4.2. Marketing Mix Practices

6.4.2.1. Product

Atlantic Canadian Lobsters are wild caught cold water lobsters that generally share the same characteristics as the American Lobster as they are the same species (refer to Section 6.3.3). However, in contrast to the American Lobsters, the ACL are primarily hard-shelled and therefore promoted on the features of the hard, rather than the soft shell (ACL & Seafood Promotion Group 2004).

Product Size and Forms

Refer to Section 6.3.3.1 on American Lobster.

6.4.2.2. Price

Refer to Section 6.3.3.2 on American Lobster.

6.4.2.3. Promotion

The Atlantic Canada Lobster and Seafood Promotion Group is responsible for marketing and promotion of ACL across domestic and international markets (ACL & Seafood Promotion Group 2004). The organisation engages in a number of general promotional activities characteristic of those discussed in Appendix 2.

Brand Differentiation

The ACL & Seafood Promotion Group attempts to differentiate the *Homarus americanus* harvested in Canada from those harvested across the US. Research was not able to measure and identify customers or consumers levels of awareness of this distinction.

6.4.2.4. Distribution

Atlantic Canadian Lobster is exported to the US market; therefore a typical industry international supply chain is utilised (see Appendix 2 for further details). See Section 6.3.3.4 on American Lobster for market coverage.

6.4.3. Market Position

In comparison to the American Lobster, Atlantic Canadian Lobsters have a strong position in the US market. Canada is the largest exporter of lobster to the US with 31,800 metric tonnes exported in 2007; 19,500 metric tonnes of which was live (NOA 2008a). Customer analysis (Appendix 5 Section 11) revealed these lobsters are the most commonly purchased brand within the 'whole live' market, and the market overall.

6.4.4. Marketing Advantages

Table 8 Canadian Lobster Marketing Advantages

Advantage	Description
Brand Size and Strength	ACL is a well established, large and strong brand in the market.
Marketing and Promotion Peak Organisation	A dedicated peak body, the Atlantic Canada Lobster & Seafood Promotion Group, conducts marketing and promotion of the ACL.
Quality Live Lobster	The timing of the ACL catch means these lobsters have harder shells, which results in higher product quality than other species/ brands ³
Supply=Demand	The ACL industry is able to match supply with fluctuations in demand ⁴ .
Species	The US market is more familiar with the clawed, as opposed to the spiny, lobster as <i>Homarus americanus</i> is the largest brand in the market
Size	The majority of ACL are of a size that target customers are familiar with using.
Price	ACL is offered to target customers at a per pound price point that is significantly lower than the ASR.
Raw Lobster	New opportunities have been created for the use of raw ACL by the introduction of a hydrostatic pressure technique for removing raw meat from the shell (see Appendix 4). This technique has proved a small threat to sales of ASR in the target market ⁵ .

6.4.5. Competitive Advantage

Brand strength and size

Refer to Section 6.3.5 on American Lobster.

³ Gardner Pinfold Consulting Economists Ltd 2006, p.3, p.31

⁴ Gardner Pinfold Consulting Economists Ltd 2006

⁵ CR8 2008; Appendix 6 Sections 6.6.2 and 6.6.6

6.5. Florida Spiny Lobster

Key product and industry strengths and weaknesses are outlined below (Table 9).

Table 9 Florida Key Product & Industry Strengths and Weaknesses

Key Product & Industry Strengths	Key Product & Industry Weaknesses
Domestic supply chain is utilised	Meat is affected by melanosis
Largest domestic spiny lobster species	Evidence (though limited) of seasonality constraints for live lobster
	Limited number of marketing advantages

6.5.1. The Industry

6.5.1.1. Description

Lobster harvested in the state of Florida is the *Panulirus argus*, or Caribbean Spiny Lobster. Florida Spiny Lobster (FSL) is commercially harvested off the southern tip of Florida and the Florida Keys. The majority (85-90%) of spiny lobster fished in the US is harvested in Florida (Milon, Larkin, Lee et al. 1999). In 2006 commercial landings totalled 2,165.5 metric tons (NOAA 2008a). Commercial landings of the FSL for the years 2000 to 2006 is presented below (Figure 4).

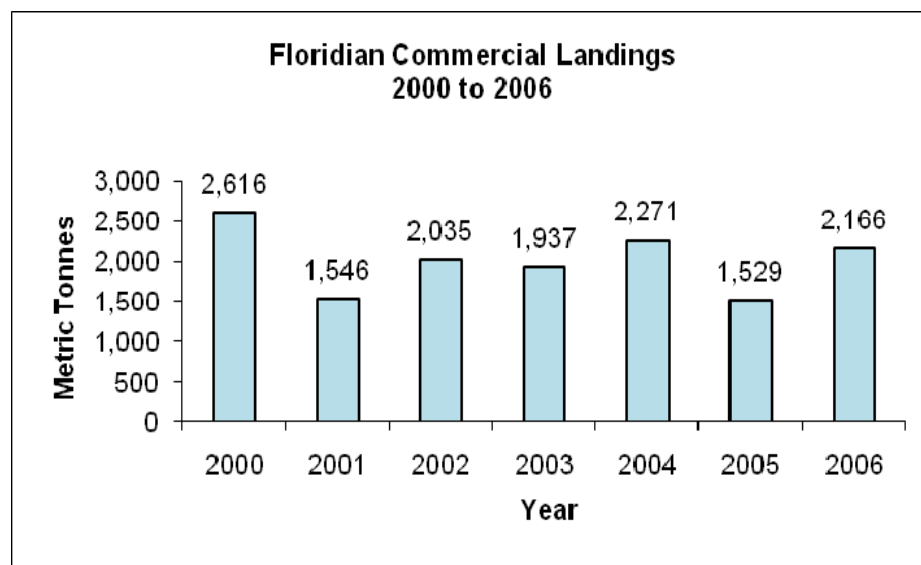


Figure 4 Florida Lobster Commercial Landings
(Source: NOAA 2008a)

6.5.1.2. Management & Sustainability

Management of the FSL Fishery is primarily the responsibility of the Florida Fish and Wildlife Conservation Commission (FWC). A number of biological management measures are in place to ensure sustainability of the fishery. These measures include: minimum carapace length; closed fishing season during the bulk of the reproductive season; and measures to reduce discard mortality (SEDAR 2008).

The fishery has taken measures to maintain stock levels through the implementation of an effort management program in 1993 (SEDAR 2008). The program has successfully seen a reduction in trap numbers and increased control over excess capacity (SEDAR 2008). The fishery was assessed by the South East Data, Assessment and Review process in 2005 which determined the FSL was not overfished (Blue Ocean Institute 2006).

6.5.1.3. Seasonality

The FSL commercial fishing season is restricted to the period August 6 through to March 31st (Hill 2005). Methods utilised by the industry to overcome issues of seasonality were not identified through secondary research. However, primary research revealed that one customer of the FSL finds it difficult to source live FSL (Appendix 6 Section 6.6.2 Table 33).

6.5.1.4. Notable Trends / Developments*Declining catch levels*

Commercial landings of the FSL fell to a 30-year low during the 2001-2002 season and have since remained below historic numbers (Blue Ocean Institute 2006).

6.5.2. Marketing Mix Practices

6.5.2.1. Product

The Florida Spiny Lobster (*Panulirus argus*) is a live caught, warm water lobster. These lobsters have a mottled colouring of yellow, brown, orange and blue markings; though turn a bright red-orange when cooked (Florida Keys Treasures 2008). Previous research suggested the FSL is known for its sweet, delicious taste (Gittins 2006). However more recent research (CR 8 2008) has indicated some fine dining chefs believe the taste and quality of the FSL is not comparable to competitive products. Further, the meat of these lobsters is affected by melanosis (Appendix 6 Section 6.6.2).

Product Size and Forms

Primary research identified that FSL was purchased only in the form whole live, at a size of 1-2 pounds (Appendix 6 Section 5.6.6 and 6.6.2).

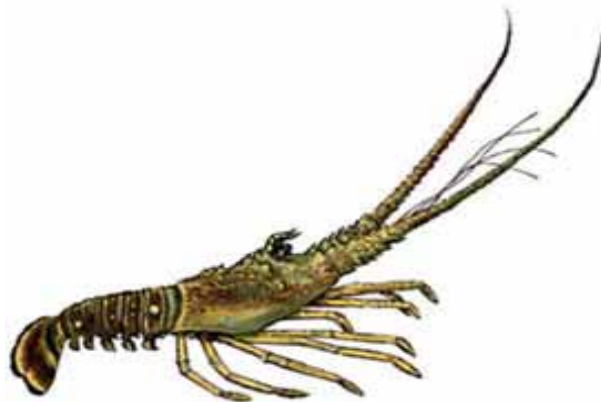


Figure 5 Florida Spiny Lobster

6.5.2.2. Price

Current price sold to the target market was not obtained via research. However one respondent did state they had used a spiny lobster in the past which reached \$US18 per pound (Appendix 6 Section 6.6.2 Table 33), though the species of spiny lobster was not determined.

6.5.2.3. Promotion

The FSL industry does not have a dedicated peak marketing and promotion body. However general promotional activities for all Florida seafood products, including the FSL, are conducted by the Florida Department of Agriculture & Consumer Services (FI-seafood 2007). Promotional activities are characteristic of those outlined in Appendix 2 (FI-seafood 2007).

6.5.2.4. *Distribution*

FSL is a domestic product and therefore distributed through a typical industry supply chain as outlined in Appendix 2. These lobsters appear to have reasonably wide coverage across the US market (FI-seafood 2007; CR 8 2008). In-depth interviews identified only one customer who purchases FSL, and this customer was located in Georgia (Appendix 6 Section 6.6.2 Table37); location of the telephone survey customer was not determined.

6.5.3. Market Position

The FSL is the largest domestic spiny lobster species in the US (Section 6.5.2). However combined results of primary research revealed only two customers use this brand of lobster (Appendix 6 Section 5.6.6 and 6.6.2).

6.5.4. Marketing Advantages

Table 10 Florida Lobster Marketing Advantages

Advantage	Description
Domestic Product	FSL is distributed through a domestic supply chain which has cost advantages over international supply chains that lead to lower prices charged to customers. In addition it provides lower risks of mortalities and shorter travel and storage times for live lobster ⁶ .
Product Form	FSL is available to the target market whole, live. However live FSL do not appear to be available year round (see Section 6.5.1.3).

6.5.5. Competitive Advantage

Domestic Product

A competitive advantage for this brand is difficult to determine. The greatest advantage the FSL appears to have is that it is a domestic product. This circumstance means the industry utilises a domestic supply chain which enables the advantages listed above (Table 10).

⁶ CR 8 2008.

6.6. Western Rock Lobster

Key product and industry strengths and weaknesses are outlined below (Table 11).

Table 11 Western Key Product & Industry Strengths and Weaknesses

Key Product & Industry Strengths	Key Product & Industry Weaknesses
Product quality (tail market only)	Limited product mix – supply only frozen tails to the target market
Current MSC Certification	Industry sustainability challenges
Recent substantial increase in exports to US	Limited number of marketing advantages
Tail market is less susceptible to seasonality constraints than the live market	

6.6.1. The Industry

6.6.1.1. Description

The Western Rock Lobster, *Panulirus Cygnus*, fishery is situated from Shark Bay to Cape Leeuwin on the Western Australian coastline. The fishery is divided into three zones and extends for approximately 60km offshore. The fishery has an average annual catch of 11,000 tonnes (Figure 6). With an approximate gross value of product of AU\$300 million, the fishery is Australia's most valuable single species fishery (WRLDA 2007).

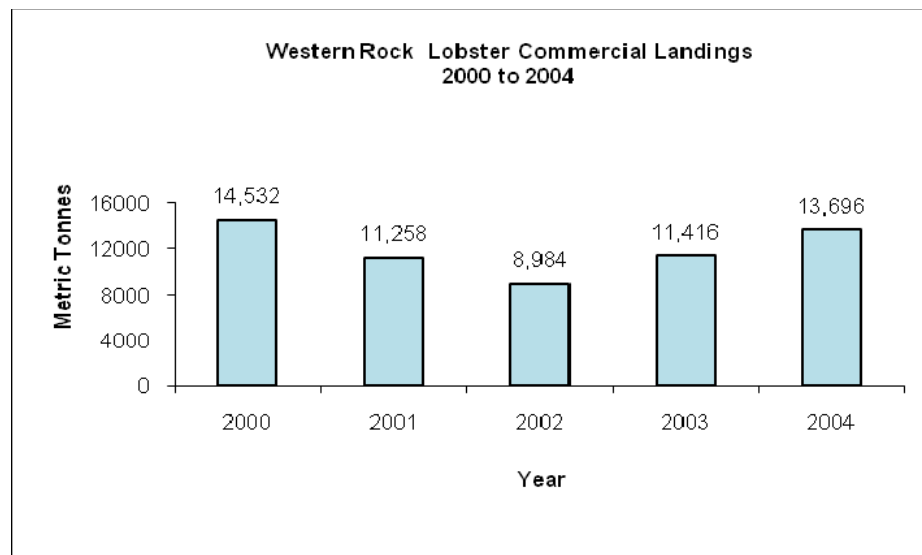


Figure 6 Western Rock Lobster Commercial Landings
(Source: Department of Fisheries 2006)

6.6.1.2. Management & Sustainability

The Western Rock Lobster Council (WRLC) and the Western Rock Lobster Development Association (WRLDA) are the two national peak bodies for the Western Rock Lobster Industry. Industry management practices include: maximum allowable number of licenses and pots – an input control system; size and type of pots used; size and breeding status of lobsters; times fishing is allowed (WRLC website).

In 2000 the Western Rock Lobster fishery was the first fishery in the world to be certified by the Marine Stewardship Council as being environmentally sustainable (WRLC website). However, sustainability of the industry is now being challenged by recent developments (refer Section 6.6.1.4 Sustainability Challenges below).

6.6.1.3. Seasonality

The Western Rock Lobster fishing season is limited to the period 15th November through to 30th June the following year (WRLC website). In addition, long term catch levels follow a cyclical pattern due to larvae numbers being influenced by the strength of the Leeuwin Current (WRLDA 2007). These within, and between, seasons fluctuations in catch levels constrains the industry from effectively matching peaks in supply with peaks in demand (Murphy 2008). However, WRL is only exported to the US as frozen tails; therefore seasonality is not a major constraint on supply to this market.

6.6.1.4. Notable Trends / Developments

Sustainability Challenges

The industry is experiencing declining stock levels, and a fall in catch levels to 7000 tonnes is predicted for the 2010-11 season (Murphy 2008). Further, the industry is experiencing falling profitability (WRLC 2007). This situation is a result of increasing costs that show little sign of easing and fluctuations in the unit value of lobster and exchange rates (WRLC 2007).

Industry members are also engaged in debate over whether the fishery should continue to be managed by input controls, rather than by quotas (Murphy 2008; WRLC 2007).

6.6.2. Marketing Mix Activities

6.6.2.1. Product

The Western Rock Lobster, *Panulirus Cygnus*, is generally red in colour, though may vary from purple-black, to a creamy white. The WRL tail is considered a high quality product, and perhaps the best tail in the US market (CR 8 2008).

Product Size and Forms

The WRL industry only exports lobster to the US in the form of frozen tails. Primary research identified that WRL tails are purchased by target customer in the sizes 0-1 pound, and 1-2 pounds (Appendix 5 Section 11.2).



Figure 7 Western Rock Lobster

6.6.2.2. Price

WRL is sold to target customers for approximately US\$29.50 per pound for small tails and US\$32 to 36.50 per pound for large tails (CR 8 2008; Appendix 5 Section 11.3).

6.6.2.3. Promotion

The WRLDA is responsible for marketing, promoting and developing export trade in Western Rock Lobster. However promotional activities directed at the US market were not identified via research nor observed in-market.

Brand Differentiation

Research identified a lack of market awareness of the distinction between different brands/species of Australian lobsters (Appendix 5 Section 6.1).

6.6.2.4. Distribution

WRL is exported to the US market; therefore a typical industry international supply chain is utilised (see Appendix 2 for further details). Market coverage was difficult to determine; in-depth interviews revealed only one customer purchased WRL tails, and they were located in Georgia (Appendix 6 Section 6.6.2 Table 40).

6.6.3. Market Position

Exports of WRL to the US doubled from the year ending 30 June 2006 (approx. 100,000kg) to the year ending 30 June 2007 (over 200,000kg. Department of Fisheries 2006). In 2006 WRL was the fifth largest exporter of frozen spiny/ rock lobster to the US (Department of Fisheries 2006). Combined results of primary research revealed only three respondents currently use WRL tails (Appendix 6 Section 5.6.6 and 6.6.2).

6.6.4. Marketing Advantages

Table 12 Western Rock Lobster Marketing Advantages

Advantage	Description
Product Quality	The WRL is considered one of the higher quality tail products in the market.
Marketing and Promotion Peak Organisation	A dedicated peak body conducts marketing, promotion and export trade of the WRL. However, promotional activities of this organisation do not appear to be highly active.
MSC Certification	MSC certification is a strong marketing and promotional tool as customers and consumers are becoming increasingly conscious of products being 'green' and sustainable (Appendix 4). However, this marketing advantage itself may not be sustainable.

6.6.5. Competitive Advantage

Product Quality

The WRL is considered one of the higher quality tail products in the market.

6.7. North Australian/ PNG Tropical Rock Lobster

Key product and industry strengths and weaknesses are outlined below (Table 13).

Table 13 North/ PNG Key Product & Industry Strengths and Weaknesses

Key Product & Industry Strengths	Key Product & Industry Weaknesses
Product quality (tail market only)	Limited number of marketing advantages
Tail market is less susceptible to seasonality constraints than the live market	

6.7.1. The Industry

6.7.1.1. Description

The Tropical Rock Lobster (TRL) Fishery consists of three interrelated fishery jurisdictions; the Australian and Papua New Guinea fisheries which collectively form the Torres Strait TRL Fishery (TSTRLF), as well as the Queensland East Coast TRL Fishery (ECTRLF). In 2006 commercial landings of TRL were 647 tonnes, generating around AU\$17.5 million (Kailis and Arlidge 2007)

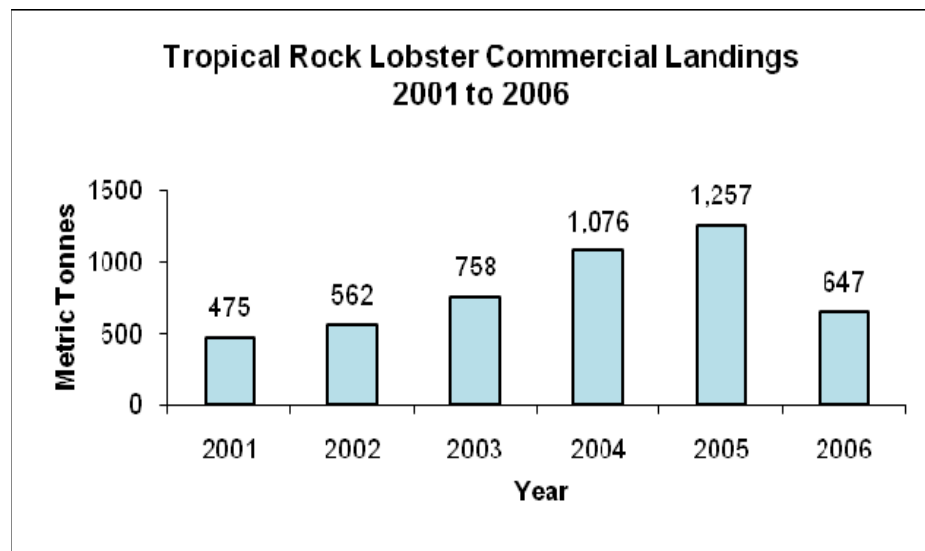


Figure 8 Tropical Rock Lobster Commercial Landings
(Source: Kailis and Arlidge 2007)

6.7.1.2. Management & Sustainability

Fishing techniques utilised in the TRL Fishery are unique; lobsters are caught by hand (live) or speared (tails) (Kailis and Arlidge 2007).

The Torres Strait Fishery is managed by the Protected Zone Joint Authority (PZJA). The Bureau of Rural Sciences determined the fishery is “not overfished and overfishing status is uncertain” (AFMA 2007). However the DPI&F suggest the fishery should be regarded as ‘fully exploited’ rather than overfished (DPI & F, p.8). Technical management practices include: licensing provisions; legal size limits for the carapace and tail; and a commercial fishing ban in October and November. The TSTRLF is currently in transition from management via input controls; to management via output controls (AFMA 2007, p.3).

Management of the East Coast Fishery is the responsibility of the Queensland Government’s Department of Primary Industries and Fisheries (DPI&F). TRL was considered fully exploited at current harvest levels at the completion of the 2006 season (DPI & F 2007, p.5). Management practices of the ECTRLF include limited licence numbers and restrictions on minimum carapace and tail lengths (DPI & F 2007, p.2). The fishery is the process of developing and implementing programs to further enhance and monitor the sustainability of the stock (DPI & F 2007, pp. 5-8).

6.7.1.3. Seasonality

The commercial fishing season for the Torres Strait Fishery occurs from December to September, with a peak during March to August (AFMA 2007). The East Coast fishing season occurs from 1 February to 30 September (DPI & F 2007). This slight overlap in seasons results in a seasonal closure for fishing of all TRL during the months October and November only. In addition, TRL is exported to the US market primarily as frozen tails; therefore seasonality is not a major constraint on supply to this market.

6.7.2. Marketing Mix Activities

6.7.2.1. Product

Tropical Rock Lobsters, *Panulirus ornatus*, are wild caught, blue-green coloured lobsters (Figure 9 below). The TRL tail is considered a high quality product, and perhaps one of the best tails in the US market (CR8 2008). The taste and texture of the TRL tail has been described as comparable to the Western Rock Lobster tail (Appendix 6 Section 6.6.2 Table 33).

Product Size and Forms

Tropical Rock Lobster is exported to the US market in the form of frozen tails, and also whole frozen (Appendix 6 Section 6.6.2).



Figure 9 Tropical Rock Lobster

6.7.2.2. Price

TRL tails are sold to target customers for \$US24 to \$33 per pound (CR 8 2008; Appendix 6 Section 6.6.2)

6.7.2.3. Promotion

The absence of a dedicated industry promotional body and visible promotional activities within the target market suggest that promotion of the TRL is minimal. Observations of the industry indicate that regional processors/ exporters such as the MG Kailis Group conduct promotional activities independently (MG Kailis Group 2008).

Brand Differentiation

Research identified a lack of market awareness of the distinction between Western, Northern/ PNG and Southern Australian lobsters (Appendix 5 Section 6.1).

6.7.2.4. Distribution

See Section 6.6.3.4 on Western Australian Lobster for supply chain description and market coverage.

6.7.3. Market Position

Research indicates that TRL is a relatively small brand within the target market. Over 100 tonne of frozen TRL tails were exported to the US in 2006 (WRLDA 2007b). A small amount of whole lobster is now also exported to the US from the Torres Fishery (AFMA 2007. Data was not obtainable). Combined results of primary research revealed only two customers purchase the TRL (Appendix 6 Section 5.6.6 and 6.6.2).

6.7.4. Marketing Advantages

Table 14 Tropical Rock Lobster Marketing Advantages

Advantage	Description
Product Quality	The TRL is considered one of the higher quality tail products in the market.
Product Range	TRL serve the whole lobster and the frozen tail markets and therefore suit a variety of customer needs and product requirements. However no survey respondents were identified as current or past customers of whole live or whole frozen TRL.

6.7.5. Competitive Advantage

Product Quality

The TRL is considered one of the higher quality tail products in the market.

7. Trends in the Competitive Environment

Three major trends in the competitive environment have been identified and are discussed below.

7.1. Technological

The competitive environment is experiencing two primary forms of technological trends; processing technology and traceability technology (refer Appendix 4). Both trends are estimated to have a long term and significant impact on the competitive environment (Appendix 4).

7.2. Economic

The value of the US dollar has declined dramatically (see Appendix 4). This circumstance has resulted in increased food costs for customers (Appendix 6 Section 6.6.7). In addition the weakening US dollar contributes to falling profitability of lobster industries, particularly those exporting to the US market (see for example Section 6.6.2.4). However, an increase in sale price to customers does not appear to be a viable option for competitors, as price was identified as the main basis of competition within the market. Monitoring the value of the US dollar and the effect on profitability of key competitors is recommended for future research.

7.3. Sustainability

Industry sustainability is a major trend within the competitive environment (Appendix 4). Government, industry and social pressures are all encouraging fisheries to focus on ensuring sustainability of their resources (refer to Appendix 4). Sustainability is not currently viewed by customers as one of the main bases of competition within the market (Appendix 5 Section 8.1). However the increasing trend towards sustainability suggests this issue is a future basis of competition. Future research should assess the impact of this trend and measure the effect on customers' decision making process.

8. Extended Competitive Set

Time and space constraints have restricted the number of competitors analysed within this Appendix. The US currently imports lobster in various forms from approximately 50 countries (NOAA 2008a). In comparison to Australia, a number of these countries may export more than one species/ brand to the US, which would further extend the competitive set. Analysis of the following competitors is recommended for future research due to the factors outlined briefly below. Reasons for exclusion from the key competitive set are also outlined.

- California: *Panulirus interruptus*

This brand serves the whole live market and has been identified as sweet and delicious tasting (Gittins 2006). However California Lobster was excluded from the competitive set as only one respondent across both telephone surveys and in-depth interviews was identified as a current user, and purchased for the month of February only (Appendix 6 Section 5.6.6 and 6.6.2 Table 33). Commercial landings in 2006 were 402 metric tonnes (NOAAa).

- Mexico: *Panulirus interruptus*

This brand is the same species as the California Lobster, and the same reason for exclusion applies. However the Baja California, Mexico fishery should be analysed as it received MSC certification in 2004. The fishery exports approximately 122,000 kilograms to the US each year (NOAA 2008a).

- South Africa: *Jasus lalandi*

Although 3 respondents use this species of lobster, it was excluded from the key competitive set as all customers purchased the lobster in the form of frozen tails only (Appendix 6 Section 5.6.6 and 6.6.2). Competitive brands (other than competing Australian brands) that are purchased whole live by customers were considered greater threats to sales of ASR within the target market than frozen tails.

- Brittany Lobster:

Research identified that 4 customers had previously used the Brittany/Blue lobster (Appendix 6 Section 5.6.6 and 6.6.2). This lobster commands an even high price than the ASR (up to \$60 per pound Appendix 6 Section 5.6.6 and 6.6.2). Target customers consider this price premium uneconomical; therefore this brand was excluded from the competitive set.

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Appendix 2 Market and Industry Analysis.

Appendix 4 Business and Macro Environment Analysis.

Appendix 5 Customer Analysis.

Appendix 6 Market Research.

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Abbreviations

ASR	Australian Southern Rocklobster
FRDC	Fisheries Research and Development Council
MLPC	Maine Lobster Promotion Council
MSC	Marine Stewardship Council
RSPCA	Royal Society for the Prevention of Cruelty to Animals
SPFD	Super Premium Fine Dining
SRL	Southern Rocklobster Limited
US/USA	United States of America

1. Introduction

This appendix provides an analysis of the current business and macroeconomic environment in the USA. Key aspects of this analysis include an overview of the current economic climate and observed trends in the US market which are affecting the US lobster industry.

This analysis will assist in developing communications strategies for SRL which remain relevant and take advantage of emerging market trends.

2. Key Findings and Implications

Table 1 Key Findings and Implications

Key Findings	Implications
US economy is in recession	Aspirational sales of luxury goods may stagnate, impacting negatively on SPFD segment.
SPFD food costs are increasing	SPFD restaurants are looking for cost savings where possible, and are deterred by high price items.
Lobster market in the US is a major casualty of the current US recession	Competitors may focus on those market segments least affected by recession, such as SPFD, increasing competition.
Australian dollar may reach parity with US dollar in 2008	Development of the US market may soon be more difficult.
Sustainability and social responsibility are becoming key issues	Sales of goods promoted as sustainable and socially responsible are likely to increase.
Quota reductions and trap limits could impact on total available ASR catch in the future	Reduction in quota will require a price increase of an already high priced item, possibly impacting on demand.
Increased demand in market for natural and organic foods	Sales of goods promoted as natural and organic are likely to increase.
The number of Asian style restaurants using live spiny lobster is increasing	This segment provides strong opportunities.
Healthy eating and products that have health benefits are becoming important	Sales of goods promoted as healthy and with health benefits are likely to increase.
Processing technology is improving	Lobster can be processed and portioned without compromising quality.
Industry push towards traceability	Traceability will be critical in the future.

3. Economic Environment

Analysis of the economic outlook of the US economy is important for developing strategies to communicate to target customers. In certain economic conditions, customers will be attracted to different communication strategies or be less likely to buy certain products, particularly luxury items such as Australian Southern Rocklobster.

3.1. Current Market Conditions

The current outlook for the US economy is bleak, with leading economists predicting a market crash in mid-2007 (GlobalResearch.ca 2007), and in January 2008 investment bank Merrill Lynch became the first major US bank to declare the economy was in recession (Telegraph Media Group Limited 2008). Former Federal Reserve Chairman Alan Greenspan has described the recession as “‘the most wrenching’ since the end of World War II” (Cable News Network 2008).

Typically, recessions cause sales downturns and a loss of revenue for luxury goods such as ASR. This has already been noted by some luxury brands (Business Standard Ltd 2008). However there is also evidence suggesting that the truly rich are relatively recession proof, and that those with more than \$10 million in assets planned to increase their luxury goods spending during the recession (International Herald Tribune 2008).

While there is likely to be some downturn in the market from US citizens, there is evidence that tourism is providing some relief from this (The New York Times 2008). The Euro is currently at record highs against the US Dollar, and Europeans are taking this opportunity to travel to the US. The trend is so significant that some shops in New York and Washington D.C. are now accepting the Euro as payment (Australian Broadcasting Corporation 2008).

The implication for SRL is that although there is likely to be a downturn in luxury good sales due to the recession, SPFD restaurants ‘truly rich’ customers are likely to continue dining. Combined with an increase in foreign diners this will limit the impact of the loss of aspirational purchases.

3.2. Economic Effects on the Lobster market

Lobster has been one of the major casualties of the current US recession, to the extent that some restaurants are deleting it from their menu, although this has been identified as primarily frozen forms (FAO 2008). Despite this referring to the total lobster market, and that typically recessions have little impact on the rich (BBC News 2003), with rising food costs (see Section 3.4) many SPFD restaurants are looking to save money wherever possible. This has led to increased substitution of high priced, high quality lobster such as ASR for lower priced, lower quality lobster (see Appendix 6 for more details).

3.3. Economic Effects on Australian Exporters

With the US economy widely recognised as being in a recession, the value of the US dollar has also fallen dramatically against world currencies (Bloomberg L.P. 2008b). For an Australian exporter such as SRL, this circumstance decreases the amount of Australian dollars they are receiving for each pound of ASR they sell in US dollars. As a result there is a need to increase the sale price of ASR in order to maintain income. However exchange rate fluctuations don't affect domestic lobsters in the US market, therefore there is the risk of pricing ASR out of the market. To combat this threat SRL retain 10% of the beach price of every lobster to cover currency fluctuations. However the value of the Australian dollar against the US dollar has risen over 23% since January 2006 (Figure 1), more than twice the amount allowed for by SRL. A number of economists are also concerned that the Australian dollar may reach parity with the US dollar in 2008 (Bloomberg L.P., 2008a). If this circumstance were to happen there is significant risk that it will no longer be economically viable to export ASR to the US.

For SRL it has been calculated that at an average minimum return to fishers of \$AUD34 per kilogram for their lobster, the maximum the exchange rate can reach without the cost of supplying lobster to the US exceeding the fixed sale price of \$US29.95 per pound is \$AUD1 = \$US1.01 (Figure 2). However this figure fails to take into account possible increases in costs through the supply chain brought about by fuel cost increases, freight cost increases, and other increases. The primary cost is the beach price paid to the fishers for lobster, and if this reaches \$AU40 per kilogram (not shown on Figure 2) the exchange rate needs only reach \$AUD1 = \$US0.91 before it is not viable to export ASR to the US. Figure 1 indicates that the exchange rate has been above this value since February 2008.

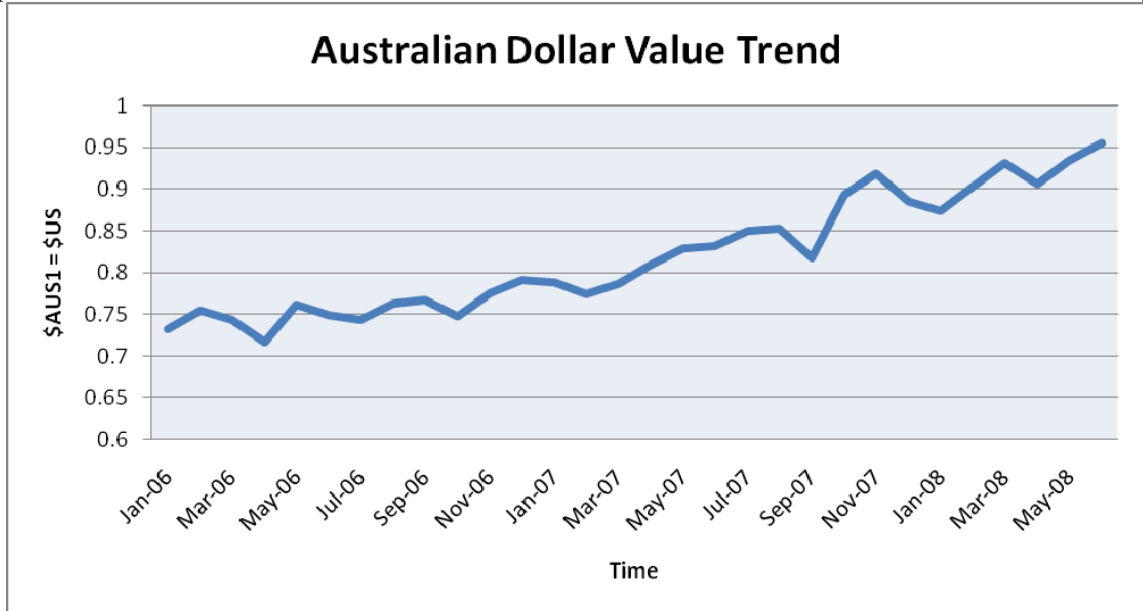


Figure 1 Trend of Australian Dollar Value 2006 - 2008 (XE Corporation 2008)

Currency fluctuations and the strength of the Australian dollar are likely to be SRL's biggest hurdle in developing the US market, and it is important that they plan for all possibilities.

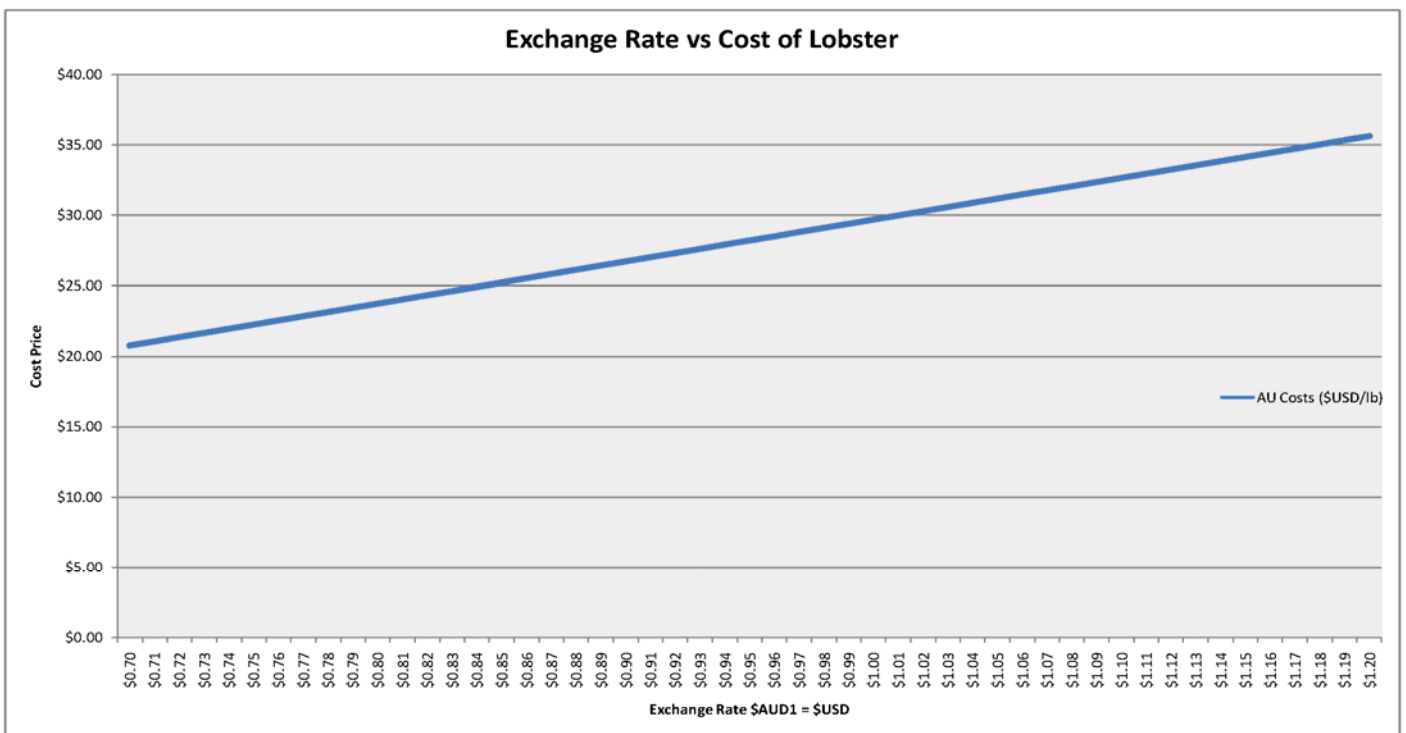


Figure 2 Exchange Rate and its Effect on Cost Price

3.4. Economic Effects on SPFD Restaurants

Despite research indicating that the truly rich are recession proof (International Herald Tribune 2008), market research indicates that SPFD restaurants are feeling some effect from the current US economic conditions. Consensus is that the major impact they are feeling is a reduction in covers, or individual diners (see Appendix 6). However there has been a major increase in the cost of ingredients during this period of economic turmoil, with Le Bernardin estimating this at 12.5% across all ingredients (see Appendix 6).

When prompted chefs would admit food cost had increased in the past 12 months, but didn't connect this with the current economic state. Food costs are increasing in all US restaurants, and these restaurants are looking for ways to cut costs in any way they can (Wall Street Journal 2008). For a restaurant like Le Bernardin, one of the best restaurants in the US with three Michelin stars, it is not always possible to lower food cost while maintaining quality, which is why they have increased their prices three times in the past year (Wall Street Journal 2008), an extremely risky decision in a tough economy.

The implication for SRL is that a high priced seafood item at this point in time will be difficult to sell to the majority of these restaurants, with many already reeling from increases in all of their other ingredients.

4. Ecological Trends

4.1. Sustainability

Sustainability is currently a key issue in the lobster market, with all lobster fisheries attempting to promote a 'green' image, because:

- Ensuring the long term sustainability of the fishery ensures lobster is available for generations to come is critical. This issue is currently seriously effecting fisheries such as the Western Australian Rock Lobster industry, with expected stock levels falling from 13000 tonnes in the recent past to 7000 tonnes in 2010/11 (Landline 23/3/2008: Crayfish Crisis, 2008).
- A significant trend has been identified (see Section 5.6) of consumers looking towards socially responsible foods and restaurants.
- A number of major US food retailers, such as Wal-Mart, Whole Foods, Target and Cosco, will now only carry seafood which is certified sustainable by the Marine Stewardship Council (State of Maine: Office of the Governor, 2008).

The importance of sustainability appears to vary depending on country, with many chefs who had been working in the US for a long period not believing sustainability was as important as chefs who had been working in Europe. One chef believed the reason for this was because there was a lot of media pressure in Europe to utilise sustainable produce, which was not present in the US (see Appendix 6), and as a result he valued sustainability highly. Major trends supporting sustainability are described in the following sections.

4.1.1. Certification

The Marine Stewardship Council is a not for profit body which promotes environmentally responsible fishing (Marine Stewardship Council 2002a). A number of fisheries either hold this certification, such as Western Australian Rock Lobster (Marine Stewardship Council, 2002b) or are working towards certification, such as the Maine lobster fishery (State of Maine: Office of the Governor 2008). SRL are currently working within their Clean Green guidelines, which address more factors than MSC guidelines, including occupational health and safety.

4.1.2. Quota

Quotas are a form of output control, and a number of fisheries worldwide are looking at introducing them to their fisheries, or restructuring those already in place in order to maintain the long term sustainability of their lobster catch. In 2007 the Victorian ASR fishery saw a 15% drop in their total allowable catch due to government legislation (Australian Broadcasting Corporation 2007a). Western Rock Lobster fishery began to work with the Department of Fisheries to “ensure sustainability in the rock lobster industry” (Australian Broadcasting Corporation 2007b) in 2007. However 82% of fishers decided against quota introduction to ensure sustainability (Landline 23/3/2008: Crayfish Crisis, 2008). Despite majority of the fishers voting against quota introduction, due to the predictions of lower catches there is a continual push towards quota reform (Landline 23/3/2008: Crayfish Crisis, 2008). ASR quota reductions in the future will require an increase in the price to achieve the same financial results for a lower catch (Jackson & McIver 2004).

4.1.3. Trap Limits

Some fisheries utilise trap limits rather than quotas, others enforce both. The Maine lobster fishery has restrictions in force on the total number of traps allowed per individual fisher. This number is restricted by both the state and the individual fishery zones (MLPC 2008). The SA Rock Lobster fishery is one of the most regulated fisheries, with each boat having a quota and a limited number of pots to catch the quota with (CR6 2008). In Western Australia, the industry is managed in terms of pots and days allowed to fish (Landline 23/3/2008: Crayfish Crisis, 2008). For SRL, the implication is that pot numbers could be altered in the future. As per quota if this leads to a forced reduction in production this will allow an increase in price to achieve similar returns from lower catches (Jackson & McIver 2004).

4.1.4. Size Limits

In order to protect juvenile and breeding lobsters, many fisheries have size limits dictating the size lobsters must be to be caught by fishers. These include a common minimum size limit, ensuring lobsters are given an opportunity to mature prior to being harvested (MLPC 2008). This limit is utilised in all major lobster fisheries worldwide, however the minimum size varies depending on species. Some fisheries, such as the Maine fishery, also have a maximum size limit, in order to protect the “large, healthy breeding stock” (MLPC 2008). The effects of this circumstance upon SRL are minimal. There is no maximum size limit

affecting the ASR, however in many export markets there is greater demand for the smaller ASR (see Appendix 6). Minimum size limits affect all fisheries and are not of major concern.

4.1.5. Aquaculture

ASR is a natural, wild caught product, as is the case with most lobster sold worldwide. As issues of sustainability become more important, many seafood industries worldwide are looking into aquaculture as a way to boost available stocks of product. Seafood farmed through aquaculture projects isn't affected by issues of quota or size limits (Landline 23/3/2008: Crayfish Crisis, 2008), opening up new opportunities and markets. However unlike other forms of seafood, such as tuna and oysters, there has to date been no economical method for lobster aquaculture (FRDC 2008). The main problems are:

- mortalities,
- lobsters in captivity eating each other,
- the time it takes for a lobster to grow to market size (5-7 years), and
- the cost of feeding a lobster for this amount of time (Gulf of Maine Aquarium 1998).

Since 1998, FRDC has funded research into rocklobster aquaculture, centred mainly on the Queensland Tropical Rocklobster (*Panulirus ornatus*) and the ASR in Tasmania (FRDC 2008). There have been some successes in this time (The State of Queensland (Department of Primary Industries and Fisheries) 2008), however the primary issue continues to be the time taken for a lobster to grow to market size.

The research in Tasmania is conducted on ASR, and is funded by one of the same research and development funding bodies as SRL, FRDC. Therefore this research is likely to assist SRL rather than posing a threat, and it is expected that SRL will have the opportunity to source live ASR from aquaculture sources for domestic and US sales, increasing the amount of ASR available for sale.

4.2. Humane Treatment of Animals

The humane treatment of animals is also a major emerging ecological trend in the US. Web sites such as the People for the Ethical Treatment of Animal's "Lobster Liberation!" site try to dismiss common myths such as "lobsters don't feel pain", and describe the consumption of lobsters as "dangerous". This trend has also lead to natural foods retailer Whole Foods ceasing the sale of live lobster in 2006, citing the inhumane treatment of the lobster throughout the supply chain, including the eventual death by boiling that awaits majority of lobsters sold live in the US (CBS Interactive Inc. 2007). SRL have developed a humane killing method for ASR in conjunction with the Australian RSPCA, which is published in their Food Service Manual (Australian Southern Rocklobster Food Service Manual 2008). This forms part of their "Clean Green" program and is another current trend in the US market that they are capitalising on with the program.

5. Social Trends

A number of social trends in terms of foods and food consumption have been observed in the US market.

5.1. Aging Population

The US Census Bureau has observed that the US currently has an aging population, the distribution of which can be seen below (Figure 3). During the 2000 US Census, a record average median age of 35.3 was recorded (Age and Sex Distribution in 2005 2007). In the 2005 Census, this increased further to 36.2 years old (Age and Sex Distribution in 2005 2007).

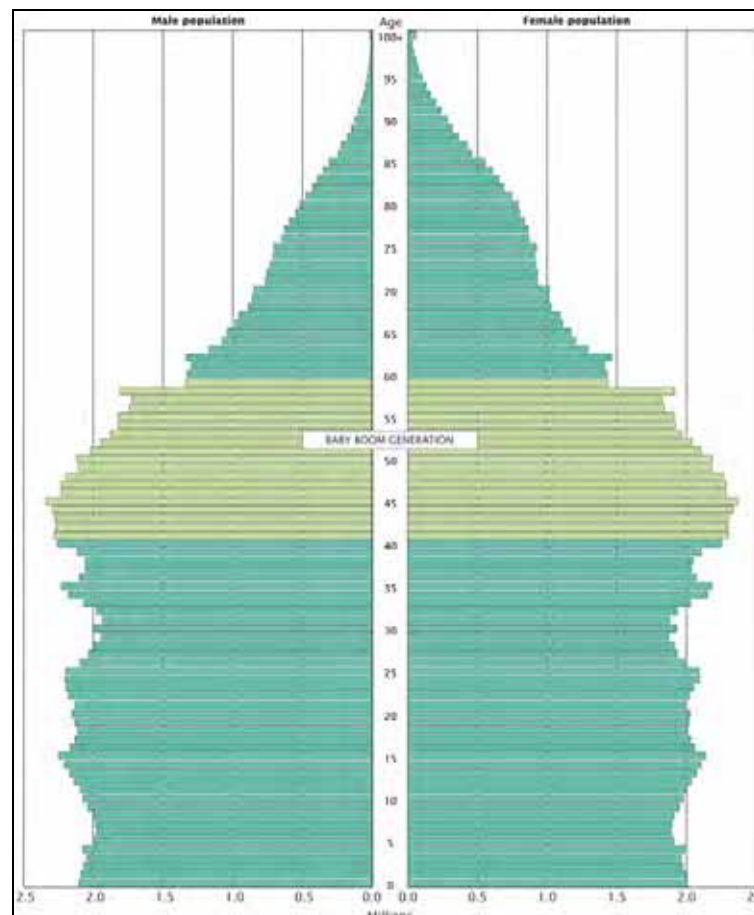


Figure 3 US Age Distribution (Age and Sex Distribution in 2005 2007)

This trend towards an aging population is predicted to continue for some time, with the number of people in the 65-84 and 85+ age brackets expected to continue increasing up to the year 2050 (Figure 4).

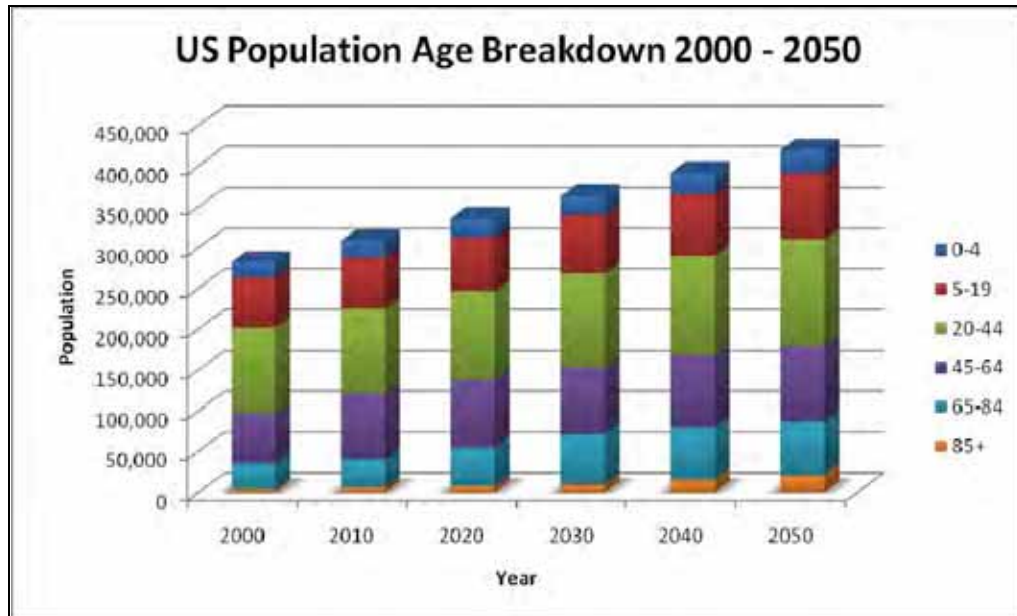


Figure 4 US Population Age Breakdown 2000 – 2050 (US Census Bureau 2007b)

This trend on its own has no significant implications for SRL; however it does impact on other trends (see Sections 5.7.3 & 5.2), and has been predicted to be a long term trend, suggesting to SRL that the impact felt by this trend will likely continue for a considerable period of time.

5.2. Income and Distribution

The US is one of the world's economic powerhouses, with the average US income per household rising from \$39,302 in 1975 to \$48,201 in 2006, adjusted in 2006 US dollars (Figure 5). Significant in light of the current market conditions (see Section 3.1) are the trends observed around times of recession. Since 1975 the US has suffered from three other major recessions, 1973-1975, early 1980s, late 1980s and 2001, following the September 11 terrorist attacks (Economic Recession History 2008). During these recessions a trend can be observed, whereby the average household income is reduced, before slowly increasing (Figure 5). In 2006 the average household income was again increasing following the 2001 recession, however it is likely to slow or reduce in 2007, before increasing after the recession, in 2009. Market data was not available for 2007 at the time of reporting. For SRL this implies that aspirational consumers, consumers who live beyond their means, are likely to dine less at SPFD restaurants or purchase cheaper items from the menu, and customers have confirmed this and its negative effect on their business (see Section 3.4).

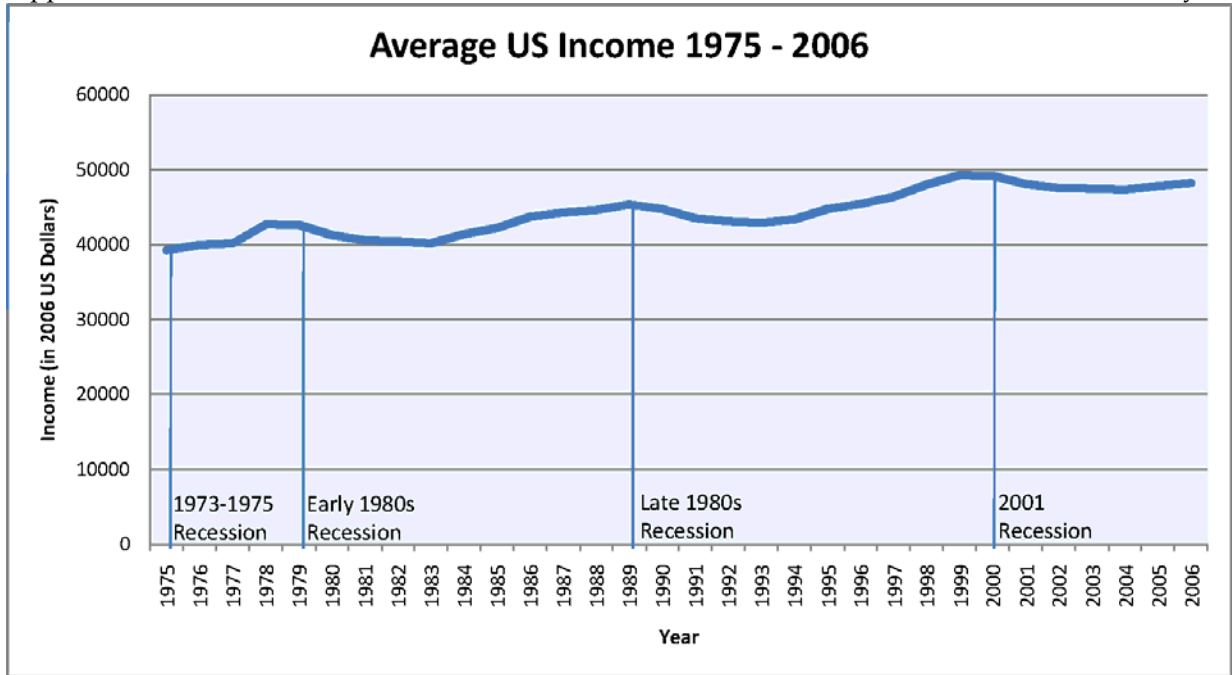


Figure 5 US Household Average Income (US Census Bureau 2008a)

In terms of income distribution, in the US there is a significant number of wealthy households earning over \$100,000 per year (Figure 5). Households earning over \$100,000 account for just over 19% of the US population, and these households will likely feel minimal affect from the recession (see Section 3.1). This 19% of the population are the key customers for SPFD restaurants, and will likely continue to visit and purchase luxury foods such as ASR during the recession. This suggests to SRL that despite the bleak economic outlook, there will continue to be a significant amount of Americans who can afford to purchase ASR and dine at SPFD restaurants; therefore the market would remain viable.

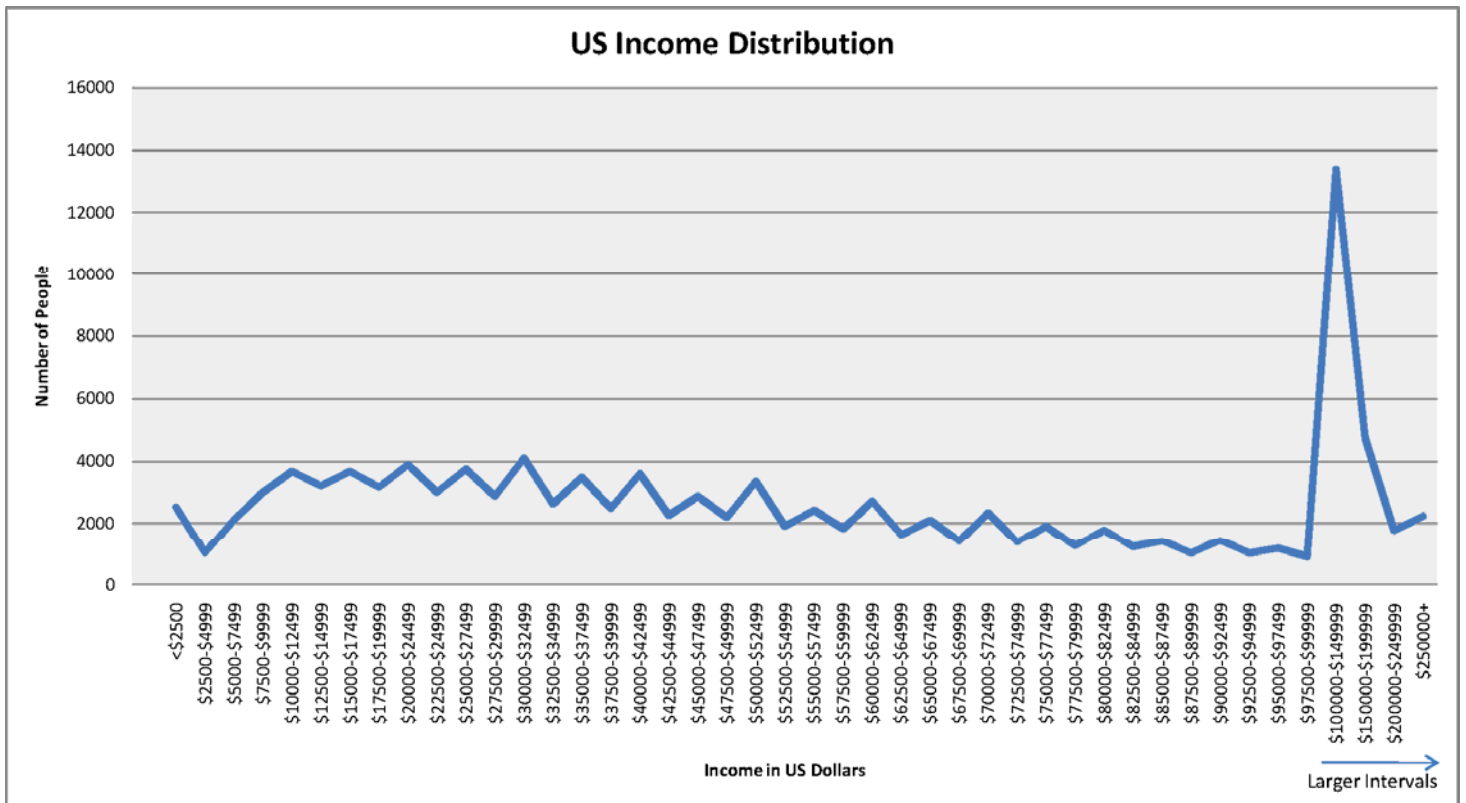


Figure 6 US Income Distribution in 2006 (U.S. Census Bureau 2007a)

5.3. Racial Demographics

The racial makeup of the US is currently undergoing radical change. The predicted racial background for 2000 – 2050 shows an increase in the percentage of the population from a Hispanic background, from 12.6% in 2000 to 24.4% in 2050 (Figure 7), while at the same time showing a major decrease in the percentage of the White population, from 69.4% in 2000 to only 50.1% in 2050 (US Census Bureau 2007c). This is believed to be because Hispanics have higher birth rates than other racial groups in the US, due to immigrating Hispanics being younger than the national average (USA Today 2008).

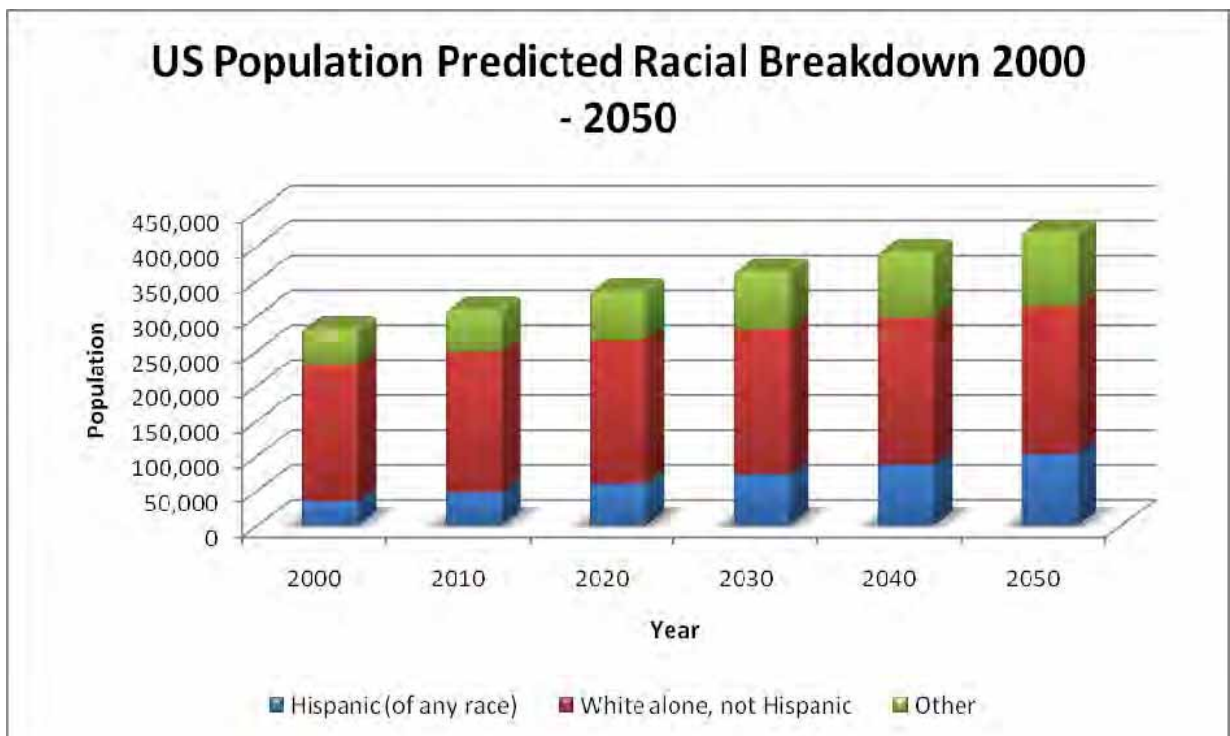


Figure 7 US Population Predicted Racial Breakdown 2000 - 2050 (US Census Bureau 2007c)

There are two key implications from this:

- At present there is a large difference between the median incomes of the different racial groups. The median income for a non-Hispanic white household was \$50,800 in 2005, whereas the median income for a Hispanic household was only \$36,000 (US Census Bureau 2008b), a significant difference.

If the number of Hispanics in the US continues to rise while the income per household remains low, this could have flow on effects for the marketplace with a

large percentage of the population being unable to afford to dine out at premium and SPFD restaurants. Tellingly, the average check value for Hispanics at full service restaurants is \$14.80 for lunch and \$20 for dinner (Extra News 2007), below what would be expected for SPFD restaurants.

- Hispanics are also having an influence on menus for a range of different restaurants, however this is primarily impacting upon mainstream full-service restaurants, and there is evidence that some US mainstream and fast food restaurants, such as McDonalds and Red Lobster, have developed marketing campaigns to specifically target Hispanics (CNET Networks 2008). Hispanic cuisine is even starting to make its way onto the menu of some of these mainstream full-service restaurants (United States Department of Agriculture 2002). There is the possibility of some SPFD restaurants adopting some aspects of Hispanic cuisine for their menu, but this has yet to be observed.

5.4. Natural and Organic Foods

According to the Australian Trade Commission (2008), this trend is instigated by the observed aging population's (see Section 5.1) demand for "nutritious, high quality food". The trend has been observed in the Natural Marketing Institute's 2005 Organic Consumer Trends report, based on sales in the natural and organic food segment increasing 18% between 2003 and 2004 (Australian Trade Commission 2008). It is also echoed in their latest 2007 Organic Trends report, where they conclude that in addition to household penetration of organic products increasing, most natural and organic product categories have seen sales increases (The Natural Marketing Institute 2008).

5.5. Specialty and Gourmet Foods

Recently a trend towards specialty and gourmet food has been identified, attributed to be as a result of changes within the US population demographics (Australian Trade Commission 2008). The key to this trend is that it has resulted in an increase in mainstream consumers purchasing foods considered elite, paying price premiums for premium quality goods (Australian Trade Commission 2008). However considering the current US economic outlook

(see Section 3.1), this trend is unlikely to be as strong in the next two years while the economy recovers. Consumer spending is likely to be reduced and aspirational purchases are likely to be limited during this period (Jackson & McIver 2004).

5.6. Consumers and Social Responsibility

As detailed in above (see Section 4), environmental issues, and in particular sustainability, are important issues in the current market place. Issues of social responsibility are also becoming more important in the market place, and as they are, consumers are seeking out foods and restaurants which are taking steps to “make a difference by preserving natural resources, designing operations with conservation in mind” (Restaurant Report 2008).

With the Clean Green program in place, SRL can present restaurants with a socially responsible, environmentally friendly lobster which has won awards for environmental management. Customers can then use this information in any advertising or promotion they undertake in order to promote their own action on environmental issues by choosing ASR.

5.7. Restaurant Dining Trends

A number of trends have also been identified which are more specific to restaurants and their customers, SRL’s consumer base.

5.7.1. Increase in Asian restaurants using live spiny lobster

An increase in Asian style restaurants using both domestic and imported live spiny lobster, such as Californian Spiny Lobster (FAO 2008) has been seen during 2007.

ASR is a spiny lobster exported and distributed live, and possesses the attributes desired by SPFD restaurants, such as being sashimi grade. The implication for SRL is that there is an opportunity for further identification and targeting of SPFD Asian restaurants.

5.7.2. Hotel Dining

Restaurants within hotels and associated with hotel chains, such as the Hilton, Ritz Carlton and Four Seasons, will become dining destinations for everyone, not just hotel guests (Restaurant Report 2008).

The implication for SRL is that there is an opportunity to supply and develop contracts with hotel chains rather than independent restaurants, as with their relatively small available catch and the number of hotel chains in the US market, they could easily meet their US export goals dealing exclusively with hotel chains. They could even guarantee exclusivity to a hotel chain in return for a guaranteed order of a certain size, therefore only dealing with one firm in the entire US. This will also reduce their dependence on human resources (see Appendix 1).

5.7.3. Healthy Eating

There is a trend in US restaurants towards healthier food, with grilled and roasted food being preferred by consumers over buttered and fried (Restaurant Report 2008). Further, Americans are becoming more interested in portion control and are seeking out products offering "health and convenience and foods that claim to have a medicinal effect on consumer's health" (Restaurant Report 2008).

ASR is well suited to roasting and grilling, and is Australian Heart Foundation approved with low fat and high nutrient content. Lobster in general also contains Omega-3 oil, which contains fatty acids that prevent heart disease and cancer (Southern Rocklobster Limited 2006). ASR is therefore perfect for targeting at restaurants looking for a healthier image.

6. Technological Trends

6.1. Processing Technology

Lobster processing technology has evolved over the past few years as a growing trend towards humane animal treatment has forced processors to find humane lobster killing methods. SRL have adopted a manual method recommended by RSPCA Australia (Southern Rocklobster Limited 2007), as they are not involved in processing or cooking lobster themselves. However for processors, there is a need for fast killing methods to allow large volumes of lobster to be processed.

The CrustaStun has been developed to fulfil this requirement, which is available as a continuous flow conveyor belt, incapacitating the lobster with an electric shock prior to cooking (CrustaStun 2005). Similar systems are likely to be developed over the next few years as their adoption becomes more widespread in the industry, and would be useful if SRL decided to supply processed forms of ASR to the US market.

In addition, new ways to process lobster for maximum meat recovery and to increase sales are also being pioneered. The current belief is that there is a silent majority of consumers who would buy fresh lobster if it were easier to prepare (Metrocorp, Inc. 2007). Therefore to increase sales of lobster it needs to be more accessible. As such, Shucks Maine Lobster has started selling whole lobster without the shell (Shucks Maine Lobster 2008). They use a large hydrostatic pressure processing system developed by Avure Technologies to kill the lobster through subjecting it to high pressure, and the pressure loosens the meat from the shell (Corson 2004). This method allows the shell to be removed while keeping the meat intact, however the stress caused to the lobster through this method makes it far from a humane killing process, and anecdotal evidence suggests this stress negatively affects the meat, with the texture becoming rubbery and the flavour degrading (Corson 2004). This method does, however, boost meat recovery by approximately one third over hand shucking.

These major technological trends are primarily aimed at consumers, however could also be of use to some SPFD customers. They are focused on preparation of processed forms of lobster, and therefore are not strictly relevant to SRL at present. However the implication for

SRL is that their competitors are experimenting with technological innovation in order to increase the appeal of lobster with consumers, which could lead to an increase of at home lobster consumption. Whether or not this will also see a drop in at restaurant consumption is difficult to determine at this time, however it is unlikely that SPFD consumers will be affected by such a trend. In addition, this gives SRL further options in relation to new forms of ASR which could be offered to the market, and the organisation needs to be aware of these technological trends if they choose to offer ASR in forms such as tails in the future.

6.2. Traceability

In recent years there has been a push towards traceability systems for fresh produce, particularly seafood, for both regulatory and commercial reasons (FAO 2007). These vary, including:

- Wal-Mart's system of its top 100 suppliers tagging each crate or pallet they send to their distribution centre with a radio frequency identification (RFID) tag (RFID Switchboard 2008).
- SRL's system whereby the fishers tag each lobster when it is caught with a bar coded tag (Figure 8), which is then scanned throughout the supply chain (Australian Southern Rocklobster 2008).

These systems are of varying success, and each has their limitations. The major limitation of the SRL system is the time required by the fishers to tag each lobster individually, which they aren't required to do if distributing the lobster through traditional distribution channels (see Appendix 2). Maine lobster was traced in trials in 2003 through a project by the Island Institute of an RFID based system which tracked each individual lobster separately (elearningpost 2003). Lobsters had tags applied over their claws with an ID number (Figure 9) which they could then track on a map through the public web site www.lobstertales.org. This web site was designed to help market Maine lobsters, however has now developed into a community project (CR13 2008).



Figure 8 SRL Clean Green Track & Trace Tags (Australian Southern Rocklobster Limited 2006a & 2006b)



Figure 9 Maine "Lobstertales.org" Tags (Corson 2006)

The implication for SRL is that having a track and trace system is useful now, however will become more important in the future. For SRL's system to be sustainable it must be quick and easy for the fishers to utilise; they must be able to quickly tag their catch otherwise they will be reluctant to be involved.

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Abbreviations

ASR:	Australian Southern Rocklobster
CR:	Contact Report
POD:	Point/s of Difference
R ID:	Respondent Identification Number
SPFD:	Super Premium Fine Dining
SRL:	Southern Rocklobster Limited

1. Introduction

This appendix provides an analysis of Southern Rocklobster Limited (SRL)'s potential and penetrated markets, with a focus on investigating characteristics of potential customers. Current brand awareness and customer satisfaction levels are determined, followed by identification of market perceptions of ASR and SRL. The customer decision making process is analysed, and communication strategies are investigated. Product and purchasing requirements of potential customers are identified, as well as purchasing behaviour of current customers. Finally, potential customers' propensity to trial ASR is determined, followed by the identification of their propensity to purchase.

The aim of this analysis is to identify the market opportunities that can be maximised through the use of effective communication strategies. Further, the analysis will identify the market threats that will need to be minimised through communication strategies.

2. Limitations

The following limitations should be considered in relation to this analysis.

- Representativeness of the target market and generalisability of results is limited due to limitations outlined in Appendix 6 Market Research. Additional limitations listed in Appendix 6 also apply to this analysis.
- Limited investigation of the penetrated markets behavioural variables/ purchase behaviour was made due to a limited amount of available data.
- Time and information constraints lead to limited exploration of the segmentation variables of the potential market.
- Maine/USA Lobster and Canadian Lobster were not separated in the in-depth interviews; therefore telephone survey results for Canadian Lobster were included into those for Maine/ USA in order to combine the results of the two surveys.

Data Notes:

- Due to the small amount of total responses for the majority of survey questions, each comment either provided by respondents or recorded by interviewers, provides value to the understanding of the market.
- Format of the data within the SRL SPFD database may have lead to reporting error of total number of restaurants, and number of restaurants by state.
- A number of survey questions were included in more than one survey. Where this circumstance occurred, results from each survey reported in Appendix 6 were combined to produce the results reported in this Appendix. Refer to the data source referenced, as this indicates which survey in Appendix 6 the responses relate to:
 - Section 5 refers to telephone surveys with potential customers;
 - Section 6 refers to in-depth interviews with potential (and 1 current) customers;
 - Section 7 refers to surveys with current customers.

3. Key Findings and Implications

Key findings of this analysis and the associated implications are outlined below (Table 1).

Table 1 Key Findings and Their Implications

Key Finding	Implications
Customers pay approximately one third the price of ASR for whole live lobster	The market requires education on the POD of ASR that justify the price premium
Customers are familiar with using lobsters sized 1-2 pounds	The market requires education on effective and efficient methods of utilising a much larger animal
The Executive Chef is the primary decision maker in the majority of restaurants	Communication strategies need to target the Executive Chefs
Decision makers are difficult to access, and time spent with the majority is limited	The research and development process (including education) is an enduring process that requires sufficient resources (including human)
Price and quality are the two main factors influencing purchase decisions	The market requires education on the ultra-premium quality of the product which assists to justify its price premium
The 'internal forum' of peers/ fellow chefs is the greatest communication influencer on customers (and decision makers)	Personal selling, market awareness, positive word of mouth, and customer satisfaction levels need to be increased
Majority of customers purchase only one brand of lobster	SRL must replace customers' existing brand of lobster, and not be purchased in addition to it
Customers do not purchase on contract, and utilise a number of lobster/seafood suppliers	Distributors do not appear to be obstructing sales of ASR
Customers purchase 'as required' or 'daily'	SRL must be able to supply on demand and/or on a daily basis
Premium quality, wild caught, and origin were rated/selected as the 3 most important POD	In the opinion of chefs, these POD would be the most effective at encouraging consumer purchasing

4. Methodology

The majority of results reported within this Appendix were obtained via primary research. Three methods of primary research were utilised during the course of this project. These methods were:

- Telephone surveys with 168 potential customers;
- In-depth interviews with 23 potential and 1 current customer;
- Person-to-person and telephone surveys with 31 current customers.

Appendix 6, Market Research outlines and explains these three methods of primary research in detail.

Results reported in Appendix 6 were categorised, summarised, and interpreted to present the findings within this Appendix.

4.1. Difficulty Obtaining Information from Customers

Low response rates to all surveys, and even lower response rates to each question within the surveys, highlight the difficulty SRL face in firstly gaining access to the information holders (chefs) and secondly, from obtaining the information sought.

The results reported in this section highlight the importance of human resources to the research and development (including education and communication) process. Dedicated human resources are required to conduct the initial stage of this process, and to then continue with the remaining stages.

4.1.1. Telephone Surveys

Telephone surveys obtained a response rate of only 32% (Table 2). This result is quite low and demonstrates the difficulty of both gaining access to, and obtaining information from, the chefs.

Table 2 Telephone Survey Response Rate

Response	N	%
Interviewer comment only recorded (no survey questions answered)	99	59
At least one survey question answered	53	32
Restaurant phone not answered (restaurant closed at time of call)	16	10
Total	168	100

(Source: Appendix 6 Section 5.6.1)

Further, 53 potential customers may have answered at least one survey question, though many did not answer more than one or two questions. Therefore the total number of responses received for each question were as low as 10 (Appendix 6 Section 5).

Of those 99 restaurants for which an interviewer comment only was recorded, the characteristics of these telephone calls were identified and are reported below (Table 3). These results further demonstrate the difficulty in gaining access to speak to the information holders –the chefs. Interviewers were able to speak with these chefs/sous chefs in only 11 of the 99 cases.

Table 3 Characteristics of Non-Respondents

Response	N
No contact made with chef or decision maker (busy; not there; voicemail only; left message)	78
Chef or decision maker was spoken to, though no questions were answered	11
Other/ not sure	10
Total	99

(Source: Appendix 6 Section 5.6.1)

4.1.2. In-depth Interviews

Although 24 in-depth interviews were conducted, the total number of responses to each question and sub question varied greatly. Some questions had as few as 4 responses recorded (Appendix 6 Section 6).

The major factor contributing to varied number of questions answered during each interview was the variation in the time the chef/s was willing to spend with SRL staff/interviewers. Some chefs were willing to provide much less time than others to conduct the trial/interviews. This circumstance is demonstrated by the interviewer comment recorded for Respondent ID 19: *“Interview ended abruptly with the chef sick of the questions”* (Appendix 6 Section 6.6.7 Table 105).

4.1.3. Current Customer Surveys

The response rate for the current customer surveys was also quite low, at 39% (Table 4 below). This result demonstrates the level of difficulty involved in obtaining needed information even from those who are already customers of SRL.

Table 4 Current Customer Survey Sample Size

Response	N	%
General comment only obtained from respondent	13	42
Survey completed	12	39
No comment obtained from respondent relating to ASR and/ or SRL	6	19
Total sample	31	100

(Source: Appendix 6 Section 7.7.1)

5. SRL's Current and Potential Customers

5.1. Market Segments

Southern Rocklobster Limited's target market is the super premium fine dining (SPFD) segment of restaurants within the US. This segment can be categorised into sub-segments based on a number of segmentation variables. SRL's penetrated and potential markets have been assessed on the descriptive variables outlined below.

- Geographic:
 - State.
- Restaurant type:
 - Independent restaurant;
 - Restaurant within a restaurant group;
 - Hotel chain restaurant;
 - Restaurant chain restaurant.
- Consumer characteristics (potential market only):
 - Nature;
 - Age;
 - Regularity.

Analysing restaurant type in terms of the style of food offered (e.g. Japanese; Mediterranean) would add further value to the analysis and is recommended for future research.

5.2. Potential Market

The total potential market – the SPFD segment of restaurants in the US – consists of 2000 restaurants (see Appendix 2). The difficulty in analysing the complete SPFD segment has limited the analysis to only those restaurants within the SRL database. This database contained a total of 1,154 restaurants selected during a screening process conducted by SRL. A summary of the number of restaurants within each state, by type of restaurant is provided below (Table 5).

5.2.1. Restaurant Type by State: Potential Market

Table 5 SPFD Restaurant Types by State, Potential Market

State	Independent & Restaurant Group Restaurants (N)	Hotel Chain Restaurants (N)	Restaurant Chain Restaurants (N)	Total by State (N)
Arizona	23	3	4	30
Arkansas	1	-	-	1
California	169	21	7	197
Connecticut	2	-	-	2
Colorado	27	4	-	31
DC-Washington	23	2	-	25
Delaware	4	-	-	4
Florida	155	20	3	178
Georgia	27	3	-	30
Hawaii	25	-	-	25
Illinois	64	2	-	66
Indiana	2	-	1	3
Kentucky	4	-	-	4
Louisiana	6	2	-	8
Maine	5	-	-	5
Maryland	8	-	-	8
Massachusetts	37	3	-	40
Michigan	1	1	-	2
Minnesota	4	-	-	4
Missouri	2	2	-	4
Mississippi	2	-	-	2
Nevada	148	8	-	156
New Jersey	4	1	-	5
North Carolina	15	-	-	15
North Dakota	1	-	-	1
North Hampshire	1	-	-	1
New Mexico	-	1	-	1
New York, NY	155	4	-	159
Ohio	4	2	-	6
Oklahoma	1	-	-	1
Oregon	1	-	2	3
Pennsylvania	11	3	-	14
Rhode Island	5	-	-	5
Seattle	20	-	-	20
South Carolina	5	2	1	8
Tennessee	1	-	-	1
Texas	70	6	1	77
Utah	-	-	1	1
Washington	2	-	1	3
West Virginia	2	3	-	5
Wisconsin	1	-	1	2
Wyoming	-	1	-	1
Total	1038	94	22	1154

(Source: SRL SPFD Database April 2008)

The SPFD market (in terms of SRL's database) is concentrated in the states of California, Florida, Nevada and New York (Table 5).

5.2.2. Consumer Characteristics of Potential Market

Characteristics of the potential markets customer base (consumers) were investigated with the 24 in-depth interviews. While not representative of the potential market, the results assist in describing characteristics of consumers within the target market.

Results show that potential customers have a customer/consumer base which is primarily a combination of private and business; are of all ages; and are a mixture of new, casual and regular clientele.

These findings indicate there is variation of consumer characteristics within a restaurant's customer base, though the majority of restaurants appear to share this level of variation.

Table 6 Nature of Consumer Base

Response	N
50/50	8
Mainly business	0
Mainly private	0
Total	8

(Source: Appendix 6 Section 6.6.4)

Table 7 Age of Consumer Base

Response	N
All ages	8
Mainly older (>35)	1
Mainly middle age	0
Mainly young (<35)	0
Total	9

(Source: Appendix 6 Section 6.6.4)

Table 8 Regularity of Consumer Base

Response	N
All types	8
Mainly regular client	2
Mainly new client	0
Mainly casual client	0
Total	10

(Source: Appendix 6 Section 6.6.4)

One main theme was identified in open-ended responses regarding characteristics of consumers:

- 6 respondents have a customer base of 'very rich/ upmarket' people (Appendix 6 Section 6.6.4).

The low number of comments that reflect this theme is surprising considering the potential market consists of SPFD restaurants. This result may be due to the low number of comments recorded for all consumer characteristic questions.

Additional comments recorded by interviewers suggest that state and restaurant type can have an influence over characteristics of the consumer base. However 7 of the 9 comments related to customers within New York; therefore comments were not representative of the market. Further investigation of the influence of state and restaurant type on consumer characteristics is recommended for future research.

A selection of comments that support the suggestion that state and restaurant influence consumer characteristics is presented below (Table 9).

Table 9 Characteristics of Consumers

R ID	Response	State	Restaurant Type
6	<i>Mainly usual clients Monday – Wednesday, business during the day, then NY business is down, more than made up for by tourists – because of economy Usual clients are after familiar food and happy to pay for it. Tourists were more adventurous.</i>	New York	Independent
7	<i>Still the original customers of X keep coming back. These are friends of the owners e.g. X. They have a good following of regular customers and customers that have been to X in other locations.</i>	New York	Restaurant Group
10	<i>25-30% regulars. A lot of convention attendees also.</i>	Georgia	Independent within a hotel
26	<i>Mainly NYC residents early in the week and then tourists on the weekends. Chef X advised that no everyone comes for the culinary experience.</i>	New York	Restaurant Group
27	<i>His clientele is regulars and tourists - people who love seafood.</i>	New York	Independent

(Source: Appendix 6 Section 6.6.4)

5.3. Penetrated Market

At the time of analysis, SRL's penetrated market consisted of a total of 58 customers (CR 10, 2008).

5.3.1. Restaurant Type

The penetrated market consists of an even coverage across the independent restaurant, and restaurant group sub-segments (Table 10). However SRL currently do not have a presence within hotel or restaurant chains. Therefore there is potential for SRL to further diversify their customer base by penetrating these two sub-segments.

Table 10 Restaurant Types within Penetrated Market

Restaurant Type	N
Independent restaurant	29
Restaurant within a restaurant group	29
Hotel chain	0
Restaurant chain	0

(Source: Contact Report 10)

5.3.2. State

The penetrated market of 58 customers is located within the states of the US shown below (Table 11). Results show the market is concentrated in the states of Nevada and California and covers 9 of the 51 possible states. Therefore there is potential for SRL to increase their coverage across the US by penetrating the other 40 states, particularly those with the highest concentration of SPFD restaurants (see Table 5 above).

Table 11 States within Penetrated Market

State	N
Nevada	25
California	15
New York	5
Illinois	5
Florida	4
Washington DC	1
Pennsylvania	1
South Carolina	1
Oklahoma	1
Total	58

(Source: Contact Report 10)

6. Customer Awareness, Satisfaction & Perceptions

The project's research objective 4 (see Appendix 6 Section 4) sought to identify current brand awareness and satisfaction levels, as well as perceptions of ASR and SRL within the target market. Identification of these factors is reported within this section.

6.1. Brand Awareness

The potential markets level of awareness of the ASR is reasonably high (64%, Table 12).

Table 12 Level of Awareness of ASR

Response	N	%
Yes	30	64
No	17	36
Total	47	100

(Source: Appendix 6 Section 5.6.2)

However, interviewers recorded the following 6 comments that support the suggestion there is market confusion among all brands/species of Australian lobster.

Table 13 Comments Identifying Market Confusion among Australian Brands

R ID	Response
4	<i>Initially said yes, though he actually meant Australian cold water tails</i>
11	<i>Claims to have used ASR before, although more likely he has only used spiny lobster (other)</i>
58	<i>Originally said yes, though was confused with the WA frozen tails.</i>
128	<i>Possibly was thinking of Western Rocklobster</i>
131	<i>Referred to South African</i>
163	<i>New Zealand Frozen Tails</i>

(Source: Appendix 6 Section 5.6.2 and Section 6.6.7)

Therefore, research suggests the reported level of awareness of the ASR (64%) may not be a true representation of the potential market's awareness. In addition, these comments reveal an opportunity for SRL to actively engage in activities that not only aim to further increase awareness levels, but also aim to effectively distinguish ASR from other brands of Australian lobster.

6.2. Customer Satisfaction

Achieving customer satisfaction is important for any organisation as it increases customer loyalty, encourages positive word of mouth, and is a means to achieving a competitive advantage (Lovelock, Patterson and Walker 2004, pp.88-90).

Current customers' level of satisfaction with the product and organisation was measured across 8 factors only. The results are reported below and reveal that customers are very satisfied with 7 of the 8 factors analysed. However, customers are not as satisfied with the price of the ASR.

Table 14 Satisfaction with ASR, and SRL Logistics

Variable	Avg Rating
Rocklobster freshness	4.9
Rocklobster liveliness	4.9
Delivery times	4.9
Rocklobster taste	4.8
Rocklobster presentation (aesthetics)	4.8
Customer service (orders)	4.8
Rocklobster texture	4.6
Price	3.6

(Source: Appendix 6 Section 7.7.3)

No. of respondents=12. 1=strongly dissatisfied, 5=strongly satisfied.

These results suggest that SRL simply need to maintain levels of satisfaction for 7 of these product and organisation factors. However, SRL needs to improve customer satisfaction with price. This improvement could potentially be achieved through more effective communication of the value ASR offers customers.

6.3. Perceptions of ASR and Competing Brands

Perceptions and understanding of the Clean Green certification program were investigated during the current customer surveys. Primary research also investigated the potential markets perceptions of the ASR and competing brands. The results will identify potential communication strategies.

6.3.1. Perceptions & Understanding of the CG Program

Current customer surveys, completed by 12 customers, revealed that one third (n=4) are unfamiliar with the Clean Green certification program (Table 15 below). This result suggests there is a need for SRL to improve communication of the program to cover a greater range of customers.

However, results also show the program does have a positive meaning to the remaining two thirds of customers surveyed (Table 15). Therefore communication of the program and its attributes has been effective across two thirds of the penetrated market.

Table 15 Meaning of Clean Green Program to Chefs

Theme No.	Theme Description	N
1	Unfamiliar with the program	4
2	Related the program to sustainability, origin and/ or environment	6
3	Related the program to providing a high quality product; mentioned quality attributes	6

(Source: Appendix 6 Section 7.7.2)

Note: total responses are greater than 12 as some related the programs to both themes 1 and 2.

Current customers also described what benefits they believed the Clean Green program provided to them, and also their customers (consumers). The majority of customers recognise the environmental, origin and sustainability benefits the program brings to both the restaurant and the consumer (Table 16 below).

Table 16 Perceived Benefits of CG Program to Chefs and Consumers

Theme	N
Related the program to sustainability, origin and/ or environment (benefits for both the restaurant and their customers/consumers)	9
Related the program to providing a high quality product; mentioned quality attributes	4
Doesn't believe the program offers benefits to their customers (i.e. consumers)	2
<i>"basis to educate wait staff"; "important sales tool for servers"</i>	2

(Source: Appendix 6 Section 7.7.2)

Note: total responses are greater than 12 as some related the programs to more than one theme.

The results presented above (Tables 15 and 16) are quite similar and suggest the same benefits/meaning of the Clean Green program could be used to communicate to both customers and consumers. In addition, these benefits/meanings are reflective of those that SRL are currently using to promote the program. This finding suggests that although current communication of the program has penetrated only two thirds of the market, the message of this communication has been effective.

6.3.2. Potential Customers' Perceptions of the ASR

The potential market holds a number of positive perceptions towards the ASR; however some less favourable perceptions are also held within the market.

Potential customers rated their experience using the ASR from 'terrible' to 'excellent', and also provided explanations for these ratings. Experience using the ASR was rated as excellent in the majority of cases, as shown below (Figure 1).

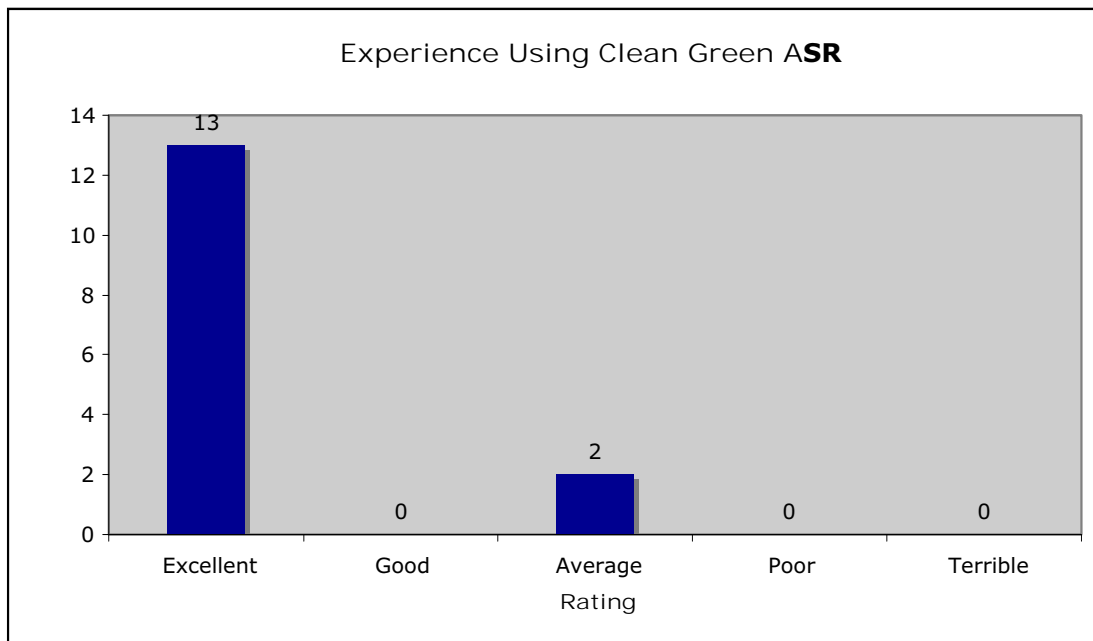


Figure 1 Experience Using Clean Green ASR
Source: Appendix 6 Section 6.6.6

The reasons for customers rating their experience as 'excellent' are important to SRL as they identify potential communication strategies. The comments reported by customers rating ASR as 'excellent' revealed varied and sometimes contradictory results. A few customers also provided comments that compared ASR to competing brands.

Comments reported in the Appendix 6 (Section 6.6.6 and Section 6.6.7) are summarised below:

- Several respondents were amazed with the meat recovery of the ASR and the ease of portion control.

- Several respondents were impressed with the quality attributes of the meat (sweetness, soft, delicate, better quality, texture) however one preferred the texture of the Maine.
- One respondent believes the quality of ASR is comparable to Beluga Caviar, White Truffles, and Kobe Beef.
- One respondent stated they believe that *consumers* do not think the ASR is in the same league as white truffles, black truffles and caviar.
- One respondent was very impressed with the sashimi quality of the ASR. However another didn't like the fact that the meat falls apart when trying to use sashimi style, and that he didn't think he could break it down into sashimi because "*it wouldn't sell enough, couldn't maintain freshness of live product*".
- One respondent stated the ASR is too big to use; they require lobsters sized 1.5 to 2lb. In addition, they stated these smaller lobsters are easier for the wait staff to sell.

The reasons for two customers rating their experience as 'average' are reported below (Table 17). These two comments are quite significant as they reveal that despite the very high quality of the ASR, at least some potential customers believe the largest brand in the market (Maine Lobster) is sweeter. In addition, the ASR is promoted as having a meat yield substantially higher than competitors (e.g. Maine); however one respondent found that it was comparable.

Table 17 Reasons for Rating Experience Using the ASR 'Average'

R ID	Response
12	<i>The chef advised that the lobster wasn't as sweet as the Maine or Japanese lobster.</i>
19	<i>Chef advised that the lobster was ok and advised that the Maine and Brittany lobsters were much sweeter than the Australian Southern Rocklobster. Not only the tail, he said the whole lobster was sweeter. He also advised that the meat yield or amount of portions that could be achieved from one (Maine / Australian lobster) was the same.</i>

(Source: Appendix 6 Section 6.6.6)

Importantly, these reasons for rating the ASR as 'average' are product related and are largely out of the control of the organisation.

The results reported in this section reveal the potential market mostly has positive perceptions of ASR in terms of their overall experience, meat recovery, sashimi quality and

other quality attributes (sweetness, texture). However, some negative perceptions are also held in terms of these attributes. Importantly, several potential customers hold both positive and negative perceptions. These findings highlight the need for SRL to address negative perceptions where possible, and use those product attributes viewed most favourably by the market within communication tools.

6.3.3. Perceptions of ASR Attributes Relative to Competing Brands

Primary research identified the potential market perceives attributes of the ASR very favourably, relative to competing brands.

Each section of the lobster was assessed in terms of four product attributes. Attributes were given a rating out of five (1=much better, 5=much worse) by potential customers.

Table 18 Rating of ASR Attributes Compared to Competing Brands

Lobster Section:	Culinary Capabil's Avg Rating	Sweet Flesh Avg Rating	Firm Texture Avg Rating	Meat Recovery Avg Rating	Don't Use Avg Rating	Overall Avg Rating
Tomalley/Liver	1.0	1.0	1.0	1.0	--	1.0
Shell	1.0	1.0	1.0	1.0	--	1.0
Tail	1.4	1.4	1.4	1.3	--	1.4
Leg	1.4	1.4	1.4	1.4	--	1.4
Knuckles	1.4	1.4	1.4	1.5	--	1.4
Head Meat	1.5	1.5	1.5	1.8	--	1.6
'Other'	--	--	--	--	--	--
Overall Avg Rating	1.3	1.3	1.3	1.3	--	--

(Source: Appendix 6 Section 6.6.6)

Note: total number of respondents for ratings of tail, leg, and knuckles varied between 6 and 8. Total number of respondents for ratings of head meat varied between 4 and 6. Total number of respondents for all ratings of tomalley/liver and shell were 2.

The small amount of data obtained shows the market rates all sections and all attributes of the ASR as being either 'better' or 'much better' than other lobsters consumed. These findings are important for SRL as they quantify the markets perceptions of the product

attributes relative to competitors. These attributes can be used to promote the ASR within communication tools.

Further, these results suggest the negative perceptions identified in section 6.3.2 above do not have a significant influence over the markets perceptions of product attributes relative to competitors.

6.4. Perceptions of Competing Brands

Primary research investigated the potential markets perceptions of competing brands of lobster utilised within the market. However only a small amount of comments were obtained, limiting the generalisability of results (refer to Appendix 6 Sections 5.6.6 Table 18, and 6.6.2 Table 33 for all comments).

The small amount of comments were analysed and revealed there is opportunity for SRL to communicate to target customers that unlike some competitor brands, the ASR is *not* affected by the following negative factors:

- decreased flavour as lobster size increases
- increased toughness of meat as lobster size increases
- melanosis
- low level of meat recovery
- insufficient meat quality for sashimi
- inconsistent quality of meat.

Importantly, SRL already use the last four points of difference in their current communication tools. However, this research identified two new potential points of difference to actively promote the ASR on: flavour does not decrease as lobster size increases; meat does not become tougher as lobster size increases. These points of difference are of particular importance, as the ASR is generally larger than other brands within the market (see Section 11.2)

7. Customer Decision Making Process

The project's research objective 1 (see Appendix 6 Section 4) sought to determine characteristics of the customer decision-making process; including the identification of decision makers.

7.1. Factors Influencing Purchase Decisions

It is important for SRL to understand the factors that influence customers' decisions to purchase lobster/seafood. These factors form the main bases of competition among brands within the target market and influence the customer's decision to purchase one brand over all others.

Primary research identified that more customers believe price is the most important factor than any other factor in the decision process (n=21, Figure 2 below). Quality was also viewed by a number of customers as the most important factor (n=14). Further, several customers also selected price as being the second most important factor (n=10). Therefore 31 (44%) of the 70 total responses to this question identified price as either the most, or the second most, important factor influencing the purchase decision.

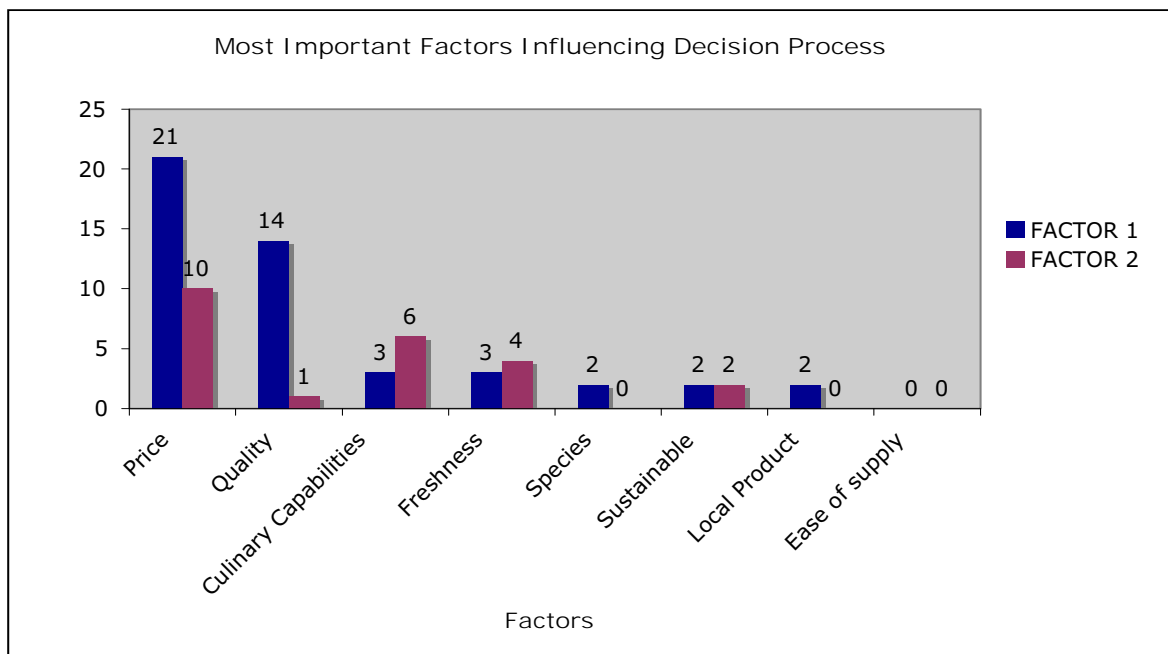


Figure 2 Factors Influencing Customer Decision Process

Source: Appendix 6 Sections 5.6.3 and 6.6.3

Note: Only the telephone survey asked respondents to choose 2 factors, therefore all responses to 'factor 2' were obtained from these surveys only.

Several customers provided additional comments, which revealed that 4 customers viewed all of the factors as being important to the decision process (Appendix 6 Sections 5.6.3 and 6.6.3).

These findings have identified that price is the major influence on the purchase decision process for the majority of customers within the target market. Quality has the second greatest influence over the market, followed by culinary capabilities and then freshness. All other factors appear to have a limited influence over purchase decisions.

Therefore the results suggest that influencing customers purchase decisions requires providing a product that is at a price point sought by customers (see Section 11.3) and/or is of the desired quality standard (see Section 7.1.1). All other factors cannot be neglected however, as they still have some influence over the customers' decision-making process.

7.1.1. Factors Defining Quality Lobster

The in-depth interviews sought to determine customers' methods of defining and recognising a good quality lobster (Appendix 6 Section 6.6.3).

Few comments were obtained (4 respondents) during the in-depth interviews to help explain customers perceptions of 'quality'. Those comments that were received identified that users of live lobsters believe that 'live' is a defining characteristic, as well as a means of recognising a good quality lobster (Appendix 6 Section 6.6.3 Table 50). Factors that both define and enable customers to recognise a quality lobster also included: no melanosis; sweeter flesh; strong; even portion control; and culinary capabilities (Appendix 6 Section 6.6.3 Table 51)

These findings identify opportunities for SRL to communicate such aspects to the target market. Further investigation of these factors is recommended.

7.2. Decision Makers

Identifying the decision maker is essential to understanding the customer decision process. This person makes the final purchase decision, and therefore must be convinced to buy the product. Research identified the Executive Chef (often in collaboration with the Sous Chef/s) is the decision maker in the majority of cases (74%) for which the position within the restaurant could be determined.

Table 19 Position of Decision Maker

Response	N	Valid %	N	%
Executive and/or Sous Chef/s	26	45	26	74
Purchasing manager/ owner/ kitchen manager	7	12	7	20
Executive Chef and owner/purchasing manager	2	4	2	6
<i>Unknown/ no response</i>	23	40		
Total	58	100	35	100

(Source: Appendix 6 Section 5.6.3 and 6.6.3)

Note: the nature of the collection and storage of data did not allow for accurate reporting on the restaurant position of the decision maker/s in 23 cases.

Results indicate that SRL need to target the Executive Chef as the primary decision maker, and the Sous Chef/s as the secondary decision makers and decision influencers.

Two interesting comments were recorded during the in-depth interviews and are reported below. Interestingly, respondent 10 is a restaurant within a hotel, and respondent 14 is a restaurant group. These comments suggest the decision process can vary in relation to the type of restaurant/segment. Further investigation of this observation is recommended for future research.

Table 20 Characteristics of Decision Making Process

R ID	Response
10	<i>Claims he is in charge. X (hotel) has contracts with all suppliers: Discount for volume; You get accepted for an account with X (hotel) through the purchasing department; Chef recommends goods, Purchasing buys them.</i>
14	<i>Process: chef decides it can work, purchasing manager arranges logistics, ordering etc.</i>

(Source: Appendix 6 Section 6.6.3)

7.3. Plate Price Decisions

The process that customers use for deciding plate prices assists in identifying those who are potentially more capable of utilising a high-priced item. Those customers that work on margin, or a combination of margin and food cost, are in a more favourable position to use a high-priced item than those who determine plate price by food cost only.

Research revealed that, based on this factor alone, of the 28 respondents 18 (64%) are in a favourable position to purchase the ASR (Table 21).

Table 21 Method for Deciding Plate Price

Response	N	%
Both	11	39
Food Cost	10	36
Margin	7	25
Total	28	100

(Source: Appendix 6 Section 5.6.3 and 6.6.3)

In-depth interview comments identified those customers who determine plate price by food cost work on percentages ranging from 25% to 50% (Appendix 6 Section 6.6.3 Table 53). Such high percentages demonstrate the difficulty these restaurants have in utilising premium priced products such as ASR.

7.4. Influence of Product Seasonality/ Availability

Investigation of the potential markets current utilisation of lobster (Appendix 6 Section 6.6.2) uncovered factors that influence menu decisions. Research indicates that seasonality/ availability of products has a notable influence over the development of a menu and the frequency at which it is changed. In-depth interview comments (Appendix 6 Section 6.6.2 Table 24) showed that 6 (25%) customers use seasonality/ availability of products to guide development of their menu. Three of these customers also use this factor to determine the frequency at which their menu is changed (Appendix 6 Section 6.6.2 Table 25).

Therefore, there is opportunity for ASR to promote the very limited seasonality constraints of ASR that were identified in Appendix 1. Importantly, SRL are currently using this product advantage in their existing communication tools.

8. Chef Oriented Communication

The project's research objective 3 (see Appendix 6 Section 4) sought to identify current communication strategies and media use within the target market. This project defines the customer as the chef/restaurant, rather than the end-consumer. Therefore determining the communication mediums that influence the behaviour of chefs was a key objective of the project.

Results presented below suggest word of mouth (WOM) is the form of communication that has the greatest influence over the customer – the chef. WOM is received from both within, and external to, the restaurant. The implication for SRL is there is opportunity to increase positive WOM within the target market. Increasing customer satisfaction is one method SRL can use to encourage positive WOM (see also Section 6.2 Satisfaction).

8.1. Chef Communication Influencers

The in-depth interview asked chefs how they developed (which media/communication mediums influenced) new recipes or new seafood products (Appendix 6 Section 6.6.5, Question 15). Results revealed that for those who responded to the question, 'peers/fellow chefs' have the greatest influence over the development of new recipes and/or the addition of new seafood products (Table 22 below). All other media types analysed have a comparatively lower level of influence.

Table 22 Media/ Communication Influencers – Pre-coded Response Options

Response	Yes (N)	No (N)	Total (N)
Peers/fellow chefs	14	0	14
Magazines	5	1	6
Dining in other restaurants	4	0	4
TV (media)	2	0	2
Other restaurants	1	0	1

(Source: Appendix 6 Section 6.6.5). Multiple responses were possible

Note: this table presents results for the pre-coded response options only; see Table 25 below for additional open-ended responses.

Chefs were also asked if they participated in any forum, club, TV presentation or similar, where they could express their opinion regarding their business (Appendix 6 Section 6.6.5, Question 16). Of the 12 responses received, 7 chefs answered “yes” they did participate in one of these activities. These responses are categorised into the themes presented below (Table 23).

Table 23 Forum Themes

Response	N
Internal forum (other chefs within the restaurant or restaurant group)	6
Star Chefs	1

(Appendix 6 Section 6.6.5)

Open-ended responses recorded by interviewers to the two questions within this section, were combined and categorised into the following themes (Table 24).

Table 24 Media/ Communication Influencers - Themes

Response	N
Internal forum (other chefs within the restaurant or restaurant group)	12
Cookbooks (general)	4
Japanese cookbooks or magazines	3
Purveyors	2
Seasonality of products	2
Japanese purveyors	1
Star Chefs	1

(Source: Appendix 6 Section 6.6.5) Multiple responses were possible.

The above table shows that peers/fellow chefs, or the ‘internal forum’, is reported by a number of respondents as an influencing factor over new recipes/seafood purchases and as a forum for expressing their opinions. Cookbooks and purveyors that are specifically Japanese were also revealed as influencers. Interestingly, one respondent who gave such a comment is not Japanese or working within a Japanese restaurant.

The following additional interviewer comments of interest were also recorded (Table 25).

Table 25 Comments on Media/ Communication Influencers

R ID	Response
2	<i>X recommended two high end industry magazines, Food Arts and Art Culinaire</i>
23	<i>Magazines in English (i.e. American, Australian) are not very useful; the best magazines are Japanese.</i>
25	<i>Interested in smaller magazines, the kind that housewives read. Can get good ideas from these kinds of magazines. Dishes in fine dining magazines were usually were being done by everyone else, he wants to create, not copy. Not so interested in big name chef books, with exceptions (like Joel Robuchon). Travelling influences him, goes to Asia with his Asian wife regularly, draws inspiration from there.</i>
26	<i>Library in the restaurant with books in various languages.</i>
27	<i>His experiences</i>

(Source: Appendix 6 Section 6.6.5)

Respondent 2 gave a very good recommendation of two high end industry magazines to investigate; respondent 21 has their own internal library; and respondent 25 made an interesting observation regarding being a market leader rather than a market follower.

9. Consumer Oriented Communication

Determining the best methods for communicating with consumers, while not the primary focus of this project, are important to SRL and sales of ASR. Current and potential communication strategies directed at consumers were investigated in the in-depth interviews and the surveys with current customers. Results of these investigations are presented below.

9.1. Internal (Within Restaurant) Communication

Consumer oriented communication within the restaurant was investigated in terms of staff related, and non-staff related, communication.

9.1.1. Staff Related Communication

The influence of restaurant staff on consumer purchasing was investigated across the following 3 topics:

- Education of wait staff;
- Wait staff knowledge transfer to consumers;
- Extent and level of success in suggesting specific plates.

9.1.1.1. Wait Staff Education

Research identified that 100% (n=27) of customers educate their wait staff (Appendix 6 Section 6.6.4 and Section 7.7.4).

The most popular methods for educating wait staff are product tastings and briefing by the chef on all plates (Table 26). A non pre-coded response option 'testing' (i.e. testing wait staff) was reported by 5 customers during the in-depth interviews.

Table 26 Methods for Educating Wait Staff

Response	N
Product tasting	18
Wait staff are briefed by the chef for all plates on the menu	18
Wait staff receive a description notice of all plates served on the menu	14
Other: Testing	5
Other	2
Wait staff are briefed by the chef for the main plates on the menu	1

(Source: Appendix 6 Section 6.6.4 and 7.7.4)

Methods for educating wait staff were cross tabulated to identify which methods have higher amounts of sharing than others. Results (Table 27) revealed there is a higher amount of sharing between 'tasting' and 'all plates', and also between 'tasting' and 'description'.

Table 27 Duplication of Methods for Educating Wait Staff

Those who use:	Who also use:				
	Tasting	All Plates	Description	Testing	Main Plates
Tasting	--	12	10	4	1
All Plates	12	--	4	1	1
Description	10	4	--	4	1
Testing	4	1	4	--	1
Main Plates	1	1	1	0	--

(Source: Appendix 6 Section 6.6.4 and 7.7.4)

These findings suggest there is potential for wait staff to encourage consumer purchasing of ASR, as they are educated on the product and in many instances also have the opportunity to taste it.

9.1.1.2. Wait Staff Knowledge Transfer to Consumers

Customers were asked to what extent wait staff knowledge was passed/transferred to the consumer. Results (Table 28) show that wait staff knowledge is transferred to the consumer either sometimes when presenting the menu (n=11) or at all times when presenting the menu (n=9). Relying on consumer prompting is a less popular option (n=5).

Table 28 Extent of Wait Staff Knowledge Transfer to Consumers

Response	N
Sometimes, when presenting the menu	11
At all times when presenting the menu	9
Only if requested by the client	5
I'm not sure/ don't know	1
Not often	0
Total	26

(Source: Appendix 6 Section 6.6.4 and Section 7.7.4)

Current customers were asked to explain how they were able to determine the extent to which wait staff knowledge was transferred. Results revealed that many chefs were able to monitor the transfer of wait staff knowledge to the consumer through observation and feedback. A selection of interviewer comments that support this finding are presented below (Table 29).

Table 29 Monitoring Wait Staff Knowledge Transfer

R ID	Response
2	<i>Seeking feed-back from the wait staff on how they are offering the menu.</i>
4	<i>Feedback from the customers and management team.</i>
6	<i>The restaurant is small and I can observe the wait staff presenting the information to the customers.</i>
7	<i>Feed-back received from the wait staff.</i>
8	<i>Chef X keeps a good eye on everyone wait staff and he also has some food runners that keep a look-out on the wait staff.</i>
9	<i>Feed back from the wait staff, plus Chef X also does talk to customers as well.</i>

(Source: Appendix 6 Section 7.7.4)

The above comments demonstrate that customers are able to quite effectively monitor their wait staff, and the extent to which they attempt to influence consumer purchasing. These results support those presented above which revealed there is opportunity for wait staff to influence consumer purchasing.

9.1.1.3. Suggesting Specific Plates

Research identified that 9 out of 15 (total respondents) potential customers do not suggest specific plates when communicating with consumers during their meal (see Appendix 6 Section 6.6.4 Table 61). The remaining 6 stated they do. Of those who do suggest specific plates, only 3 responded to the question regarding the level of success for doing so. All three customers reported that they were 'mostly successful' (see Appendix 6 Section 6.6.4 Table 62).

Comments recorded by interviewers (see Table 30 below) reflect the result reported immediately above that some customers suggest plates, though others prefer staff to have less of a role in the consumer decision making process. A selection of the comments that demonstrate the range of opinions held within the market is presented below (Table 30). The

implication is there is greater opportunity in some restaurants for staff to influence consumer purchasing than in others.

Table 30 Comments on Communication During Meals

R ID	Response
11	<i>They let the customer choose, but if they have special items then they recommend these to the customer.</i>
12	<i>There are too many items on the menu to suggest specific plates.</i>
21	<i>Do suggest plates, though ultimately customers choice.</i>
22	<i>Chef decides what dishes he wants to push that night, and offers the chefs incentive (see Q14) to sell the most. Chef believes if the suggestion doesn't work then there may be a problem with the dish and will change the dish if it isn't selling even when suggested/recommended</i>

(Source: Appendix 6 Section 6.6.4)

9.1.1.4. Staff Incentives

Research identified the majority of potential customers do not offer their staff incentives for increased sales of menu items (Table 31).

Table 31 Offer Staff Incentives

Response	N
No	14
No response	8
Not sure	1
Yes	1
Total	24

(Source: Appendix 6 Section 6.6.4)

Only 2 comments were recorded in relation to the efficiency of staff incentives. Respondent ID 22 provided an interesting response, stating they utilise staff incentives as a means of assessing the restaurants' dishes. This comment was:

- *It is considered effective/efficient if sales increase on the night of the incentive over previous nights. If it is not effective the dish is reconsidered rather than considering that the wait staff are doing something wrong. Wait staff are offered considerable incentive (\$100) (Appendix 6 Section 6.6.4 Table 73).*

Results suggest that because customers do not offer their staff incentives, there is opportunity for SRL to offer incentives to the staff (see also Section 10 Strategies to Increase Sales).

9.1.2. Non-Staff Related Communication

Current, and potential, communication strategies not related to staff were investigated across the following 2 topics:

- In-restaurant promotional strategies;
- Points of difference of the ASR.

9.1.2.1. In-Restaurant Promotional Strategies

In-depth interviews investigated the extent to which customers utilise daily specials and rewards. The few responses received identified that 7 customers use daily specials, and zero customers use rewards as forms of internal promotion (Appendix 6 Section 6.6.4 Table 64). This small amount of data suggests that where customers are not willing to use ASR as a permanent feature on their menu, there is potential opportunity to have ASR featured as a daily special.

In addition, current customer surveys asked respondents if they thought a (unspecified) promotional strategy could be implemented to encourage customers to purchase the high end ASR. All 12 customers believe a promotional strategy could be implemented, as they responded “yes” (Appendix 6 Section 7.7.4 Table 114). Therefore there is opportunity for SRL to use results reported for communication/promotion related questions to formulate a promotional strategy directed at consumers.

Note: advertising (magazines) was included in the survey as a third response option, however this form of promotion is external and results were therefore included in Section 9.2 External Communication.

9.1.2.2. *Points of Difference*

Questions regarding points of difference (POD) varied between the two surveys; therefore results could not be combined, however they could be compared.

Eight pre-determined POD were assessed across both surveys: wild caught; premium quality; origin; sustainability; fisher direct; traceability; fisherman story; and Clean Green. 'Australia' was a ninth POD assessed in the current customer surveys.

Results revealed the following major findings.

- Premium quality, wild caught, and origin were always rated/selected as the three most important POD by current *and* potential customers.
- Potential customers rated/selected Clean Green as the fourth most important POD.
- Current customers rated/selected Clean Green as one of the least important POD; this result may be due to one third of current customers stating they were unfamiliar with the Clean Green program (Section 6.3.1).
- Current customers mentioned 3 non-predetermined POD as important and had used them on their menu: size; live; and uniqueness.

(Source: Appendix 6 Section 6.6.4 and 7.7.4)

These findings suggest that, in the opinion of chefs, 'premium quality', 'wild caught' and 'origin' are the three POD that would most effectively encourage consumer purchasing. The implication for SRL is to utilise these POD in consumer oriented communication, and to work in collaboration with customers to have these POD included in the restaurants internal communications.

SRL currently utilise the term 'premium quality' during market research to describe the quality of the ASR. However, the term 'ultra-premium quality' would align more effectively with their positioning statement: "Australian Southern Rocklobster – the finest in the world" (Appendix 1 Section 6.2).

Tables and graphs from which the major findings presented above were derived are presented below. *Note:* implications are not reported throughout, as the major findings and implications are presented above.

CURRENT CUSTOMERS

Customers ranked how effective they thought the following POD would be to encourage consumer purchasing. Results show the majority of POD would either encourage or strongly encourage consumer purchasing (Table 32 below). Premium quality is viewed as potentially having the most impact, whereas Clean Green certification is viewed as potentially having the least impact.

Table 32 Potential Effectiveness of Promotion Directed at Consumer Purchasing

Variable	Avg Ranking
Premium quality	4.9
Wild caught	4.8
Origin	4.6
Sustainability	4.5
Fisher direct	4.3
Traceability system	4.0
Individual fisherman story	4.0
Australian	3.9
Clean Green certification	3.5

No. of respondents=12. Mark from 1, strongly discourage to 5, strongly encourage. (Source: Appendix 6 Section 7.7.4)

Note that one respondent who rated "Traceability" as 5, stipulated this strategy was important to the chef, not to the consumer.

The survey also included an option “other” where respondents could provide a rating out of 5 for any other POD not on the pre-determined list. Responses to “other” are presented below.

Table 33 Other Potential Promotional Strategies Directed at Consumer Purchasing

Variable	Rating	N
Unique	5	2
Size	5	2
Live and/from Australia	5	2
Live and size	5	1
Large and unique	na	1
Total	na	8

(Source: Appendix 6 Section 7.7.4)

Four respondents believe ‘size’; and three believe ‘live’ are promotional tools that would strongly encourage consumer purchasing (Table 33).

Of the current customers, 11 customers stated they had used the POD reported above (Tables 32 and 33) on their menu. All customers used ‘a few’ of these POD on their menu.

Table 34 Promotional Strategies Used on Menus

Variable	N
Premium quality	11
Wild caught	10
Other	8
Origin	7
Australian	5
Sustainability	4
Traceability	3
Fisher direct	2
Individual fisherman story	2
Clean Green certification	1

No. of respondents=11

(Source: Appendix 6 Section 7.7.4)

IN-DEPTH INTERVIEWS

Potential customers were asked to rank the POD they believed were the three most important. Results show that more customers believe that 'premium quality' is the main POD than any other attribute (Figure 3). Overall, 'wild caught' was ranked second, 'origin' was ranked third, and 'Clean Green' was ranked fourth.

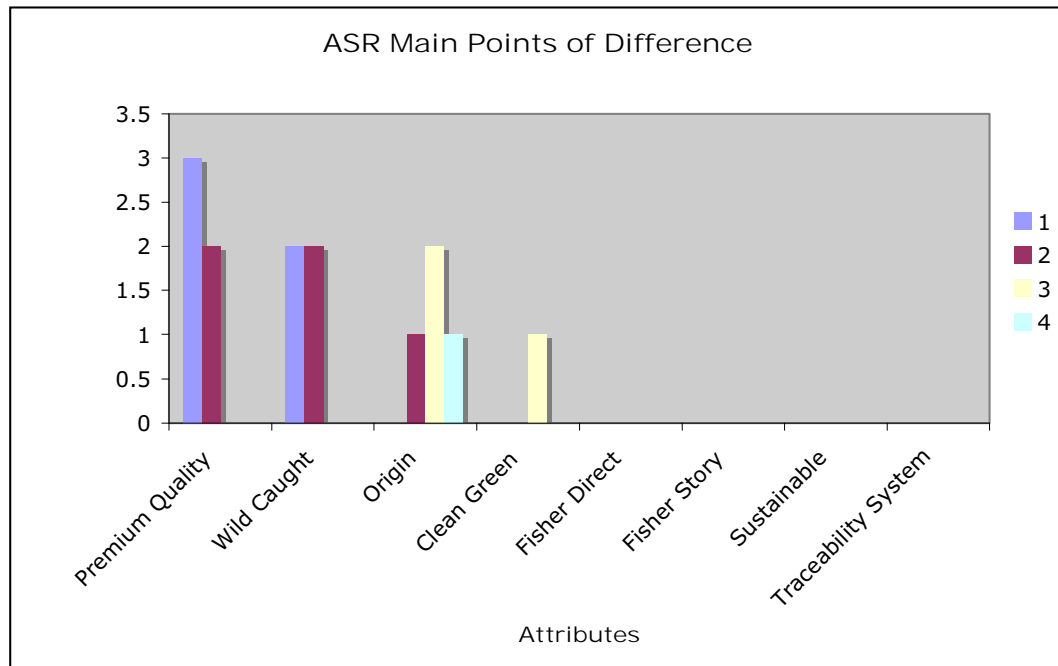


Figure 3: ASR Main Points of Difference
(Source: Appendix 6 Section 7.7.4)

Table 35 below presents the results to the question: "Would you use these points of difference on your menu?"

Table 35 Would Potentially Use Points of Difference on Menu

Point of Difference	Yes (N)	No (N)	No Response (N)	Total (N)
Origin	5	1	18	24
Wild Caught	4	1	19	24
Premium Quality	2	1	21	24
Clean Green	1	1	22	24
Fisher Direct	0	1	23	24
Fisher Story	0	1	23	24
Other	0	1	23	24
Sustainable	0	1	23	24
Traceability System	0	1	23	24

(Source: Appendix 6 Section 7.7.4)

Results to the question: “Would you use these points of difference to communicate with your customers?” are presented below (Table 36).

Table 36 Would Potentially Use Points of Difference to Communicate

Point of Difference	Yes (N)	No (N)	No Response (N)	Total (N)
Origin	4	-	20	24
Wild Caught	4	-	20	24
Premium Quality	2	-	22	24
Clean Green	2	-	22	24
Fisher Direct	1	-	23	24
Sustainable	1	-	23	24
Traceability System	1	-	23	24
Fisher Story	0	-	24	24
Other	0	-	24	24

(Source: Appendix 6 Section 7.7.4)

9.2. External Communication

In-depth interviews briefly investigated consumer oriented communication activities that customers engage in outside of the restaurant. The results will help identify mediums that could expose consumers (and possibly other customers) to the ASR.

Results identified that 21 (88%) customers stated “yes” they communicate with their consumers at times other than during their meal (Appendix 6 Section 6.6.4 Table 58). However, for 20 of these customers, this communication simply occurs via their website (Table 37 below).

Table 37 Methods of External Communication

Response	N
Website	20
Other	1
Direct mail	0
Total	21

(Source: Appendix 6 Section 6.6.4)

Interviewer comments relating to external communication were analysed and categorised into the themes presented below (Table 38). Results show only a few methods of communication are utilised, some of which are pull strategies (profile of owner/chef) or push strategies (e.g. cook books/magazines).

Table 38 Other Methods of External Communication

Category	N
Cookbooks and/or magazines	4
Profile of the Owner/Chef	4
Events (wine dinners etc), Post Cards	1
Mailing list	1
Email – opening new restaurants	1
Word of mouth	1
Retail store	1
Total	9

(Source: Appendix 6 Section 6.6.4 Tables 60 and 66)

10. Strategies to Increase Sales

Current customers ranked on a scale of 1 to 5, how effective each of the 7 promotional strategies in Table 39 would be at increasing sales. These strategies are both consumer and customer oriented.

Current customers view 'volume rate', 'continual wait staff education' and 'incentive programs' as potentially having the most impact on increasing sales (Table 39). 'Holding tanks' and 'restaurant promotion' were viewed as having the least impact.

The high ranking for incentive programs supports the suggestion made in Section 9.1.1.4 above that opportunity exists for SRL to offer effective wait staff incentives due to the lack of incentives offered by the restaurants themselves.

One respondent stated the current chef and wait staff incentive program was not achievable and recommended a less expensive incentive be given (Appendix 6 Section 7.7.4). These results suggest SRL should review their current incentive schemes in order to increase their effectiveness. Future research could further investigate the rewards that would be effective at encouraging wait staff and chef participation.

Table 39 Perceived Effectiveness of Promotional Strategies to Increase Sales

Strategy	Avg Ranking
Volume rate to the restaurant	4.8
Continual wait staff education	4.5
Chef and wait staff incentive program	4.4
Fisher meet and greet	3.9
Customer incentives	3.4
SRL supplied live holding tanks	2.0
Restaurant promotion – branding	1.5

No. of respondents=11. Mark from 1, the least impact to 5, most impact.
(Source: Appendix 6 Section 7.7.4)

11. Product & Purchasing Requirements

The project's research objective 2 (see Appendix 6 Section 4) sought to identify the target markets' product and purchasing requirements; including the identification of the use of competitive brands. The results identified current needs, wants, and characteristics of the target market. Results also revealed potential communication strategies, and will provide a basis for assessing the possibility of influencing change in customer behaviour.

Results revealed the following major findings:

- USA/Canadian lobsters are the most commonly purchased brands within the 'whole live' market, and the market overall.
- Customers are most familiar with using lobsters sized 1-2 pounds.
- The market is accustomed to paying approximately three times less the price of ASR for whole live lobster (approximately \$USD10/lb).
- Results suggest there is greater demand for whole live lobsters than for tails within the target market.
- Usage, in terms of volume, within the target market varies considerably.
- Demand for ASR may increase during the months December through March, which is Winter/ Spring in the US. In addition, demand may also increase at various times throughout the year when customers are engaged in special events.
- For ASR to be bought by target customers, it must replace the customers' existing brand and not be purchased in addition to it.
- Fixed/stable price is viewed as an advantage by 4 of the 6 responding customers.
- Results suggest distributors are required to either be flexible in their ordering/delivery arrangements, or able to supply on a daily basis.
- There is opportunity for SRL to be added to potential customers lists of distributors, as customers generally use multiple distributors.
- There is opportunity for SRL to further educate customers on efficient portion control, and effective utilisation of each section of the ASR.
- There is opportunity for SRL to educate customers on how to utilise the ASR (effectively and efficiently) in main dishes and tasting menus. Personal selling will be a key factor in this process.

11.1. Product Form

USA/Canadian lobsters are the most commonly purchased brands within the 'whole live' market, and the market overall (Table 40). Results also suggest there is greater demand for whole live lobsters than for tails within the SPFD market.

Whole lobster is purchased in the form 'whole live' only, and tails are purchased in the form 'frozen green' only (Table 40).

Table 40 Product Form

Brand	Whole Live (N)	Whole Green (N)	Whole Ckd (N)	Fresh Green Tail (N)	Frozen Green Tail (N)	Fresh Ckd Tail (N)	Frozen Ckd Tail (N)	Total N
USA/Canada	18	-	-	-	-	-	-	18
Calif/Mexican	1	-	-	-	-	-	-	1
Floridian	1	-	-	-	-	-	-	1
South African	-	-	-	-	2	-	-	2
W Australian	-	-	-	-	1	-	-	1
Nth Australian	-	-	-	-	1	-	-	1
Total	20	0	0	0	4	0	0	24

(Source: Appendix 6 Section 6.6.2) Multiple responses possible.

Two comments of interest regarding product form were recorded in the in-depth interview results. The 1 respondent (ID1) who uses Floridian lobster stated they could only utilise this brand when their purveyor was able to supply it whole live (Appendix 6 Section 6.6.2 Table 33). This comment was the only indication received or observed during primary research of non-availability of whole live lobster. The one respondent (ID14) who uses Northern Australian advised this brand was available to the market whole frozen (Appendix 6 Section 6.6.2 Table 33).

11.2. Product Size

USA/Canadian lobsters are most commonly used in the size 1-2 pounds (Table 41), indicating that customers within the target market are familiar with using lobsters of this size.

This result demonstrates the need for SRL to educate the market on the benefits of a larger lobster, and methods of utilising them effectively and profitably.

Table 41 Size of Lobster Used (Pounds)

Brand:	0 – 1 only (N)	1 – 2 only (N)	2+ only (N)	Combo of sizes (N)	Sml Tails (N)	Lge Tails (N)	Unknown/ not current user (N)	Total N
USA/Canada	6	29	3	5	-	-	3	46
Calif/Mexican	-	1	-	-	-	-	1	2
Floridian	-	2	-	-	-	-	-	2
South African	-	1	-	-	2	-	-	3
W Australian	1	1	-	-	-	1	1	4
N Australian	-	-	1	-	-	1	-	2
New Zealand	-	-	-	-	-	-	1	1
Total	7	34	4	5	2	2	6	60

(Source: Appendix 6 Section 5.6.6 and 6.6.2) Multiple responses possible.

Note: only in-depth interviews included pre-coded response options for small and large tails.

11.3. Product Price

The largest brands in the market, the USA/Canadian lobsters are purchased by target customers for between \$US4.50 and \$14 per pound (Table 42 below). The most common price paid is \$10 or less. Therefore the market is accustomed to paying one third the price of ASR for whole live lobster.

This result demonstrates the need for SRL to educate the market on the benefits, or points of difference, of ASR that justify the price premium.

Table 42 Price Paid Per Pound of Lobster

Brand	\$4.50 - \$10 (N)	\$10.50 - \$14 (N)	Tail \$20 – 29.50 (N)	Tail \$30 – 39.50 (N)	Other (\$)	Total N
Maine/ USA	19	6	-	-	-	25
Calif/Mexican	-	-	1	-	-	1
Floridian	-	-	-	-	-	0
South African	-	-	1	1	\$55 tail	3
W Australian	-	-	1	1	-	2
Nth Australian	-	-	1	-	-	1
New Zealand	-	-	1	-	-	1
Brittany/Blue	-	-	-	-	\$55	1
Total	19	6	5	2	2	34

Prices in \$USD. Multiple responses possible
(Source: Appendix 6 Section 5.6.6 and 6.6.2)

11.3.1. Price Paid for Various Sizes

Cross tabulations of 'USA/Canada size' and 'USA/Canada price' variables show the most popular sized lobster (1-2 pounds) is purchased in the lower price range more than it is in the higher price range (Table 43). Interestingly the results also show that larger lobster (2+ pounds) is purchased in both price ranges.

Table 43 Price Paid for Various Sizes of USA/Canadian Lobster

Size	\$4.50 - \$10 per pound (N)	\$10.50 - \$14 per pound (N)	Total N
0 – 1 pound	2	2	4
1 – 2 pounds	16	3	19
2+ pounds	1	2	3
Total	19	7	26

(Source: Appendix 6 Section 5.6.6 and 6.6.2)

The implication of the above results for SRL is the need to educate the market on the benefits of the larger, higher-priced ASR (see Section 11.3 also).

11.3.2. Comments on Price

Several comments of interest regarding product price were recorded in the in-depth interview results and are presented below (Table 44). In summary, the American lobster can reach a price higher than reported further above (Table 42); Californian/Mexican lobster can reach a price lower than reported above; and Brittany/Blue lobsters appear to be cost prohibitive.

Table 44 Comments on Price of Lobster Brands

R ID	Response
14	Have used a spiny lobster (brand/species not determined) in the past though, <i>"stopped due to price of \$18/lb and not of high enough quality"</i> .
2 and 19	Have used Brittany or Blue lobster in the past though ceased using due to prohibitive cost (\$40-60 or \$50-60/lb).
21	<i>"February to May price for Maine lobster went up as high as \$20/lb"</i> .
27	Price of Californian/Mexican lobster has reached as low as \$5.70/lb.

(Source: Appendix 6 Section 6.6.2 Table 33).

11.3.3. Fixed/ Stable Price

SRL offer customers a fixed/stable price for the ASR. This circumstance is unique in the market therefore prompting the need to assess market perceptions. Research obtained only 6 responses to the question *"If working with ASR, would fixed price be an advantage?"* limiting the generalisability of results.

Of those 6 responses received, 4 answered "yes", it would be an advantage (Appendix 6 Section 6.6.6 Table 96). Comments from these customer show they view fixed price as an advantage as it makes aspects of their business easier to work with (Appendix 6 Section 6.6.6 Table 96).

11.4. Product Volume

Customers of USA/Canadian lobsters use these brands across all volume categories (Table 45 below). This result suggests that usage (in terms of volume) within the target market varies considerably. Results also suggest that because ASR is sold whole live, it would be purchased in a range of volumes. The small amount of data obtained for other brands shows they are used in comparatively smaller volumes.

Results suggest the average volume of lobster used per week is approximately 135 pounds, or 61 kilograms per week, per customer. This amount would equate to approximately 7,020 pounds, or 3,172 kilograms per year, per customer.

Table 45 Volume of Lobster Used Per Week (Pounds)

Brand	Less than 50 (N)	50 to 99lb (N)	100 to 149lb (N)	150 to 199 (N)	200+ lb (N)	Total N
USA/Canada	5	3	7	4	8	27
Calif/Mexican	1	-	-	-	-	1
Floridian	-	-	-	-	-	0
South African	1	1	-	-	-	2
W Australian	-	1	-	-	-	1
Nth Australian	-	-	-	-	-	0
Total	7	5	7	4	8	31

(Source: Appendix 6 Section 5.6.6 and 6.6.2)

11.4.1. Potential Sales Trends

Current customer surveys revealed that demand for ASR may potentially increase during the months December through March, which is Winter/ Spring in the US. In addition, demand may also increase at various times throughout the year when customers are engaged in special events.

Customer comments reported below (Table 46) identify the following:

- 5 customers would possibly require more ASR during special events, held at various times throughout the year depending on the event and the customer.
- January to March is the Las Vegas 'high season'.
- 3 customers would possibly require more ASR during the Christmas season (Dec-Jan).
- Respondent ID 5, located in Las Vegas, requested SRL *"keep in touch every week about the live lobsters"*.
- Respondent ID 6, located Texas, wanted lobster *"available all the time"*.

Table 46 Potential Sales Trends

R ID	Response	State
1	<i>Restaurant show (May) and convention times.</i>	Illinois
2	<i>Jan / Feb and May</i>	Las Vegas, Nevada
3	<i>Oct 15th – May 15th – 1500 covers per night and 80 servers May 21st – Mid September – 200 covers per night and 20 servers Very busy between the 24th December, 2007 – 10th January, 2008</i>	Florida
4	<i>Superbowl weekend, big fights in Las Vegas and certain slot tournaments.</i>	Las Vegas, Nevada
5	<i>Depends on events</i>	New York
6	<i>Keep in touch every week about using the live lobsters.</i>	Las Vegas, Nevada
7	<i>He wanted the lobster available all the time.</i>	Texas
8	<i>New Years. Decisions are made regarding the menu 6 - 8 weeks before different events and planning commences 3-4 weeks before the event.</i>	Texas
9	<i>The week before and after New Years.</i>	Florida
10	<i>NO RESPONSE</i>	California
11	<i>Big fights and concerts.</i>	California
12	<i>January – May is the Las Vegas "High Season"</i>	Las Vegas, Nevada

(Source: Appendix 6 Section 7.7.5 Table 116)

11.5. Use of Multiple Brands

Analysis of all product and purchasing variables across both the telephone surveys and in-depth interviews revealed that only 6 potential customers use more than one brand of lobster (Table 47 below). The implication for SRL is that for ASR to be bought by customers, it must replace the existing brand and not be purchased in addition to it.

Table 47 Use of Multiple Brands

R ID	Survey	Brands Used
1	In-Depth	US/Canada; Florida
2	In-Depth	US/Canada; Blue Lobster
14	In-Depth	US/Canada; South African; Western Australian; Northern Australian
27	In-Depth	USA/Canada; California/Mexico
136	Telephone	Maine/US; Florida
156	Telephone	Maine/US; California (both brands are used <i>"sometimes; not featured"</i>)

(Source: Appendix 6 Section 5.6.6 Table 17 and 6.6.2 Table 34)

11.6. Product Distribution

Characteristics of distribution were investigated primarily by in-depth interviews; telephone surveys simply identified frequency of delivery. The results will help determine the level of difficulty in becoming a preferred supplier of target customers, and the characteristics of purchasing and relationships once SRL has become a supplier.

The following major findings were revealed:

- Results suggest distributors are required to either be flexible in their ordering/delivery arrangements, or able to supply on a daily basis.
- There is opportunity for SRL to be added to potential customers lists of distributors, as customers generally use multiple distributors.
- Results suggest that contracts with distributors are not obstructing SRL from supplying to the majority of potential customers.
- Results for the nature of relationships between customers and distributors were inconclusive.
- The length of relationships between customers and their distributors appears to vary throughout the market.

11.6.1. Frequency of Delivery

The majority of customers have lobster delivered 'as required' or 'daily' (Table 48 below). This result suggests that distributors are required to either be flexible in their ordering/delivery arrangements, or able to supply on a daily basis. The implication is that SRL need to have facilities in place to deliver daily, and also on demand.

Table 48 Frequency of Delivery of Lobster

Brand	As required	Daily	Every 2 nd Day	3 x a week	2 x a week	1 x a week	Total N
USA/Canada	10	8	3	1	1	1	24
Calif/Mexican	-	-	-	-	-	1	1
Floridian	-	-	-	-	-	-	0
South African	-	-	-	-	-	1	1
W Australian	-	-	-	-	-	-	0
Nth Australian	-	-	-	-	-	-	0
Total	10	8	3	1	1	3	26

(Source: Appendix 6 Section 5.6.6 and 6.6.2)

11.6.2. Distributors Used

Primary research (Appendix 6 Section 6.6.2 Table 41) identified that of the 10 customers who provided a response to number of lobster/seafood distributors used, 7 used three or more. This result suggests there is opportunity for SRL to be added to potential customers list of distributors. In addition there are many distributors utilised within the target market, the most popular of which appear to be Pierless, Brown's and Scottish Wild Harvest (Appendix 6 Section 6.6.2 Table 42.).

11.6.3. Nature of Purchasing

Determining the nature of purchasing within the market will help SRL better understand if contracts are locking customers into purchasing from certain distributors, and possibly obstructing sales of ASR. Research revealed a positive result for SRL and ASR, determining the majority (87%) of potential customers 'order as required' and are not locked into contracts (Table 49 below).

Only one customer stated they ordered on contract, and this contract was medium term (3-12 months). These results reflect those for Section 11.6.1 that identified 'as required' as the most popular option for frequency of delivery.

The implication is that contracts with distributors do not appear to be obstructing SRL from supplying to the majority of potential customers.

Table 49 Nature of Purchasing

Nature of Purchasing	N
No Contracts – Order as required	13
Other	1
Medium Term Contract (3-12 months)	1
Long Term Contract (1+ years)	0
Short Term Contract (less than 3 months)	0
Total	15

(Source: Appendix 6 Section 6.6.2)

Only 4 interviewer comments were recorded in relation to this topic. These comments (Table 50) show there is some variation across the market in terms of the nature of purchasing.

Table 50 Comments on the Nature of Purchasing

R ID	Comment	Response Given
7	<i>They have to use X (Owner) products and source from suppliers that are friends of X (Owner) even if it comes at a premium price</i>	Other
11	<i>Across the X restaurant group they use the same suppliers for many of their restaurants to achieve great price points</i>	No Response
21	<i>Will generally use one main supplier for 3 months then review price and conditions.</i>	No Contracts
26	<i>Utilise specialised suppliers of high quality goods as required.</i>	No Contracts

(Source: Appendix 6 Section 6.6.2 Table 44)

11.6.4. Nature of Relationships

Determining the nature of the relationships between potential customers and their distributors will also assist SRL in understanding whether distributors are obstructing sales of ASR or not. Table 51 below shows the relationship between the customer and distributor is 'forced' in 8 of the 12 cases for which a response was recorded. A forced relationship is characterised by some factor forcing the chef to purchase from that distributor. However, these results may not be a true representation of the nature of relationships within the market (see discussion immediately below).

Table 51 Nature of Relationship

Nature of Relationship	N
Forced	8
Good	4
Average	0
Total Confidence	0
Total	12

(Source: Appendix 6 Section 6.6.2)

The results above do not appear to align with the results and comments reported in Section 11.6.3 Nature of Purchasing, or the comments reported for the nature of the relationship (Table 52 below). These results combined (see Appendix 6 Section 6.6.2 Table 47) suggest the relationship in some cases may not be entirely characteristic of 'forced'.

Table 52 Comments for Those with a 'Forced' Relationship

R ID	Nature of R'ship Response	Relationship comment
7	Forced	<i>Close. X (Sushi Chef) prefers Japanese sales people, therefore when one left the company that was supplying X (Restaurant) for a competitor, they switched suppliers according to X (Executive Chef)</i>
15	Forced	
17	Forced	
19	Forced	<i>"A bunch" of seafood purveyors</i>
21	Forced	<i>Long standing relationships, working with them since they started.</i>
22	Forced	<i>4 Primary, 20-30 subsidiaries Contract with Stuart Sherman....Primarily use Stuart Sherman, who is the supplier contracted by X (Hotel Chain) for supply.....</i>
23	Forced	<i>X (Executive Chef) has talked to three purveyors (including Browns?); one of these is in the LA area though X could not remember the name.</i>
26	Forced	

(Source: Appendix 6 Section 6.6.2).

11.6.5. Length of Relationships

Determining the length of relationships held between customers and distributors will also help to understand the possible level of difficulty in becoming a new supplier to these customers. In addition this knowledge will help describe the length and strength of the relationship once established with the customer.

Only 4 valid responses were recorded (Appendix 6 Section 6.6.2 Table 45). One customer has a 4.5-year-old relationship; 2 have 8-9 year old relationships, and the relationships for the fourth customer were described as '*varies-unknown*'. This small amount of data suggests the length of relationships vary from customer to customer.

11.7. Use of ASR

Determining how customers used the ASR during their product trial will identify if they were able to utilise it effectively and efficiently. This information will also identify potential communication strategies for educating the market on product utilisation.

Utilisation methods and portion sizes were recorded for the 5 different sections of the ASR. Responses were recorded for 10 of the 24 in-depth interview respondents. A summary of the results is reported below; refer to Appendix 6 Section 6.6.6 Question 19 for complete tables of results.

11.7.1. ASR Tail

All 10 customers used the tail during their product trial. Three prepared the tail meat as sashimi, and two used it in a salad. Cooking methods included steaming, blanching, grilling, boiling, and pan-frying. Portion sizes varied between 2 and 6 ounces.

11.7.2. ASR Legs

Seven customers used the legs of the ASR and did so in a variety of ways including sushi rolls, compattio, salad, and boiled. All portion sizes reported were 2 ounces.

11.7.3. ASR Feelers/ Horns

The same seven customers, who used the legs, also used the feelers/horns. Usage of the feelers/horns was the same as usage of the legs. In addition the cooking methods were the same as for the legs (with the exception of one customer). All portion sizes reported were 2 ounces.

11.7.4. ASR Knuckles

The same seven customers, who utilised both the legs and feelers/horns, also used the knuckles and did so in the same ways. Cooking methods also reflected those of the feelers/horns. Again, all portion sizes reported were 2 ounces.

11.7.5. ASR Head Meat

Eight customers utilised the head meat in soup, bisque, salad/pasta, or boiled the meat. All portion sizes reported were 2 ounces.

11.7.6. ASR Shell

Five customers utilised the shell and did so either in a soup, or as bisque. The only portion size reported was 2 ounces.

11.7.7. ASR Tomalley/Liver

Only three customers utilised the tomalley/liver of the ASR in miso soup; blanched then rewarmed for bisque; or steamed.

Results show there is opportunity for SRL to further educate customers on effective utilisation of the ASR, particularly for the shell and tomalley/liver sections. There are also opportunities for SRL to continue educating customers on efficient portion control.

The following 4 comments (Table 53) provide a more detailed understanding of portion size and meat recovery experienced by customers.

Table 53 Comments on Portion Size

R ID	Interviewer Comments
6	<i>Amazed by the meat recovery and size of animal. Meat recovery: 14 oz leg, horn and knuckle meat 26 oz tail 40 oz / 88 oz - 45% meat recovery. It should be noted that some meat was eaten during the picking process.</i>
17	<i>Loved the lobsters, but advised that the price was too high. Used 6 oz portions and only got 6 portions from one lobster, which gave a \$30 plate cost. Advised that he could work with a \$20 plate cost and reduce the portion to 4 oz. This could work, but I don't think the chef wants the price to be reduced.</i>
20	<i>Was amazed at the meat recovery, got 25 2oz portions for lobster salads. Lightly poached and served cold on premium fresh produce.</i>
21	<i>Portion control is easier on ASR than competitors (Maine)</i>

(Appendix 6 Section 6.6.6)

Note: these comments were also summarised and included into results reported in Section 6.3.2 Potential Customers Perceptions of ASR.

11.8. Menu Characteristics

In-depth interviews investigated whether potential customers used lobster on their menu; in what method they used lobster on their menu; the number, and the average price of lobster dishes on the menu.

11.8.1. Extent & Method of Use on Menus

Results (Tables 54 and 55) identified the majority of customers currently utilise lobster as a permanent feature on their menu. These findings demonstrate there is potential for ASR to be used as a permanent feature on menus. The implication for SRL is they need to communicate/ educate the market on how ASR may be utilised effectively (and profitably) to remain a permanent feature.

Table 54 Is Lobster Used on Customers Menu?

Response	N	%
Yes	21	88
No	2	8
No response	1	4
Total	24	100

(Source: Appendix 6 Section 6.6.2)

Table 55 Method of Lobster Use on Menu

Response	N	%
A permanent feature on the menu	19	79
No response	3	13
Special item on the menu	1	4
Used in an alternative way on the menu	1	4
Total	24	100

(Source: Appendix 6 Section 6.6.2)

11.8.2. Number & Price of Dishes on Menu

The small amount of data (Table 56 and 57 below) shows that lobster is most commonly used on a menu as a main item (including tasting menus), and that the average price varies greatly among customers. The implication for SRL is there is opportunity to educate customers on how to utilise the ASR in main dishes and tasting menus.

In addition, the variation seen in average price suggests that working with customers on developing dishes needs to be done on a case-by-case basis. Therefore, personal selling will play a pivotal role in educating and working with customers on developing dishes that contain ASR, and that compliment the customers' entire menu.

Price of current lobster dishes could also determine which potential customers are the most attractive to target. SRL could use the combined results of 'plate price decisions' (see Section 7.3) and price of lobster dishes, as a means of screening potential customers for their ability to utilise a high-priced product.

Table 56 Number of Lobster Dishes on Menu

Response	1 (N)	2 (N)	3 (N)	4 (N)	5 (N)	6 (N)	7 (N)	8 (N)	9 (N)	Total N
Entrée	3	-	-	-	-	-	-	-	1	4
Main	9	2	-	1	-	-	-	-	-	12
Total	12	2	0	1	0	0	0	0	1	

(Source: Appendix 6 Section 6.6.2)

Table 57 Average Price of Lobster Dishes on Menu

Response	\$20-29 (N)	\$30-39 (N)	\$40-49 (N)	\$50-59 (N)	\$60-69 (N)	\$148 (N)	\$400 (N)	Total N
Entrée	2	-	-	-	1	-	-	3
Main	-	2	3	-	2	1	1	9
Total	2	2	3	0	3	1	1	

Prices in \$USD

(Source: Appendix 6 Section 6.6.2)

These results cannot be directly compared to results for utilisation of ASR on menus by current customers, reported below (Section 12). Current customer data is categorised by "use ASR on menu" or "use ASR on tasting menu or as a special".

12. Purchasing Behaviour of Existing Customers

The repeat purchase rate (Table 58 below) shows that SRL have successfully had 59% of customers repurchase ASR after their initial purchase. However there is opportunity to improve this repeat purchase rate.

Table 58 Repeat Purchase Rate

Purchased at least once	Purchased at least twice	Repeat Rate %
N=58	N=34	59%

(Source: CR 10 2008)

Volume of purchase data shows that for those customers who have purchased more than once, the average volume purchased per week is approximately 30 pounds, or 14 kilograms (CR 10 2008). Therefore there is potential for SRL to increase the amount that customers purchase.

The majority of the penetrated market have, or do use ASR on their tasting menu or as a special (Table 59). In contrast, few customers use the ASR on their menu, suggesting there is opportunity to increase this result. However, in comparison to menus, tasting menus are also a source of regular purchases in terms of frequency and volume.

Table 59 Utilisation of ASR on Menu

Have/Do Use ASR on Menu	Have/Do Use ASR on Tasting Menu or as Special
N=7	N=51

(Source: CR 10 2008)

13. Propensity to Trial or Purchase ASR

The project's research objective 5 (see Appendix 6 Section 4) sought to determine the markets' potential to utilise the ASR. This objective was partially met through identifying propensity to trial ASR, and propensity to purchase ASR.

13.1. Propensity to Trial ASR

Research identified whether telephone survey respondents were willing or not (Y/N), to engage in a product trial with the ASR. The question type did not allow propensity to be measured on a scale (e.g. out of 5 or 10).

Only 26 responses were received (Table 60). Of these 26 responses, the majority were positive. This result is quite encouraging as it indicates the majority of respondents who were informed of the products attributes and price were willing to engage in a product trial.

Table 60 Propensity to Trial ASR

Response	N	%
No response	142	84
Yes	23	14
No	3	2
Total	168	100

(Source: Appendix 6 Section 5.6.4)

13.2. Propensity to Purchase ASR

Research identified whether in-depth interview respondents would purchase ASR or not (Y/N). The response rate was not high (50%), though two thirds of those for whom a response was recorded indicated they would purchase ASR (Table 61 below). This result is reasonably positive, however there is room to improve propensity to purchase.

Table 61 Will Order ASR

Response	N
No Response	12
Yes	8
No	4
Total	24

(Source: Appendix 6 Section 6.6.6)

13.2.1. Factors Prohibiting Propensity to Purchase

Interviewer comments recorded within the in-depth interviews and also within the current customer surveys identified factors that influence customers' propensity to purchase the ASR.

Interviewer comments were recorded for 4 in-depth interview respondents who answered "no" to ordering ASR, and also for open-ended responses of those 13 current customer survey respondents who provided a general comment only. These comments were combined and categorised into the themes presented below (Table 62).

Results show that 'price', 'size', and 'competitor' are the main factors prohibiting initial purchase by potential customers, and also repeat purchase by current customers.

These results identify opportunities for SRL to communicate/ educate the market on:

- The benefits of the ASR that justify the price premium;
- The benefits over competitive brands;
- Methods of utilising such a large animal.

Table 62 Customer - General Comment Themes

Theme	N
Price is a factor prohibiting purchase	5
Likes ASR, though one or two factors (size, price, competitor) prohibit from using	4
Competitive product is a factor prohibiting purchase (e.g. preference for)	4
Size is a factor prohibiting purchase	2
Had no success selling ASR, will not continue to use	1
Distributor issue prohibited purchase	1
Needs more assistance on portion size and plate costs.	1

(Source: Appendix 6 Section 6.6.6 and Section 7.7.6)

14. References

Appendix 2, Market and Industry Analysis.

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School of Marketing
International Marketing Planning Project



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Abbreviations

ASR	Australian Southern Rocklobster
Avg	Average
Calif	California
Ckd	Cooked
Nth Australia	Northern Australian
R ID	Respondent Identification Number
SPFD	Super Premium Fine Dining
SRL	Southern Rocklobster Limited
W Australia	Western Australian

1. Introduction

This Appendix outlines and explains the research methodologies used to conduct primary research. Important limitations associated with this research, key findings, the research problem and research objectives are also outlined. Primary research was conducted to address the research problem and objectives specific to this project. This research obtained information relating to issues not covered by secondary research and assisted to confirm (or disprove) information obtained via secondary research.

Three methods of primary research were utilised for this project: quantitative telephone surveys with potential customers; quantitative and qualitative in-depth interviews with potential and current customers; and quantitative person-to-person and telephone surveys with current customers.

Each research method is discussed in terms of the following aspects: research design; data collection; method of sampling; fieldwork; and method of analysis. Results for each research method are reported and a copy of the surveys is also presented in the final section of the Appendix. Contact Reports are provided separately.

2. Limitations

Representativeness of the target market and generalisability of results is limited as a result of the following:

- The sampling frame was limited to those restaurants (and cities) selected by SRL for inclusion in their database; this circumstance also leads to high potential for sampling frame error.
- In-depth interviews were conducted with potential and current customers in only 5 states across the US, 63% (n=15) of which were located in New York.
- Surveys were conducted with current customers in only 6 states across the US.
- The response rate for the telephone survey was very low, 32%; this circumstance also leads to high potential for non-response bias.
- Not all telephone surveys conducted within the period of this project were entered into the online system for analysis. Only surveys entered by Wednesday 7 May were made available to analyse for this project.
- Not all in-depth interviews conducted within the period of this project were entered into the online system for analysis. Only surveys entered by Monday 12 May were made available to analyse for this project.
- The number of respondents actually responding to the majority of questions within both the telephone surveys and in-depth interviews is quite low.
- Very limited contact was made with hotel and restaurant chains and buying groups to investigate characteristics of these sub-segments.

Other limitations that should be considered are:

- Aspects of the data collection method for telephone surveys and in-depth interviews, along with the timeframe in-between data collection and recording, increase the potential for interviewer errors.
- Aspects of data format and storage lead to a need to manually analyse a selection of the results, increasing the potential for researcher reporting error.
- Format of the data within the SRL SPFD database may have lead to reporting error of total number of restaurants.
- Respondent ID numbers for each survey started at 1. Therefore there is respondent ID1, ID2, ID3 and so on for all three surveys; though represent different respondents.

3. The Research Problem

This project sought to address the following research problem.

Determine effective marketing communication strategies to:

- Increase product awareness and interest within the target market;
- Increase initial purchase rate;
- Reinforce purchase.

4. Research Objectives

The 5 research objectives are outlined below. A brief discussion of how primary research enabled the researchers to meet these objectives is also provided.

Objective 1: Determine characteristics of the decision making process; including identification of decision makers.

Objective 2: Identify customer product and purchasing requirements; this will also identify use of competitive brands.

Objective 3: Identify current communication strategies and media usage within the target market.

Objective 4: Identify current brand awareness and customer satisfaction levels, and perceptions of ASR and SRL within the target market.

Objective 5: Determine customers' potential to utilise the product.

Objective 1 was met with:

- sections two and four of the telephone surveys (Section 5.1)
- section two of the in-depth interviews (Section 6.1)

Objective 2 was met with:

- section five of the telephone surveys (Section 5.1)
- sections one and five of the in-depth interviews (Section 6.1)
- section four of the surveys with current customers (Section 7.1)

Objective 3 was met with:

- sections three and four of the telephone surveys (Section 5.1)
- section three of the surveys with current customers (Section 7.1)

Objective 4 was met with:

- section one of the telephone surveys (Section 5.1)
- section five of the in-depth interviews (see Section 6.1)
- sections one and two of the surveys with current customers (Section 7.1)

Objective 5 was met with:

- sections two and three of the telephone surveys (Section 5.1)
- sections two and five of the in-depth interviews (Section 6.1)

5. Telephone Surveys: Potential Customers

5.1. Research Design

A quantitative survey was administered via telephone with potential customers. The majority of survey questions were pre-coded (see Section 10.1). A range of question types were used including dichotomous (Y/N), multiple-choice, and open-ended. A quantitative survey method was chosen as the researchers and SRL sought to describe and quantify specific characteristics of the target market.

The survey contained the five sections outlined below. The majority of sections contained only one question in order to minimise survey length.

1. Awareness: Q1

This section aimed to measure awareness levels of the ASR within the target market, and identify the level of confusion with other Australian lobster species/ brands.

2. Decision Process: Q2, Q3, Q4

This section aimed to determine the most important factors influencing purchase decisions; to identify key decision makers and their contact details; and to identify customers' potential to use a high-priced item on their menu.

3. Propensity to Trial: Q5

This section aimed to identify those potential customers willing to engage in a product trial with the ASR.

4. Customer Contact Information: Q3, Q6

This section aimed to identify the best methods of contacting the Chef/ decision makers.

5. Current Product Usage & Logistics: Q7

This section aimed to identify current product and purchasing requirements, including the identification of competitive brands.

5.2. Data Collection Method

The quantitative survey was administered over the telephone. This survey method was determined to be an effective option for contacting a large number of restaurants within SRL's database (the sampling frame), given the target population was located in a different country to the interviewers. In addition, telephone interviewing allows for moderate to high control of the data collection environment; moderate control of field force; and is fast and cost effective (Malhorta et al 2004, pp. 140-148).

A combination of traditional hard-copy telephone interviews and computer-assisted telephone interviews (CATI) were conducted (refer Section 8 for details of CATI/ online survey system). The majority of interviews were conducted in the traditional manner, and survey responses were entered into the online survey system at a later date (increasing the potential for interviewer errors).

5.3. Method of Sampling

The target population was all SPFD restaurants in the US; a total of 2000 (see Appendix 2). Therefore the restaurant was the sampling unit (basic unit that is available for selection; Malhorta et al 2004, p. 226). The Chef or Sous Chefs within the restaurant was the population element (object that possesses the information sought by the researcher; Malhorta et al 2004, p.226). The sampling frame (list of sampling units) was the database compiled by SRL. The sampling frame consisted of a total of 1,154 SPFD restaurants (see Appendix 5 Section 5.3).

A non-probability sampling technique was used (however it may not be classified under standard market research classifications). Interviewers were provided a selection of restaurants from within the database, based on the current local time in the US.

The final sample size (number of restaurants contacted and associated survey entered into the online system by Wednesday 7 May 2008) was 168.

5.4. Field Work

The two project researchers and five SRL employees administered the surveys over the telephone. Surveys were conducted on various days commencing March 6 2008 and concluding 21 April 2008.

Development of the survey was a collaborative effort among SRL staff, the researchers, and a Research Associate from the Ehrenberg-Bass Institute for Marketing Science, UniSA. The survey was piloted on Ann Oliver, an independent chef who works collaboratively with SRL on a number of industry projects (see CR 4 2008).

5.5. Method of Analysis

Data entered and stored into the online system was exported into Microsoft Excel and SPSS V.11 files. These programs were used to determine frequencies and perform cross tabulations. Open-ended responses were analysed individually to identify common themes. Where applicable, open-ended responses were recoded into numeric variables in order to analyse quantitatively.

5.6. Results

This section presents the results for each survey question. Results are categorised into the survey sections outlined above in Section 5.1.

Due to small sample sizes, the number of responses (N) to a question is reported rather than (or in addition to) the proportion. Responses to open-ended and multiple-choice questions do not always equal the number of total respondents, as some gave more than one response to these questions.

A minimal amount of interpretation of the results is provided; further interpretation is included in Appendix 5.

5.6.1. Sample Size & Characteristics

The final sample size (number of restaurants/ sampling units surveyed and associated responses entered into the online system by Wednesday 7 May 2008) was 168.

Table 1 Sample Characteristics

Response	N	%
Interviewer comment only recorded (no survey questions answered)	99	59
At least one survey question answered	53	32
Restaurant phone not answered (restaurant closed at time of call)	16	10
Total	168	100

Table 1 shows the interviewers were only able to obtain a response rate of 32%. This result is quite low and demonstrates the difficulty of obtaining information from Chefs and/or Sous Chefs (population elements).

Of those 99 sampling units for which an interviewer comment only was recorded, the following characteristics were identified.

Table 2 Characteristics of Non-Respondents

Response	N
No contact made with chef or decision maker (busy; not there; voicemail only; left message)	78
Chef or decision maker was spoken to, though no questions were answered	11
Other/ not sure	10
Total	99

Results demonstrate the difficulty in gaining access to speak to the information holders – the Chefs/Sous Chefs. Interviewers spoke with these Chefs/Sous Chefs in only 11 out of the 99 cases.

Further, of the 99 sampling units for which an interviewer comment only was recorded, 28 provided additional contact information (e.g. Chef email; direct line to kitchen). Therefore interviewers were able to obtain some information when the survey was not conducted, though did so in less than one third of the cases.

5.6.2. Awareness

“Q1. Are you familiar with Australian Southern Rocklobster?”

Table 3 Level of Awareness of ASR

Response	N	Valid %	%
Yes	30	18	64
No	17	10	36
No response	121	72	
Total	168	100	

Table 3 shows that awareness is reasonably high (64%) among those who responded to the question. This result was perhaps not expected; therefore the additional comments recorded by interviewers were analysed. Of the 30 respondents who said they were familiar, only 3 may have been confusing the ASR with other lobster species.

The three interviewer comments recorded are presented below.

Table 4 Said ‘Yes’ To Being Familiar With ASR

R ID	Response
128	<i>Possibly was thinking of Western Rocklobster</i>
131	<i>Referred to South African</i>
163	<i>New Zealand Frozen Tails</i>

Interviewer comments were recorded for 1 respondent who answered “no” to being familiar with ASR.

Table 5 Said ‘No’ to Being Familiar With ASR

R ID	Response
88	<i>Initially said ‘somewhat’, then realised he meant he was familiar with the South African and Western Australian lobster tails</i>

Interviewer comments were recorded for 2 respondents who did not provide a response to being familiar with ASR:

Table 6 Did Not Respond to Q1

R ID	Response
4	<i>Initially said yes, though he actually meant Australian cold water tails</i>
58	<i>Originally said yes, though was confused with the WA frozen tails.</i>

The results in the above 3 tables show there is some level of confusion within the target market between all brands/ species of Australian lobster.

5.6.3. Decision Process

“Q2. As a Chef what is the most important factor when choosing seafood for your menu?” (choose the 2 most important)

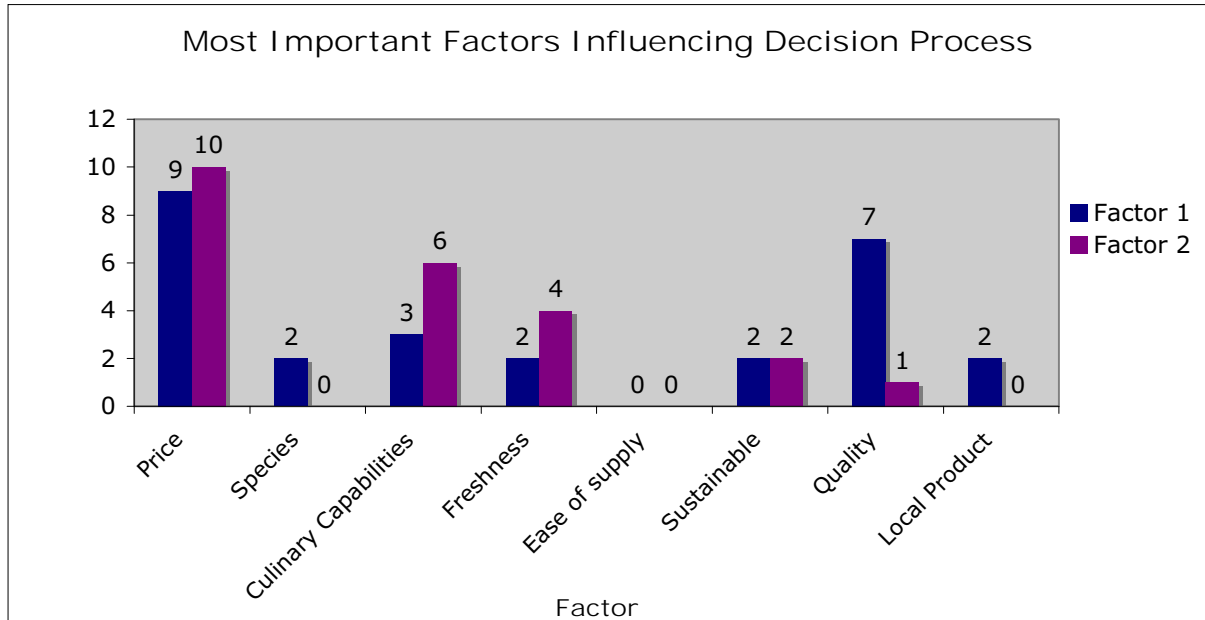


Figure 1 Most Important Factors Influencing Decision Process

‘Quality’ and ‘Local Product’ were not pre-determined response options; these factors were provided by respondents as additional comments and were therefore added to the response set at the time of analysis only.

Results show that more Chefs believe price is the most important factor than any other factor in the decision process (n=9). Quality was also viewed by a number of Chefs as the most important factor (n=7). Price (n=10) and culinary capabilities (n=6) were viewed as the second most important factors.

Three comments were also recorded by interviewers, which stated that the respondents viewed all of the factors as being important.

“Q3. Who is in charge of the purchasing process and decides the prices of the seafood plates on the menu? (provide name, contact details, best way to contact them).

A total of 34 responses were received to this question.

The nature of the collection and storage of the data did not allow for accurate reporting on the restaurant position of the decision maker/s. The results that were determined from the information are reported below.

Table 7 Position of Decision Maker

Response	N	Valid %	%
Unknown/ unsure	16	47	
Executive and/ or Sous Chef	14	41	78
Purchasing manager/ owner/ kitchen manager	4	12	22
Total	34	100	100

The above table shows that for those respondents for which the decision maker/s position could be determined, the Executive Chef and/or Sous Chef are the decision maker/s in 78% of cases.

Respondents provided phone numbers and email addresses – these were not analysed for the purposes of this project.

“Q4. How is the plate price decided? Do you work on Margin or Food Cost?”

Table 8 Method for Deciding Plate Price

Response	N	%
Both	9	43
Margin	7	33
Food Cost	5	24
Total	21	100

Results suggest that 16 (76%) of respondents have the capability to use a high-end item on their menu as they use either margin, or a combination of margin and food cost, to decide their plate prices.

“Q4.1. Would you consider working on a margin rather than food cost?”

Those who gave a response of “Food Cost” in the previous question (Q4) were asked if they would consider working on a margin. Cross tabulation of the two variables revealed the following result:

- 4 out of the 5 respondents said that “Yes” they would consider working on a margin.

5.6.4. Propensity to Trial

“Q5. We will be coming over to the USA in the next couple of months (are already in the USA), would you be interested in meeting for a product trial?”

Table 9 Interest in Product Trial

Response	N	%
No response	142	84
Yes	23	14
No	3	2
Total	168	100

Results show that only 26 responses were received. Of these 26 responses, the majority were positive (n=23) indicating they would be interested in a product trial.

5.6.5. Customer Contact Information

“Q6. In the mean time am I able to get some more contact details from you so when I am in the US I can arrange a product trial, as well as email you a copy of our food service manual and chef news?”

Important note: Y/N responses were not recorded in response to this question only. If survey questions were not answered, though interviewers obtained an email or another phone number before the telephone call was terminated, then these details were recorded here also.

Table 10 Contact Details Obtained

Response	N	%
No response	105	63
Yes	60	36
No	3	2
Total	168	100

Email addresses and mobile/ cell numbers were recorded - these were not analysed for the purposes of this project.

5.6.6. Current Product Usage

“Q7. Can I also ask you some more questions about your current lobster usage?”

Responses were recorded regarding size, price range, volume used per week, and frequency of delivery (see Section 10.1). Pre-coded response categories for price, volume, and frequency variables were not included in the survey; response categories were formulated at the time of analysis and reporting.

The first seven brands reported in each table were pre-coded options. There was also a non pre-coded option to record usage of “other” brands where respondents could report any other brand in the market. In addition, a comment box for open-ended responses was also provided in the survey. Results from this comment box, and all usage variable responses, were combined to produce the results reported within this section. Combining all results lead to the following:

- one non pre-coded competitive brand was reported and included into the results, New Zealand;
- one respondent’s comments were combined into Western Australia;
- one respondent’s comments were combined into Canada;
- one respondent stated they used Langoustine and one respondent reported they used ASR Frozen Tails (these responses were excluded from the analysis).

5.6.6.1. Size

Table 11 Size of Lobster Used (Pounds)

Brand	0 – 1 only (N)	1 – 2 only (N)	2+ Only (N)	0 - 1. & 1 – 2 (N)	1 - 2. & 2+ (N)	0 - 1. 1 - 2. & 2+ (N)	Unknown/ not current user (N)	Total N (N)
Maine/ USA	4	13	3	1	1	1	2	25
Calif/Mexican	-	-	-	-	-	-	1	1
Floridian	-	1	-	-	-	-	-	1
South African	-	1	-	-	-	-	-	1
Canadian	-	1	-	-	-	-	1	2
W Australian	1	1	-	-	-	-	1	3
Nth Australian	-	-	1	-	-	-	-	1
New Zealand	-	-	-	-	-	-	1	1
Total	5	17	4	1	1	1	6	35

Results show that Maine/ American Lobster is the most utilised brand by potential customers. This brand is used mainly in the size 1-2 pounds.

5.6.6.2. Price**Table 12** Price Paid Per Pound of Lobster

Brand	\$4.50 - \$9.95 per pound (N)	\$10 - \$14 per pound (N)	Other	Total N
Maine/ USA	6	4	-	10
Calif/Mexican	-	-	-	0
Floridian	-	-	-	0
South African	-	-	\$55/lb tail	1
Canadian	-	2	-	2
W Australian	-	-	\$21/lb tail	1
Nth Australian	-	-	-	0
New Zealand	-	-	\$28/lb tail	1
Total	6	6	3	15

Prices in \$USD

The small amount of data obtained shows that Maine/ American Lobster is sold to the target market for between \$US4.50-9.95 per pound, or for between \$US10-14 per pound. Canadian lobster is sold for between \$US10-14 per pound. South African, Western Australian and New Zealand tails are sold in a variety of prices. Of the three tails brands, South African is the most expensive.

Cross tabulations of 'Maine/USA size' and 'Maine/USA price' variables show respondents are paying the following prices for the various sizes.

Table 13 Price Paid for Various Sizes of Maine/USA Lobster

Size	\$4.50 - \$9.95 per pound (N)	\$10 - \$14 per pound (N)	Total N
0 – 1 pound	1	2	3
1 – 2 pounds	5	3	8
2+ pounds	-	2	2
Total	6	7	13

Small (0-1lb) and medium (1-2lb) lobsters are sold in both price ranges, whereas the larger lobsters (2+lb) are only sold in the higher price range.

5.6.6.3. Volume**Table 14** Volume of Lobster Used Per Week (Pounds)

Brand	Less than 50lb (N)	50 to 99lb (N)	100 to 149lb (N)	150 to 199lb (N)	200 + lb (N)	Total N
Maine/ USA	5	3	3	3	4	18
Calif/Mexican	-	-	-	-	-	0
Floridian	-	-	-	-	-	0
South African	1	-	-	-	-	1
Canadian	-	-	-	-	-	0
W Australian	-	1	-	-	-	1
Nth Australian	-	-	-	-	-	0
New Zealand	-	-	-	-	-	0
Total	6	4	3	3	4	20

Results show that customers of Maine/USA lobster use this brand across all volume categories. These results suggest that usage, in terms of volume, within the target market varies considerably.

Two users of tails (South African & Western Australian) provided volume details; both reported they use low volumes (<50lb or 50-99lb) a week.

Open-ended responses recorded by interviewers are presented below.

Table 15 Volume Comments

R ID	In Relation to Brand:	Response
6	Canadian	"60,000" Note: may be interviewer recording error; therefore not included in results table above.
156	Maine/USA	<i>sometimes; not featured</i>
156	Calif/Mexican	<i>sometimes; not featured</i>
159	Maine/USA	<i>sometimes used; not currently</i>

5.6.6.4. Frequency of Delivery

Table 16 Frequency of Delivery of Lobster

Brand	Daily	Every 2 nd Day	3 x a week	2 x a week	1 x a week	Total N
Maine/ USA	4	2	1	1	1	9
Calif/Mexican	-	-	-	-	-	0
Floridian	-	-	-	-	-	0
South African	-	-	-	-	-	0
Canadian	-	-	-	-	-	0
W Australian	-	-	-	1	-	1
Nth Australian	-	-	-	-	-	0
New Zealand	-	-	-	-	-	0
Total	4	2	1	2	1	10

The above table shows that very limited data was obtained regarding frequency of delivery. Results for Maine/USA Lobster show that 'daily' and 'every second day' are the most popular options for frequency of delivery.

5.6.6.5. Use of Multiple Brands

Analysis of all usage variables revealed only 2 respondents use more than one brand of lobster.

Table 17 Use of Multiple Brands

R ID	Brands Used
136	Maine/USA and Floridian
156	Maine/USA and Californian (note both brands are used "sometimes; not featured")

Results indicate that respondents generally only use one brand of lobster at a time. This circumstance suggests that for ASR to be bought by customers, they must replace the existing brand and not be purchased in addition to it.

5.6.6.6. General Usage Comments

Additional open-ended responses recorded by interviewers are presented below.

Table 18 General Usage Comments

R ID	Response
6	<i>Very unhappy with inconsistency of quality of current lobsters. Is using the 'hard shell' Canadian lobsters.</i>
9	<i>Will not discuss (usage of competitive brands) over the phone, though will in person.</i>
10	<i>Has his own tank in restaurant.</i>

Respondent ID6's comment is interesting, as it reveals that at least one restaurant is not being supplied quality lobsters on every purchase occasion.

5.6.7. Proceed With Tasting

The final response box was provided for interviewers to record whether SRL should proceed with a tasting, or not.

Table 19 Proceed With Tasting

Response	N	Valid %	%
No response	125	74	
Yes	35	21	80
No	9	5	20
Total	169	100	100

Results show that SRL should proceed with a tasting for the majority (80%) of respondents for whom a response was recorded.

6. In-Depth Interviews: Potential (& Current) Customers

6.1. Research Design

A quantitative survey was developed and used to guide the direction of the qualitative in-depth interviews. Qualitative and quantitative methods were combined as the interviews aimed to fulfil two major objectives:

1. The researchers and SRL sought to describe and quantify specific characteristics of the target market, which required the use of a quantitative survey.
2. SRL sought to educate customers (as part of their research and development process) which required the utilisation of a more flexible, face-to-face qualitative method that was also able to uncover market characteristics not pre-determined by the survey.

Further, the research procedure was not always one-on-one interviews, as multiple respondents were often involved, making the procedure more characteristic of a focus group.

Although respondents had agreed to meet with SRL staff and engage in a product trial they were not asked, directly, to participate in an interview/survey. It was assumed that while conducting the product trial, questions would be asked to determine requirements, opinions, perceptions, etc of the chef in regards to lobster usage.

The majority of survey questions were pre-coded. A range of question types was used including dichotomous (Y/N), multiple-choice, and open-ended (see Section 10.2).

The survey contained the five sections outlined below.

1. Current Product Usage and Logistics: Q1 through Q4, Q7

This section aimed to identify current utilisation of lobster on the menu; product and purchasing requirements; and identify use of competitive brands.

2. Decision Process: Q5, Q6

This section aimed to determine the most important factors influencing the purchase decision; to identify key decision makers and their contact details; and to identify customers' potential to use a high-priced item on their menu.

3. Consumer and Staff Communication & Characteristics: Q8 through Q14

This section aimed to identify: methods of communication conducted both within and outside of the restaurant; potential communication strategies; and general consumer characteristics.

4. Chef Communication: Q15 and 16

This section aimed to identify communication mediums that influence Chefs.

5. Perceptions & Usage of the ASR: Q17 through Q24

This section aimed to determine perceptions of the ASR; identify potential communication strategies; identify product usage specific to the ASR; and determine propensity to purchase.

6.2. Data Collection Method

In-depth interviews were conducted with one or more Chefs from the restaurant (sampling unit). Reasoning behind this research method is outlined in section 6.1 above. In addition, the face-to-face nature of the interview was necessary due to the use of physical stimuli (the product and the Food Service Manual).

Interviews were conducted on the restaurant's premises, usually within the kitchen. Data collection for some interviews occurred over more than one contact with the restaurant. Interviewers did not present the list of pre-determined survey questions to respondents; instead they asked the questions in a free-flowing manner (i.e. characteristic of an in-depth interview).

Interviewers took written notes during the interviews; these notes were later transcribed into a word document version of the survey; the word version was later entered into the online survey system (see Section 8). Therefore potential for interviewer error is high.

Note that one interview was conducted entirely over the telephone – this interview is Respondent ID 22.

6.3. Method of Sampling

The target population (and sampling frame) for these interviews was the restaurant database compiled by SRL (see Section 5.3). A non-probability sampling technique was used (however it may not be classified under standard market research classifications).

Respondent selection was based on leads generated from the telephone surveys (see Section 5) and referrals from other restaurants.

The final sample size (number of restaurants surveyed and associated responses entered into the online system by Monday 12 May 2008) was 24.

6.4. Field Work

In-depth interviews were conducted by one of two SRL in-market employees, assisted by the project researchers. Interviews were conducted on various days commencing 12 April 2008 and concluding 9 May 2008. In most cases, SRL employees prearranged interview times with the restaurant.

Development of the survey was a collaborative effort among SRL staff, the researchers, and a Research Associate from the Ehrenberg-Bass Institute for Marketing Science, UniSA. The survey was not piloted prior to administering in-market. However, SRL used the 24 interviews analysed for this project as pilots, and have now updated the survey for future use by the organisation.

6.5. Method of Analysis

Data entered and stored in the online system was exported into Microsoft Excel and SPSS V.11 files. These programs were then used to determine frequencies, perform cross tabulations and calculate rating scores. Open-ended responses were analysed individually to identify common themes.

6.6. Results

This section presents the results for each survey question. Results are categorised into the survey sections outlined above in Section 6.1.

Due to small sample sizes, the number of responses to a question is reported rather than (or in addition to) the proportion. Responses to open-ended and multiple-choice questions do not equal the number of total respondents, as some gave more than one response to these questions.

The final response box of the survey, 'additional comments' was used for recording open-ended responses relating to any topic. These comments were analysed and combined into responses/comment boxes of questions throughout the survey where appropriate.

Remaining comments of interest are reported in Section 6.6.7.

A minimal amount of interpretation of the results is provided; further interpretation is included in Appendix 5.

6.6.1. Sample Size

The final sample size (number of restaurants surveyed and associated responses entered into the online system by Monday 12 May 2008) was 24. The sample consisted of 23 potential customers, and 1 current customer.

6.6.2. Current Product Usage and Logistics

"Q1. Do you already use lobster on your menu?"

Table 20 Extent of Lobster Use on Menu

Response	N	%
Yes	21	88
No	2	8
No response	1	4
Total	24	100

"Q2. Is lobster:"

Table 21 Method of Lobster Use on Menu

Response	N	%
A permanent feature on the menu	19	79
No response	3	13
Special item on the menu	1	4
Used in an alternative way on the menu	1	4
Total	24	100

The results for questions 1 and 2 show the majority of respondents currently utilise lobster as a permanent feature on their menu.

“Q3. How many dishes do you have with lobster in the menu (entrée and main) and what is the average price of entrée and main course dishes that use lobster on your menu?”

Few responses to these questions were recorded - total numbers are presented in the far right column.

Table 22 Number of Lobster Dishes on Menu

Response	1 (N)	2 (N)	3 (N)	4 (N)	5 (N)	6 (N)	7 (N)	8 (N)	9 (N)	Total N
Entrée	3	-	-	-	-	-	-	-	1	4
Main	9	2	-	1	-	-	-	-	-	12
Total	12	2	0	1	0	0	0	0	1	

Table 23 Average Price of Lobster Dishes on Menu

Response	\$20-29 (N)	\$30-39 (N)	\$40-49 (N)	\$50-59 (N)	\$60-69 (N)	\$148 (N)	\$400 (N)	Total N
Entrée	2	-	-	-	1	-	-	3
Main	-	2	3	-	2	1	1	9
Total	2	2	3	0	3	1	1	

Prices in \$USD

The small amount of data shows that lobster is most commonly used on a menu as a main item, and the average price varies greatly among respondents.

Additional comments regarding menu development revealed two major themes.

Table 24 Menu Development Themes

Response	N
Menu development is guided by seasonality/availability of products	6
Restaurants within a 'restaurant group' develop their menu from a base menu	2

Additional comments regarding the frequency for changing menus are presented below; these comments are also related to the issue of seasonality/availability reported above.

Table 25 Factors Influencing Frequency of Menu Change

R ID	N
1	<i>Menu is changed daily depending on market availability of produce.</i>
2	<i>Tasting menu, which changes every week on Tuesdays, and full menu, which varies in the frequency it is changed (sometimes one week, sometimes a few weeks depending on the seasonality of produce used).</i>
10	<i>A LA carte changes daily, depends on what is available, in season.</i>
22	<i>Changes the tasting (gourmand) menu weekly, changes the fine dining menu every three months, and has a menu for featured ingredients which is changed monthly</i>

These results of the above two tables indicate that availability of products has a substantial influence over the development of a menu and the frequency at which it is changed.

“Q4.What type(s) of lobster do you currently use?”

(select the appropriate boxes- multiple responses possible)

Responses were recorded regarding size, price range, volume used per week, frequency of delivery, and product form (refer to Section 10.2). Pre-coded response categories for price range and volume variables were not included in the survey; therefore response categories were formulated at the time of analysis and reporting. In contrast to the telephone surveys (see Section 5) this survey did not separate Maine/ USA from Canadian lobster.

6.6.2.1. Size

Table 26 Size of Lobster Used (Pounds)

Brand	0 – 1 only (N)	1 – 2 only (N)	2+ only (N)	0 - 1. & 1 – 2 (N)	1 - 2. & 2+ (N)	Sml Tails (N)	Lge Tails (N)	Total N
USA/Canada	2	15	-	1	1	-	-	19
Calif/Mexican	-	1	-	-	-	-	-	1
Floridian	-	1	-	-	-	-	-	1
South African	-	-	-	-	-	2	-	2
W Australian	-	-	-	-	-	-	1	1
Nth Australian	-	-	-	-	-	-	1	1
Total	2	17	0	1	1	2	2	25

Results show that USA/Canadian lobster is most commonly used in the size 1- 2 pounds.

Few responses were received for all other brands which indicates that usage of these brands within the target market is quite low.

6.6.2.2. Product Form

Table 27 Product Form

Brand	Whole Live	Whole Green	Whole Ckd	Fresh Green Tail	Frozen Green Tail	Fresh Ckd Tail	Frozen Ckd Tail	Total N
USA/Canada	18	-	-	-	-	-	-	18
Calif/Mexican	1	-	-	-	-	-	-	1
Floridian	1	-	-	-	-	-	-	1
South African	-	-	-	-	2	-	-	2
W Australian	-	-	-	-	1	-	-	1
Nth Australian	-	-	-	-	1	-	-	1
Total	20	0	0	0	4	0	0	24

Results show that whole lobster is purchased in the form 'whole live' only, and tails are purchased only in the form 'frozen green'.

USA/Canadian, Californian/Mexican, and Floridian lobsters are only purchased whole live. South African, Western Australian and Northern Australian are only purchased as tails (frozen green).

6.6.2.3. Price

Table 28 Price Paid Per Pound of Whole Lobster

Brand	\$7 (N)	\$8 (N)	\$9 (N)	\$10 (N)	\$22 (N)	Total N
USA/Canada	5	4	3	1	-	13
Calif/Mexican	-	-	-	-	1	1
Floridian	-	-	-	-	-	0
Total	5	4	3	1	1	14

Prices in \$USD

Results show that USA/Canada lobster is sold to the target market for between \$US7 and \$10 per pound, with \$7 and \$8 being the most common price points. Only one price point was recorded for Californian/Mexican lobsters, though this price is substantially higher than for USA/Canadian.

Table 29 Price Paid Per Pound for Tails & Other

Brand	\$22	\$24.50	\$32	\$55	Total N
Sth African Tail	1	-	1	-	2
W Australian Tail	-	-	1	-	1
Nth Australian Tail	-	1	-	-	1
Other –Blue Lobster	-	-	-	1	1
Total	1	1	2	1	5

Prices in \$USD

Results show that all three brands of tail are comparable in price sold to target customers.

The Blue lobster is sold at a much higher price point than all brands of live and tail lobster.

Cross tabulations of 'USA/Canada size' and 'USA/Canada price' variables show respondents are paying the following prices for the various sizes.

Table 30 Price Paid for Various Sizes of USA/Canada Lobster

Size	\$7 per pound (N)	\$8 per pound (N)	\$9 per pound (N)	\$10 per pound (N)	Total N
0 – 1 pound	1	-	-	-	1
1 – 2 pounds	4	4	2	1	11
2+ pounds	-	-	1	-	1
Total	5	4	3	1	13

Prices in \$USD

Small (0-1lb) lobsters are sold for only \$7 per pound; medium (1-2lb) lobsters are sold across all price points; and the larger lobsters are sold for \$9 per pound.

6.6.2.4. Volume**Table 31** Volume of Lobster Used Per Week (Pounds)

Brand	Less than 50 (N)	50 to 99lb (N)	100 to 149lb (N)	150 to 199 (N)	200+ lb (N)	Total N
USA/Canada	-	-	4	1	4	9
Calif/Mexican	1	-	-	-	-	1
Floridian	-	-	-	-	-	0
South African	-	1	-	-	-	1
W Australian	-	-	-	-	-	0
Nth Australian	-	-	-	-	-	0
Total	1	1	4	1	4	11

Results show that all users of USA/Canada lobsters use reasonably large volumes per week. Of those respondents using over 200 pounds or more per week; two use 200lb, 1 uses 400lb, and the other uses 300lb. Usage of the California/Mexican and South African lobsters is quite low (<50lb and <100lb/week respectively).

6.6.2.5. Frequency of Delivery**Table 32** Frequency of Delivery of Lobster

Brand	Daily	Every 2 nd Day	2 x a week	1 x a week	As required	Total N
USA/Canada	4	1	-	-	10	15
Calif/Mexican	-	-	-	-	1	1
Floridian	-	-	-	-	-	0
South African	-	-	-	-	1	1
W Australian	-	-	-	-	-	0
Nth Australian	-	-	-	-	-	0
Total	4	1	0	0	12	17

The above table shows the majority of respondents have lobster delivered 'as required'. This result suggests that suppliers/distributors are required to be flexible in their ordering/delivery arrangements.

6.6.2.6. General Comments on Usage

Further comments were recorded regarding lobster usage and characteristics of competitive brands. These comments are outlined below.

Table 33 Comments on Usage & Characteristics of Lobster Brands

R ID	Response
1	The 1 respondent who uses Floridian lobster stated they can only utilise this brand when their purveyor is able to supply it whole live.
1	Have experienced melanosis problems with Floridian lobster.
1	The larger Maine/USA lobsters have tougher meat than the smaller ones
10	Larger Maine/USA lobsters have less flavour than the smaller ones
14	Have used a spiny lobster (brand/species not determined) in the past though, "stopped due to price of \$18/lb and not of high enough quality".
14	Northern Australian lobsters were available to the market whole frozen
14	Northern and Western tails are comparable in taste and texture.
2 and 19	Have used Brittany or Blue lobster in the past though ceased using due to prohibitive cost (\$40-60 or \$50-60/lb).
21	"February to May price for Maine lobster went up as high as \$20/lb".
23	Brittany lobster described as: "sweet tasting, grill well, are around 250 grams, and are of high quality.... far less meat recovery (than the ASR)".
23	Referred to the Atlantic (Canadian/USA) lobsters as the "workhorse" of lobster
25	Have experienced melanosis problems with a spiny lobster (brand/species not determined).
25	Is possibly using Shucks Maine lobster. Removing the shell (of lobster) is time consuming in a short-staffed kitchen.
27	Uses Californian lobster for the month of Feb - sourced from Santa Barbara. Lobster prices were 5.7 per lb this week - this is very low.

These comments reveal some interesting results regarding competitive brands within the market. Such results include the prohibitive cost of Brittany/Blue lobsters; melanosis problems with spiny lobsters; price of lobster fluctuates during the year; Northern Australian tails are available whole frozen; and Northern and Western tails are comparable in taste and texture.

In addition, the meat of the Maine/USA lobsters was identified to decrease in flavour, though increase in toughness as the size of the animal increased.

6.6.2.7. Use of Multiple Brands

Analysis of all usage variables revealed that 4 respondents use more than one brand of lobster.

Table 34 Use of Multiple Brands

R ID	Brands Used
1	USA/Canada; Florida;
2	USA/Canada; Blue Lobster
14	USA/Canada; South African; Western Australian; and Northern Australian
27	USA/Canada; California/Mexico

Results indicate that respondents generally only use one brand of lobster at a time. This circumstance suggests that for ASR to be bought by customers, they must replace the existing brand and not be purchased in addition to it.

6.6.2.8. Location of Customers Using Each Brand

The six tables below show the location (by state) of customers using each brand of lobster. These results identify market coverage of each brand (though limited to only 24 interviews).

Table 35 Location of USA/Canadian Lobster Customers

Respondent ID	State
2	California
3	California
24	Florida
1	Georgia
11	Georgia
15	Georgia
26	Georgia
5	New York
6	New York
10	New York
12	New York
14	New York
16	New York
18	New York
19	New York
21	New York
22	New York
25	New York
27	New York
17	Washington DC

Table 36 Location of South African Lobster Customers

Respondent ID	State
14	Georgia
7	New York

Table 37 Location of Floridian Lobster Customers

Respondent ID	State
1	Georgia

Table 38 Location of Californian/Mexican Lobster Customers

Respondent ID	State
27	New York

Table 39 Location of North Australian Lobster Users

Respondent ID	State
14	Georgia

Table 40 Location of Western Australian Lobster Users

Respondent ID	State
14	Georgia

“Q7. Regarding your purchase of seafood and lobsters, how many distributors do you purchase seafood/lobster from, and how long have you used this/these distributor/s?”

Responses were recorded for: number of distributors; names of distributors; nature of purchasing; length of relationship; and nature of relationship.

Table 41 Number of Distributors

No. of Distributors	N
No response	15
Two	3
Three	2
Four	1
Six	1
Ten	1
Fifty	1
“Many”	1
Total	25

The above table shows respondents generally use less than 10 seafood and lobster distributors.

Thirteen respondents provided the name of at least one distributor. Results are presented below.

Table 42 Distributor Names

Name of Distributors	N Using
Pierless	6
Brown's	4
Scottish Wild Harvest	3
Fish Markets	2
Apollo	1
Blue Ribbon	1
Brown Trading	1
Deco Foods (CA, supply European food)	1
Europa	1
Halperns	1
JDs	1
Paul Barnet (Miami importer)	1
Rossa	1
Samuel & Sons	1
Scottish Wild Caught	1
SRL	1
Stuart Sherman (contracted)	1
True World	1
Wild Eatery	1

Results show there are many distributors utilised within the target market, the most popular of which appear to be Pierless, Brown's and Scottish Wild Harvest.

6.6.2.9. Nature of Purchasing

Pre-coded response options were used in the online system. Results are reported below:

Table 43 Nature of Purchasing

Nature of Purchasing	N
No Contracts – Order as required	13
Other	1
Medium Term Contract (3-12 months)	1
Long Term Contract (1+ years)	0
Short Term Contract (less than 3 months)	0
Total	15

The above table shows the majority of respondents order as required. This result reflects results for frequency of delivery reported above.

Four interviewer comments were also recorded.

Table 44 Comments on the Nature of Purchasing

R ID	Response
7	<i>They have to use X (Owner) products and source from suppliers that are friends of X (Owner) even if it comes at a premium price</i>
11	<i>Across the X restaurant group they use the same suppliers for many of there restaurants to achieve great price points</i>
26	<i>Utilise specialised suppliers of high quality goods as required.</i>
231	<i>Will generally use one main supplier for 3 months then review price and conditions.</i>

The above comments suggest there is variation across the market in terms of the nature of purchasing.

6.6.2.10. Length of Relationship

Table 45 Length of Relationship with Distributor/s

Length of Relationship: Comment	N
No response	19
Since 2004	1
8-9 years	1
A long time – 8 years	1
Varies – unknown	1
Response invalid	1
Total	24

Results show that for those for whom a response was recorded, the length of relationship with their distributor/s varies.

6.6.2.11. Nature of Relationship

Pre-coded response options for the following question were used in the online system.

Response option 'forced' was added to the response set at the time of reporting in the online system.

Results are presented in the table below.

Table 46 Nature of Relationship

Nature of Relationship	N
Forced	8
Good	4
Average	0
Total Confidence	0
Total	12

Results show that for those for whom a response was recorded, the nature of the relationship is usually forced. A forced relationship is characterised by some factor forcing the chef to purchase from that distributor.

Results of Table 46 do not appear to align with those results reported for the nature of purchasing. Results are combined in Table 47 below and suggest the relationship in some cases may not be entirely forced.

Table 47 Nature of Purchasing for Those with a 'Forced' Relationship

R ID	Nature of Relationship Response	Relationship comment	Nature of Purchasing Response	Purchasing Comment
7	Forced	<i>Close. X (Sushi Chef) prefers Japanese sales people, therefore when one left the company that was supplying X (Restaurant) for a competitor, they switched suppliers according to X (Executive Chef)</i>	Other	<i>They have to use X (Owner) products and source from suppliers that are friends of X (Owner) even if it comes at a premium price</i>
15	Forced		No Contracts - Order As Required	
17	Forced		No Contracts - Order As Required	
19	Forced	<i>"A bunch" of seafood purveyors</i>	No Contracts - Order As Required	
21	Forced	<i>Long standing relationships, working with them since they started.</i>		
22	Forced	<i>4 Primary, 20-30 subsidiary Contract with Stuart Sherman....Primarily use Stuart Sherman, who is the supplier contracted by X (Hotel Chain) for supply.....</i>	Medium Term Contract (3-12 months)	
23	Forced	<i>X (Executive Chef) has talked to three purveyors (including Browns?); one of these is in the LA area though X could not remember the name.</i>	No Contracts - Order As Required	
26	Forced		No Contracts - Order As Required	<i>Utilise specialised suppliers of high quality goods as required.</i>

6.6.2.12. Additional Comments

An additional comments box for open-ended responses was included for comments on any aspect relating to distributors. Each response was unique, therefore responses were not categorised into themes.

The following 6 interviewer comments were recorded.

Table 48 Additional Comments Regarding Distributors

R Id	Comment
7	<i>Close (relationship with distributor/s). X (Sushi Chef) prefers Japanese sales people, therefore when one left the company that was supplying X (restaurant) for a competitor; they switched suppliers according to Chef X.</i>
12	<i>X (Owner/Chef) uses many vendors to source the highest quality ingredients.</i>
14	<i>Will change supplier if the product offered isn't of sufficient quality, so clearly no strong ties to any particular suppliers.</i>
19	<i>"A bunch" of seafood purveyors</i>
21	<i>Long-standing relationships, working with them since they started.</i>
23	<i>X (Executive Chef) has talked to three purveyors (including Browns?); one of these is in the LA area though X could not remember the name.</i>

The above comments further illustrate the variation across the market in terms of distributors and relationships with these distributors. A very interesting comment was reported by Respondent 7 who, being a Japanese Sushi Chef, switched distributors in order to remain doing business with the Japanese sales person.

6.6.3. Decision Process

“Q5a. When we contacted you previously (or now) you told us that the most important factor when choosing seafood for you menu was:”

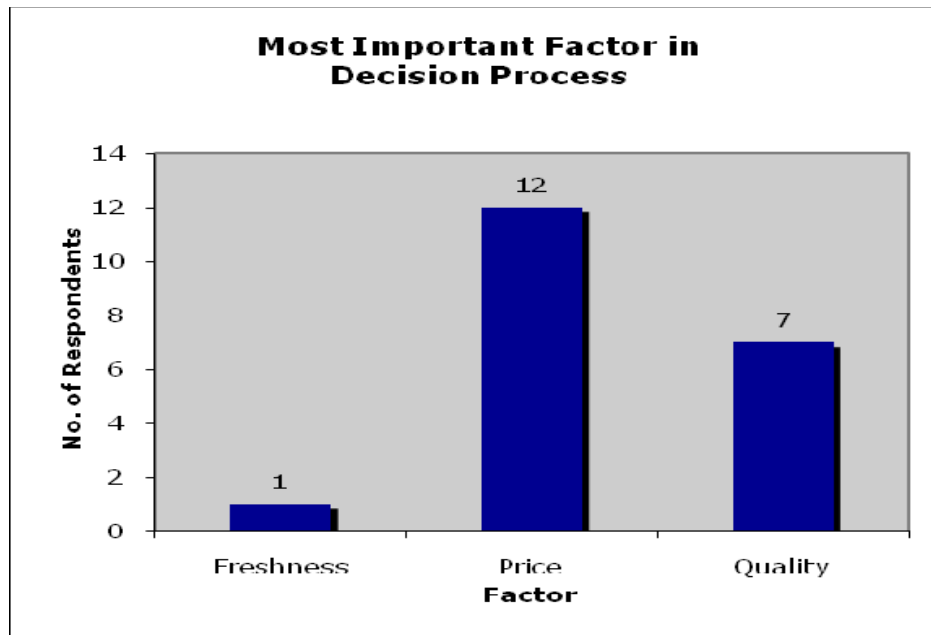


Figure 2 Most Important Factor in Decision Process

Results show that price is the most important factor, followed by quality.

The following 6 interviewer comments were also recorded.

Table 49 Comments Regarding Factors Influencing Decision Process

R ID	Response	Factor Rated No.1
2	<i>Factor 2 = relationship with supplier. Sustainability also important. Price is definitely not one of the main factors, his clientèle are willing to pay whatever they are charged.</i>	Quality
6	<i>Quality was number one, however it had to be a combination of all the factors.</i>	Quality
14	<i>Price is important, they need to be able to make the product profitable. Portion control is important to get the returns required.</i>	Price
23	<i>Price, and Sustainability are also important to X. Sustainability particularly so due to the pressure placed on restaurants in Britain to utilise sustainable produce.</i>	Quality
25	<i>Price second most important factor.</i>	Freshness
26	<i>Did not Rate or pick one - Price and Quality were both selected as important factors.</i>	NA

The above comments demonstrate that price is more of a concern for some respondents than others. Further, 2 respondents mention sustainability as an important factor.

“Q5b. Could you tell us now briefly how you would define a good quality lobster and how do you recognise a good quality lobster:”

“Q5b.1. Define a good quality lobster”

Few comments were provided in response to this open-ended question. Interviewer comments recorded are presented below.

Table 50 Define a Good Quality Lobster

R Id	N
1	<i>Live!</i>
21	<i>Sweeter; Even portion control. Price was not that important.</i>
25	<i>No Melanosis - really thought this was a positive for ASR</i>
27	<i>Live, strong</i>

“Q5b.2. Recognising a good quality lobster”

The following single comment was recorded.

Table 51 Recognising a Good Quality Lobster

R Id	N
21	<i>Live; no blisters or malanosis; all about the culinary capabilities.</i>

Results in the above 2 tables show the respondents who purchase whole live lobsters believe that ‘live’ is a defining characteristic, as well as a means of recognising a good quality lobster. No melanosis, sweet flavour, and culinary capabilities were also mentioned as important factors.

“Q6. When we contacted you (or now), you told us the person in charge of the purchasing process and decides the prices of the seafood plate on the menu is:”

- a. if the response is the chef and if s/he works on food cost, then ask why?*
- b. if the response is another person, try and have a discussion with this person to better understand his/her decision making process.*

Responses were recorded in two open-ended response categories; decision maker/s, and decision comment.

Table 52 Decision Maker/s

Response	N
Executive Chef	8
No response	7
Owner/Chef	2
All Chefs (incl. Owner/Chef)	1
Corporate Chef	1
Executive Chef and Purchasing Manager	1
Executive Chef/Director Food & Beverage and 2 Sous Chefs	1
Executive Chef/Managing Partner	1
Owner/Chef and Executive Chef	1
Purchasing Manager	1
Total	24

Results show the Executive Chef is the primary decision maker in most restaurants. In several cases, the Purchasing Manager or Owner/Chef is the primary decision maker, or the decision making process becomes a collaborate effort.

Eight interviewer comments were recorded outlining characteristics of the decision making process. These comments are presented below.

Table 53 Characteristics of Decision Making Process

R ID	Response
7	<i>25-30% food cost, that's just what they do. X (owner/Chef) trying to sell their restaurants, therefore trying to lower food cost as much as possible to make more profit.</i>
10	<i>Claims he is in charge. X (hotel) has contracts with all suppliers: Discount for volume; You get accepted for an account with X (hotel) through the purchasing department; Chef recommends goods, Purchasing buys them.</i>
12	<i>X (decision maker) would not talk to us</i>
14	<i>Process: chef decides it can work, purchasing manager arranges logistics, ordering etc. Margin can work for them on a case by case basis They work on 32-35% food cost</i>
17	<i>Believes he will make more money on food cost than margin – refuses to work on margin.</i>
21	<i>Purchasers: Sous Chefs with X (Corporate Chef) supervising. BOTH food cost and margin. Works on food cost but there are items that he works on margin.</i>
22	<i>Management and budgets dictate that he must work by food cost, and make his money, particularly when food costs are rising and he is entering his period of the year when visitors are down. Operates on 50% cost.</i>
1 and 25	<i>Works on Food Cost</i>

Results show that of the 9 respondents who provided a comment, 5 work on food cost (ranging from 25% to 50%) and 2 work on both food cost and margin. One respondent, who is an independent restaurant within a hotel chain, stated the hotel has contracts with all suppliers. In one instance, the interviewers were not able to gain access to the decision maker to discuss the decision process

6.6.4. Consumer and Staff Communication & Characteristics

“Q8. How would you describe your typical customer”

Pre-coded response options were used to describe customer: nature; age; and regularity.

Results are presented in the following three tables.

Table 54 Nature of Customer Base

Response	N
50/50	8
Mainly business	0
Mainly private	0
Total	8

Table 55 Age of Customer Base

Response	N
All ages	8
Mainly older (>35)	1
Mainly middle age	0
Mainly young (<35)	0
Total	9

Table 56 Regularity of Customer Base

Response	N
Mainly new client	0
Mainly casual client	0
Mainly regular client	2
All types	8
Total	10

Results for the three tables above show that respondents' customer bases are primarily a combination of private and business; are of all ages; and are a mixture of new, casual and regular clientele.

Additional Comments

An additional comments box for open-ended responses was included for recording comments relating to any aspect of the respondents' customer base (consumers).

Only one theme was identified:

- 6 respondents have a customer base of 'very rich/ upmarket' people.

The remaining 9 responses were all unique, and are presented below:

Table 57 Characteristics of Consumers

R ID	Response
6	<i>Mainly usual clients Monday – Wednesday, business during the day, then NY business is down, more than made up for by tourists – because of economy Usual clients are after familiar food and happy to pay for it. Tourists were more adventurous.</i>
7	<i>Still the original customers of X keep coming back. These are friends of the owners e.g. X. They have a good following of regular customers and customers that have been to X in other locations.</i>
11	<i>X has four key customer bases: - Down Town NYC business clientele - mainly during the week and for lunch - Regular NYC residents - Tourists - Catering - everyday they have 1-2 corporate functions</i>
10	<i>25-30% regulars. A lot of convention attendees also.</i>
18	<i>Normally NYC residents - Mon - Thursday and tourist etc from Thursday - Sunday</i>
19	<i>Comment "everyone"</i>
25	<i>Customers are picky and can be difficult because they are used to the quality of food produced when X (Owner/Chef) still worked at the restaurant, and they must maintain the same standards of quality Typically regulars & people staying in the hotel Saturday night has some new clients Invites people into the kitchen to see the cooking process, feels this makes them come back very regularly (4 times/week in some cases) Few tourists (who weren't staying in the hotel), except on Saturday nights.</i>
26	<i>Mainly NYC residents early in the week and then tourists on the weekends. Chef X advised that no everyone comes for the culinary experience. He explained that lots of tourist would buy natural oysters, which were 1/2 the price than the restaurant down the street.</i>
27	<i>His clientele is regulars and tourists - people who love seafood.</i>

The above comments suggest that location (city or placement within a hotel) can have an influence over characteristics of the restaurant's customer base. Further investigation is recommended for future research.

“Q9. Do you communicate with your customers at any other time than during their meal?”

Table 58 Engage in External Communication

Response	N
Yes	21
No	1
No response	2
Total	24

Results show almost all respondents engage in some form of external communication.

“Q10. How do you communicate with your customers?”

(multiple responses possible)

The pre-coded response options in the table below were assessed.

Table 59 Methods of External Communication

Response	N
Website	20
Other	1
Direct mail	0
Total	21

A response box was also included for recording other methods of external communication.

Comments were analysed and categorised into the themes presented below.

Table 60 Other Methods of External Communication

Category	N
Cookbooks and/or magazines	3
Profile of the Owner/Chef	3
Events (wine dinners etc), Post Cards	1
Mailing list	1
Retail store	1
Total	9

Results for questions 9 and 10 above show that although the majority (n=21) of respondents do engage in external communication with their customers, it is in the form of a website (n=20). Only a few other methods of external communication are utilised, some of which are pull strategies (profile of owner/chef) or push strategies (e.g. cookbooks/magazines).

“Q11. When communicating with your customers during their meal, do you suggest specific plates?”

Table 61 Suggest Specific Plates to Customers

Response	N
No	9
No response	9
Yes	6
Total	24

“Q11a. If yes, how successful (on average during the last 4 weeks) is the wait staff regarding the suggestion proposed?” (tick the one that applies)

The pre-coded response options presented in the table below were assessed.

Table 62 Level of Success for Suggesting Plates

Response	N
Mostly successful	3
Completely unsuccessful	0
Mostly unsuccessful	0
Neither successful nor unsuccessful	0
Mostly unsuccessful	0
Total	3

Results show that fewer respondents suggest specific plates than those that do not. Of those who do suggest plates, only three responded to the level of success for doing so, and they all reported that they were ‘mostly successful’. The below 6 interviewer comments were also recorded:

Table 63 Comments on Communication During Meals

R ID	Response
11	<i>They let the customer choose, but if they have special items then they recommend these to the customer.</i>
12	<i>There are too many items on the menu to suggest specific plates.</i>
21	<i>Do suggest plates, though ultimately customers choice.</i>
22	<i>Chef decides what dishes he wants to push that night, and offers the chefs incentive (see Q14) to sell the most. Chef believes if the suggestion doesn't work then there may be a problem with the dish and will change the dish if it isn't selling even when suggested/recommended</i>
26	<i>Try not to push the tasting menu too hard in the first seating because it takes too long to serve/ consume</i>
27	<i>Sometime suggest new seafood items that he has got in.</i>

The above table reveals some interesting comments including respondent 12 who stated there are too many items on the menu for staff to suggest specific plates.

“Q12. What promotional strategies are used in your restaurant/ outlets?”

(multiple responses possible)

Note that response option “advertising (magazines)” is actually an external form of communication.

Table 64 In Restaurant Promotional Strategies

Response	N
Daily specials	7
Advertising (magazines)	3
Rewards	0

A cross tabulation of the ‘daily specials’ and ‘advertising’ variables showed that 3 of the respondents who use daily specials, also use advertising.

Nine interviewer comments were also recorded; however 4 of these are external communication strategies. All comments are presented in the two tables below

Table 65 Comments on Internal Communication Strategies

R ID	Response
7	<i>Items that they bring in on special occasions</i>
15	<i>They have daily specials, but the menu is set externally and the daily special is an opportunity to be creative and express themselves, and to give the customer some variety</i>
18	<i>They have their own magazine (could also be an external strategy)</i>
22	<i>Personal Approach</i>
25	<i>Chef visits tables of guests, invites guests (possibly just women) back to the kitchen the next day, when the restaurant is closed, for ‘private cooking lessons’.</i>

Table 66 Comments on External Communication Strategies

R ID	Response
2	<i>Word of mouth, X is a destination for the rich and famous</i>
16	<i>Celebrity Factor - Exec Chef X is the most famous chef in the world</i>
17	<i>Email - opening new restaurants</i>
27	<i>Articles in magazines</i>

Comments reveal that two respondents use a personal approach within the restaurant; and the external strategies are reflective of those reported for Question 10 “How do you communicate with your customers?”

“Q13. Do you educate your wait staff about the products used on your menu?”**Table 67** Do Your Educate Wait Staff?

Response	N
Yes	15
No response	9
No	0
Total	24

Results show that all respondents who answered this question do educate their wait staff.

“Q13a. How do you educate your wait staff?”

(tick any that apply – multiple responses possible)

Table 68 Methods of Educating Wait Staff

Response	N
Product tasting	9
Wait staff receive a description notice of all plates served on the menu	9
Wait staff are briefed by the chef for all plates on the menu	8
Other: Testing	5
Wait staff are briefed by the chef for the main plates on the menu	0
Total	31

Results show that product tasting, description notices, and briefing on all plates, are all quite popular methods of educating wait staff. A non pre-coded response option, ‘testing’, was also reported by a few respondents (n=5).

1 additional interviewer comment was recorded:

Table 69 Comments on Methods of Wait Staff Education

R ID	Response
22	<i>Chef maintains a good relationship with the wait staff to ensure they are motivated. If they don't like a dish chef considers why and whether it should be on the menu or if it is a good dish</i>

Cross tabulations of the methods of educating wait staff revealed the following results.

Table 70 Duplication of Methods of Educating Wait Staff

Those who use:	Who also use:			
	Tasting	Description	All Plates	Testing
Tasting	--	6	5	4
Description	6	--	2	4
All Plates	5	2	--	1
Testing	4	4	1	--

The duplication table above shows there is a higher amount of sharing between 'tasting' and 'description', and also between 'tasting' and 'all plates' than between other pairs.

"Q13b. To what extent is this wait staff knowledge passed/ transferred to the consumer?"

Table 71 Extent of Wait Staff Knowledge Transfer to Consumer

Response	N
At all times when presenting the menu	5
Sometimes, when presenting the menu	5
Only if requested by the client	4
I'm not sure/ don't know	0
Not often	0
Total	14

Results show that wait staff knowledge is transferred to the consumer either at all times or sometimes when presenting the menu, by equal amounts of respondents (n=5). Relying on consumer prompting is only a slightly less popular option (n=4).

"Q14. Do you offer staff incentives for increased sales of particular menu items?"

Table 72 Offer Staff Incentives

Response	N
No	14
No response	8
Not sure	1
Yes	1
Total	24

Results show that of those who responded, the majority do not offer staff incentives for increased sales of particular menu items.

“Q14a. If yes, how do you know that it is efficient?”

Three interviewer comments were recorded.

Table 73 Comments on Efficiency of Staff Incentives

R ID	Response
14	<i>Varies from Restaurant to Restaurant. X wait staff claimed to get no incentives, Y chefs claimed their wait staff received incentives, such as meals. (This respondent is part of a restaurant group)</i>
21	<i>He observes what the wait staff are doing, as do floor managers, therefore knows whether wait staff are doing a good job or not. Chef dictates what wait staff should try and sell based on what is in the cooler.</i>
22	<i>It is considered effective/efficient if sales increase on the night of the incentive over previous nights. If it is not effective the dish is reconsidered rather than considering that the wait staff are doing something wrong. Wait staff are offered considerable incentive (\$100).</i>

Comments revealed an interesting response from Respondent 22 who uses staff incentives as a means of assessing the restaurants' dishes.

6.6.5. Chef Communication

“Q15. As a chef, how do you develop (which media/communication types influence) new recipes or new seafood products?” (multiple responses possible)

Note: the original survey asked respondents to rank the set of pre-coded response options; however at the time of recording the data it was decided to change the response type to dichotomous (Y/N).

Table 74 Media/ Communication Influencers

Response	Yes (N)	No (N)	Total (N)
Peers/fellow chefs	14	0	14
Magazines	5	1	6
Dining in other restaurants	4	0	4
TV (media)	2	0	2
Other restaurants	1	0	1

Results show that for those who responded, 'peers/fellow chefs' have the greatest influence over the development of new recipes or the addition of new seafood products. All other media types have a comparatively lower level of influence.

Additional open-ended responses were categorised into the following themes.

Table 75 Media/ Communication Influencers - Themes

Response	N
Internal forum (i.e. other chefs within the restaurant or restaurant group)	6
Cookbooks (general)	4
Japanese cookbooks or magazines	3
Purveyors	2
Seasonality of products	2
Japanese purveyors	1

The above table shows that peers/fellow chefs, or the 'internal forum', is again reported by a number of respondents as an influencing factor over new recipes and seafood purchases. Cookbooks and purveyors that are specifically Japanese were also revealed as influences. Interestingly, one respondent who gave such comment is not Japanese or working within a Japanese restaurant.

The following additional interviewer comments were also recorded.

Table 76 Comments on Media/ Communication Influencers

R ID	Response
2	<i>X recommended two high end industry magazines, Food Arts and Art Culinaire</i>
23	<i>Magazines in English (i.e. American, Australian) are not very useful; the best magazines are Japanese.</i>
25	<i>Interested in smaller magazines, the kind that housewives read. Can get good ideas from these kinds of magazines. Dishes in fine dining magazines were usually were being done by everyone else, he wants to create, not copy Not so interested in big name chef books, with exceptions (like Joel Robuchon) Traveling influences him, goes to Asia with his Asian wife regularly, draws inspiration from there</i>
26	<i>Library in the restaurant with books in various languages.</i>
27	<i>His experiences</i>

Respondent 2 gave a very good recommendation of two high end industry magazines to investigate; respondent 21 have their own internal library; and respondent 25 made an interesting observations regarding being a market leader rather than a market follower.

“Q16. As a chef, do you participate to any forum, club, TV presentation where you can express your opinion regarding your business?”

Table 77 Participate in Forum

Response	N
No response	12
Yes	7
No	5
Total	24

Of those who responded, participating in a forum is more popular than not participating.

“Q16a. If yes, what kind of forum/club/TV presentation?”

Open-ended responses were categorised into the following two themes.

Table 78 Forum Themes

Response	N
Internal forum (i.e. other chefs within the restaurant or restaurant group)	6
Star Chefs	1

Results show that the ‘internal forum’ is a very popular medium for those respondents who do participate in a forum to express their opinion and discuss their business.

One comment was also recorded for one respondent who replied “no” to participating in a forum.

Table 79 Additional Comment Regarding Chef Forums

R ID	Response
7	X (Owner) <i>dictates everything</i> . X (Sushi Chef) <i>dictates what he makes</i> . X (Executive Chef) <i>dictates price</i> .

6.6.6. Perceptions & Usage the ASR

“Q17. Please rate your experience using certified Clean Green Australian Southern Rocklobster”.

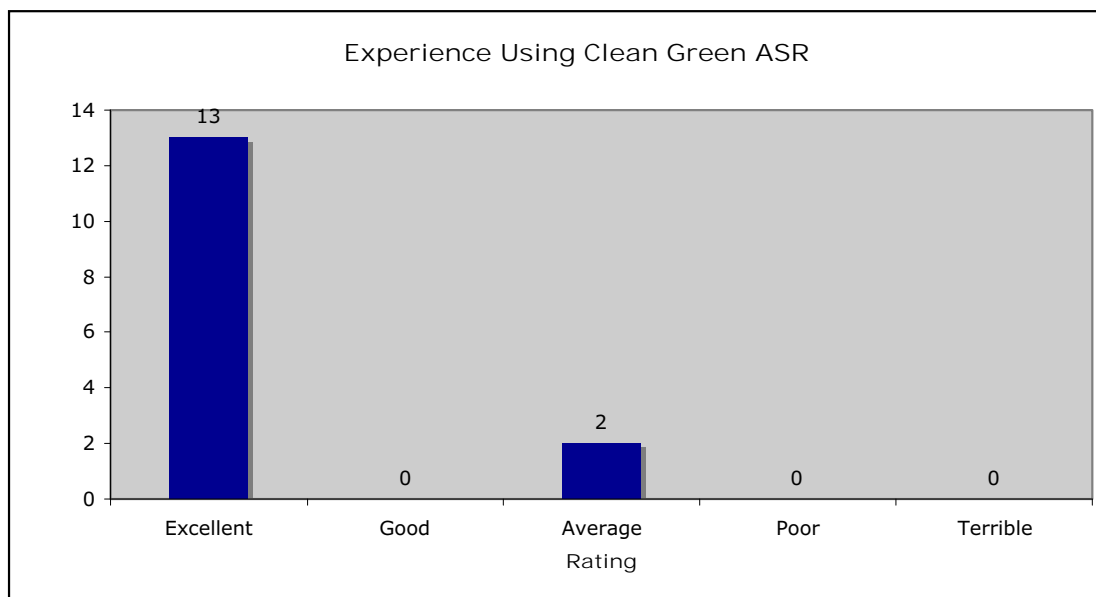


Figure 3 Experience Using Clean Green ASR

The majority of respondents who provided a rating for their experience using certified Clean Green ASR, gave a rating of ‘excellent’ (n=13). Only two respondents rated their experience as being ‘average’. No other ratings were recorded.

“Q17b. Please provide additional comments”

Interviewer comments recorded for those 2 respondents who provided a rating of only ‘average’ are presented below.

Table 80 Reasons for Rating the ASR ‘Average’

R ID	Response
12	<i>The chef advised that the lobster wasn’t as sweet as the Maine or Japanese lobster.</i>
19	<i>Chef advised that the lobster was ok ad advised that the main and brittany lobsters were much sweeter than the Australian Southern Rocklobster. Not only the tail, he said the whole lobster was sweeter. He also advised that the meat yeild or amount of portions that could be achieved from one (maine / Australian lobster) was the same.</i>

These two comments are quite significant as they reveal that despite the very high quality of the ASR, at least some target customers believe the largest brand in the market (Maine lobster) is sweeter. In addition, the ASR is promoted as having a meat yield double that of competitors (e.g. Maine); however Respondent 19 found that it was comparable.

Interviewer comments recorded for those 13 respondents who provided a rating of 'excellent' are presented in the table below. Note that comments were recorded for only 11 of these respondents. Comments were only categorised into 2 themes here, as they are quite long and varied.

Observations on these comments are provided on the next page.

Table 81 Comments on Experience Using ASR, From Those Who Rated ASR 'Excellent'

R ID	Meat Recovery & Utilisation	Quality Attributes & Culinary Capabilities
6	<i>Amazed by the meat recovery and size of animal. Meat recovery: 14 oz leg, horn and knuckle meat 26 oz tail 40 oz / 88 oz - 45% meat recovery. It should be noted that some meat was eaten during the picking process.</i>	
7	<i>Tried selling it for \$750 whole as they work off food cost even though X (Exec Chef) thought it was stupid as Meso soup, Shasimi. X (Sushi Chef) said it was hard to get meat out of head, too labour intensive to get required meat recovery</i>	<i>Meat is ok, gives soup a nice flavour. Too big to use, requires 1.5-2lb Easier for the wait staff to sell the smaller lobster for \$200-300, although ASR might sell on Valentines Day. Didn't think he could break it down into Shashimi because it wouldn't sell enough, couldn't maintain freshness of live product. X (Sushi Chef) says the meat falls apart a little when rolling it out like Kobe. Didn't really like that.</i>
15		<i>The chef really liked the delicate flavour and texture of the live Australian southern rocklobster.</i>
11		<i>Was very impressed with the sashimi quality of the lobster.</i>
16	<i>Didn't advised on the exact utilisation, but advised that SRL would be considered when the menu changes. They are also considering Shucks - high-pressured opened maine lobster.</i>	
17	<i>Loved the lobsters, but advised that the price was too high. Used 6 oz portions and only got 6 portions from one lobster, which gave a \$30 plate cost. Advised that he could work with a \$20 plate cost and reduce the portion to 4 oz. This could work, but I don't think the chef wants the price to be reduced.</i>	
18		<i>X (Owner/Chef) loved the Spiny rocklobster</i>
20	<i>Was amazed at the meat recovery, got 25 2oz portions for lobster salads. Lightly poached and served cold on premium fresh produce.</i>	<i>Preferred sweetness of ASR however admitted to growing up with Maine, and slightly preferred the texture of Maine.</i>
21	<i>Portion control is easier on ASR than competitors (Maine)</i>	<i>Tender, sweeter and better.</i>
26		<i>Same league as Beluga Caviar, White Truffles, Kobe Beef, etc. Sweeter taste is far superior, better quality.</i>
27		<i>It was a beautiful lobster. The meat is very soft and delicate. It is better than Californian spiny lobsters</i>

The above table (Table 81) reveals many interesting, varied, and sometimes contradictory results in terms of respondents' experiences with the ASR.

In summary, these results are:

- Several respondents were amazed with the meat recovery of the ASR and the ease of portion control.
- Several respondents were impressed with the quality attributes of the meat (sweetness, soft, delicate, better quality, texture) however one preferred the texture of the Maine.
- One respondent believes the ASR is in the same league as Beluga Caviar, White Truffles, Kobe Beef.
- One respondent is considering using Shucks machine-shucked Maine lobster.
- One respondent was very impressed with the sashimi quality of the ASR. However another didn't like the fact that the meat falls apart when trying to use sashimi style, and that he didn't think he could break it down into sashimi because *"it wouldn't sell enough, couldn't maintain freshness of live product"*.
- One respondent stated the ASR is too big to use; they require lobsters sized 1.5 to 2lb. In addition, they stated these smaller lobsters are easier for the wait staff to sell.

“Q18. How did the following attributes of the certified Clean Green Australian Southern Rocklobster compare to other lobsters consumed?”

(Give a rating out of 5, with 1=much better, and 5=much worse)

Table 82 below presents the average rating given to each attribute, for each variable assessed.

Table 82 Rating of ASR Attributes Relative to Competing Brands

Attribute	Culinary Capabil's Avg Rating	Sweet Flesh Avg Rating	Firm Texture Avg Rating	Meat Recovery Avg Rating	Don't Use Avg Rating	Overall Avg Rating
Tomalley/Liver	1.0	1.0	1.0	1.0	--	1.0
Shell	1.0	1.0	1.0	1.0	--	1.0
Tail	1.4	1.4	1.4	1.3	--	1.4
Leg	1.4	1.4	1.4	1.4	--	1.4
Knuckles	1.4	1.4	1.4	1.5	--	1.4
Head Meat	1.5	1.5	1.5	1.8	--	1.6
'Other'	--	--	--	--	--	--
Overall Avg Rating	1.3	1.3	1.3	1.3	--	

Note: total number of respondents for ratings of tail, leg, and knuckles varied between 6 and 8. Total number of respondents for ratings of head meat varied between 4 and 6. Total number of respondents for all ratings of tomalley/liver and shell were 2.

Results show that respondents rate all attributes of ASR as being between 'better' and 'much better' than other lobsters consumed.

The following 4 interviewer comments were also recorded.

Table 83 Comments on ASR Compared to Other Lobsters Consumed

R ID	Response
6	<i>Very impressed with the quantity of meat recovered from the lobster and the culinary capabilities of the lobster. Once the meat had been extracted you could tell that the Chef and Sous Chef were really thinking about how to make this work.</i>
7	<i>No comment was given back regarding meat recovery, but they did advise that there was a lot of meat in the lobster.</i>
15	<i>Didn't provide a comparison, but acknowledge that Australian Southern Rocklobster was a great ingredient.</i>
18	<i>Still needs follow-up. Was talking about making lobster steaks</i>

The above comments show that 2 of these respondents viewed the amount of meat in the lobster favourably.

“Q19. Which section/s of the lobster was used in each dish?”

(Complete the table below. See Section 10.2)

Usage responses were recorded for 10 respondents. These responses are reported in separate tables for each section of the lobster.

ASR Tail**Table 84** Usage of ASR Tail

R ID	Tail Use	Tail Portion Size (ounces)	Tail Cooking Method
6	Salad / 1/2 tail	-	Boiling / grilling
7	Sashimi / Pan fried	-	-
11	Sashimi	2	Raw
15	only had tail, use for sashimi	-	sashimi
16	-	-	Steamed
17	Lobster dish	6	Blanched / grilled
19	blanched the whole	-	Pan fried in butter
21	Heated in Champagne butter	3	-
26	Compattio	2	Blanche then rewarm
27	Salad / pasta	2	Grilled / boiled

The above tables show that all 10 respondents used the tail of the ASR. Three used the tail sashimi style, and two used it in a salad. Cooking methods include steaming, blanching, grilling, boiling and pan-frying.

ASR Legs**Table 85** Usage of ASR Legs

R ID	Leg Use	Leg Portion Size (ounces)	Leg Cooking Method
6	Salad or cocktail	-	-
7	Misa soup	-	-
11	Sushi Rolls / lobster cocktails	2	Steamed
16	-	-	Steamed
19	boiled	-	Ate it natural
26	Compattio	2	Blanche then rewarm
27	Salad / pasta	2	Grilled / boiled

Results show that 7 respondents used the legs of the ASR and did so in a variety ways. All portion sizes reported were 2 ounces.

ASR Feelers/ Horns**Table 86** Usage of ASR Feelers/ Horns

R ID	Feeler/ Horns Use	Feeler/ Horns Portion Size	Feeler/ Horns Cooking Method
6	Salad or cocktail	-	-
7	Misa soup	-	-
11	Rolls / lobster cocktails	-	Steamed
16	-	-	Steamed
19	boiled	-	-
26	Compattio	2	Blanche then rewarm
27	Salad / pasta	2	Grilled / boiled

The above table shows that usage of the feelers/ horns is the same as usage of the legs. In addition the cooking methods are the same as for the legs (with the exception of respondent 19). All portion sizes reported were 2 ounces.

ASR Head Meat**Table 87** Usage of ASR Head Meat

R ID	Head Meat Use	Head Meat Portion Size	Head Meat Cooking Method
6	-	-	boiled
7	Misa soup	-	-
15	Would make Mesa Soup	-	-
16	-	-	Steamed
19	boiled	-	-
21	Bisque	-	-
26	Bisque	2	Blanche then rewarm
27	Salad / pasta	2	Grilled / boiled

Results show that 8 respondents utilised the head meat in soup, bisque, salad/pasta, or boiled the meat. All portion sizes reported were 2 ounces.

ASR Knuckles

Table 88 Usage of ASR Knuckles

R ID	Knuckle Use	Knuckle Portion Size	Knuckle Cooking Method
6	Salad or cocktail	-	-
7	Misa soup	-	-
11	Rolls / lobster cocktails	-	Steamed
16	-	-	Steamed
19	boiled	-	-
26	Compattio	2	Blanche then rewarm
27	Salad / pasta	2	Grilled / boiled

The same 7 respondents, who utilised both the legs and feelers/horns, also used the knuckles and did so in the same ways. Cooking methods also reflect those of the feelers/horns. Again, all portion sizes reported were 2 ounces.

ASR Shell

Table 89 Usage of ASR Shell

R ID	Shell Use	Shell Portion Size	Shell Cooking Method
6	Bisque	-	-
7	Misa soup	-	-
16	-	-	Steamed
26	-	2	Blanche then rewarm
27	Soup	-	-

The above table shows five respondents utilised the shell and did so either in a soup, or as bisque. The only portion size reported was 2 ounces.

ASR Tomalley/ Liver

Table 90 Usage of ASR Tomalley/Liver

R ID	Tomalley/Liver Use	Tomalley/Liver Portion Size	Tomalley/Liver Cooking Method
7	Misa soup	-	-
16	-	-	Steamed
26	Bisque	-	Blanche then rewarm

Results show that only 3 respondents utilised the tomalley/liver of the ASR in miso soup; blanched then rewarmed for bisque; or steamed.

“Q20. What do you believe are the 3 main points of difference?”

(Please rank 1 to 3, the three most important)

Note: one respondent ranked 4 attributes and so this response was also reported.

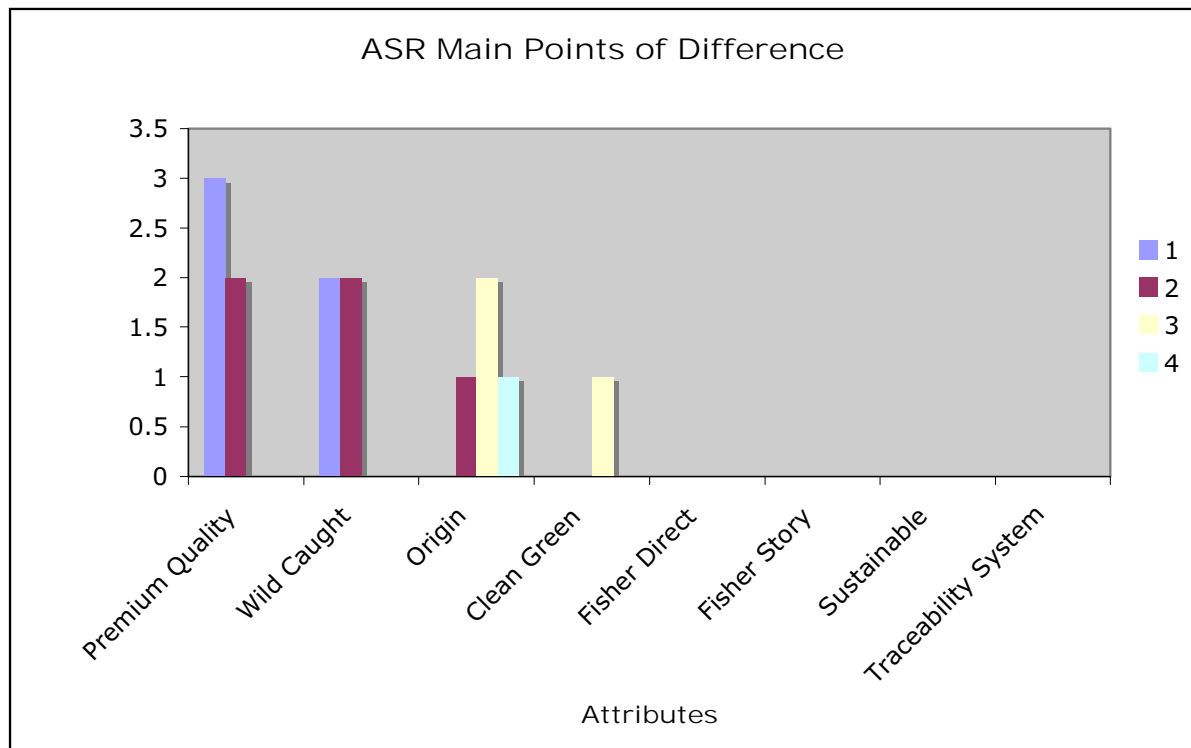


Figure 4 ASR Main Points of Difference

The small amount of data shows that more respondents believe that ‘premium quality’ is the main point of difference than any other attribute assessed. 2 respondents believed that ‘wild caught’ was the main point of difference. Equal numbers (n=2) ranked ‘premium quality’ and ‘wild caught’ as the *second* main point of difference. Origin was also ranked as one of the main points. One respondent ranked Glean Green as the third main point of difference.

2 respondents also reported main points of difference, though did not rank them. These responses are presented below.

Table 91 Unranked Points of Difference

R ID	Points of Difference
21	Origin; Premium Quality
26	Wild Caught; Premium Quality; Sustainable.

One new point of difference was revealed from these comments – ‘sustainable’.

“Q21. Would you use these points of difference on your menu?”

(multiple responses possible)

Note that response options used at the time of reporting (dichotomous Y/N) are not the same as those in the survey in Section 10.2.

Table 92 Would Potentially Use Points of Difference on Menu

Point of Difference	Yes (N)	No (N)	No Response (N)	Total (N)
Origin	5	1	18	24
Wild Caught	4	1	19	24
Premium Quality	2	1	21	24
Clean Green	1	1	22	24
Fisher Direct	0	1	23	24
Fisher Story	0	1	23	24
Other	0	1	23	24
Sustainable	0	1	23	24
Traceability System	0	1	23	24

Results show that ‘origin’ would be used most by respondents on their menu, followed by ‘wild caught’, ‘premium quality’, then ‘Clean Green’.

1 interviewer comment relating to this question was recorded in the ‘additional comments’ box at the end of the survey. This comment was:

Table 93 Comments on Using Points of Difference on The Menu

R ID	Response
6	<i>they do not really put much information on their menu – hence limited interested in using points of difference on menu.</i>

The limited response received to this question may be partially explained by this comment.

“Q22. Would you use these points of difference to communicate with your customers?” (multiple responses possible)

Note: response options used at the time of reporting (dichotomous Y/N) are not the same as those in the survey in Section 10.2.

Table 94 Would Potentially Use Points of Difference to Communicate

Point of Difference	Yes (N)	No (N)	No Response (N)	Total (N)
Origin	4	-	20	24
Wild Caught	4	-	20	24
Premium Quality	2	-	22	24
Clean Green	2	-	22	24
Fisher Direct	1	-	23	24
Sustainable	1	-	23	24
Traceability System	1	-	23	24
Fisher Story	0	-	24	24
Other	0	-	24	24

The above table shows both ‘origin’ and ‘wild caught’ would be used the most to communicate with consumers, followed by ‘premium quality’ and ‘wild caught’. These results are similar to those for the previous question (Q21).

“Q23. If working with ASR, would fixed price be an advantage?”

Table 95 Would Fixed Price be an Advantage

Response	N
Yes	4
No	2
No Response	18
Total	24

Results show that only one quarter of respondents gave a response to this question. Of those who did, two thirds stated that fixed price would be an advantage.

Interviewer comments were recorded for all four respondents who gave a response of “yes” to question 23.

Table 96 Why Fixed Price Would Be an Advantage

R ID	Response
6	<i>Given that he has 3 month fixed menu</i>
18	<i>It is easier to set the menu price.</i>
23	<i>It is easier for X (Executive Chef) to work with; however he is used to seasonality in price, so fixed price is not of major concern.</i>
26	<i>Is an advantage = incentive.</i>

The above comments suggest that respondents view fixed price as being an advantage as it makes aspects of the business easier to work with.

Interviewer comments were recorded for 2 respondents who gave a response of “no” to question 23.

Table 97 Why Fixed Price Would Not Be an Advantage

R ID	Response
17	<i>Doesn't matter - price is too high</i>
27	<i>As long as the price doesn't vary too much.</i>

Interviewer comments were recorded for 3 respondents who did not give a response to question 23.

Table 98 Further Comments Regarding Fixed Price

R ID	Response
7	<i>No response - they just advised that they could get the same lobster from True World for \$27 per lb. I rang True world and they didn't have any form of live spiny lobsters available.</i>
11	<i>The price needs to be at the right point</i>
21	<i>Changes menu every three months, not a big deal either way.</i>

Comments within the above 3 tables indicate that some respondents are indifferent to being offered a fixed price.

“Q24. Will you order certified live Australian Southern Rocklobster?”**Table 99** Will Order ASR

Response	N
No Response	12
Yes	8
No	4
Total	24

Results show that of the 12 who provided a response, two thirds would order ASR.

Interviewer comments were recorded for 4 respondents who answered, “yes” to question 24.

Table 100 Reasons for Ordering ASR

R ID	Response
6	<i>It would be considered when undertaking development of the new menu - summer</i>
7	<i>Special occasions and Oct - December. They would prefer to buy the small lobsters 1.5 - 2lb.</i>
11	<i>Advised that he would trial it and see what the customers thought. The lobster that was prepared at the restaurant got good feed-back from the customer, but he mention you do generally get good feed-back when you give the lobster away.</i>
20	<i>Purchased a lobster straight-up.</i>

The comment recorded for respondent 7 is of interest – “they would prefer to buy the small lobsters 1.5 – 2lb”.

Interviewer comments were recorded for 3 respondents who answered, “no” to question 24.

Table 101 Reasons for Not Ordering ASR

R ID	Response
12	<i>The lobster is not as good as Maine or Japanese lobster.</i>
17	<i>Needs more assistance on portion size and plate costs.</i>
19	<i>Couldn't justify the price of Australian Southern Rocklobster given that it wasn't s sweet as Maine lobsters.</i>

Respondents 12 and 19 were the two who rated their experience using ASR as being ‘average’, and made the same comments regarding the taste/quality of the ASR compared to Maine and/or Japanese lobsters.

An interviewer comment was also recorded for 1 respondent who did not give a response to question 24.

Table 102 Further Comments Regarding Ordering

R ID	Response
16	<i>Don't know - need further follow-up</i>

6.6.7. Additional Comments

Open-ended responses recorded in the 'additional comments' box were analysed and a number were included into responses/comments throughout the survey results where appropriate.

Of the remaining additional comments, two major themes were identified:

- Economic impact
- Perceptions of various lobster brands (including ASR)

Interviewer comments regarding economic impact are reported below.

Table 103 Economic Impact on Restaurants

R ID	Response
17	<i>Too expensive. Says the economy has not impacted significantly on his business, however says his ingredients have gone up 20-50%, therefore food cost is up. Believes he can't make ASR work with other items at such high costs.</i>
25	<i>Food costs up 30-50% Due to current economic conditions customers still want to visit but want to pay less while food cost is increasing Covers are down, feels people are thinking twice before dining out at premium restaurants</i>
26	<i>Say they don't feel the effects of the recession, but food costs are up 12.5% (some up, some down due to demand fluctuations). Had to raise prices, which is rare especially in a recession and within the restaurant industry itself. Prompted Wall Street Journal article about it.</i>
27	<i>The economic situation is difficult to justify SRL, even with double the meat yield.</i>

These comments show that several respondents have experienced quite significant increases in food costs. One respondent stated they increased their prices as a result.

A range of comments was also reported regarding perceptions of the ASR and/ or perceptions of the ASR relative to competitive brands. These comments will need to be considered in relation to all comments above pertaining to ASR and to competitive brands.

Table 104 Perceptions of Various Lobster Brands

R ID	Response
2	<i>X (Exec Chef, Director of Food & Beverage) was very positive about the product: culinary capabilities, size (customers would be very impressed by the sight of a whole large lobster) and was very interested in the Clean Green and Track and Trace programs.</i>
6	<i>Asked if SRL could supply seafood products other than lobster.</i>
5	<i>Too expensive to use in his country club, although believes there is potential in the country club market. Provided some names, particularly Jewish clubs.</i>
7	<i>Doesn't care where the lobster comes from, and doesn't think the customers care. The supplier didn't know where it came from either. Chef looked at web site, DVD, food service manual. Would like to bag cook but Cryovac is illegal in NY. Asked if SRL could supply seafood products other than lobster.</i>
10	<i>Claims to have used ASR before, although more likely he has only used spiny lobster</i>
11	<i>Has sashimi on his menu, but doesn't believe Maine is of sufficient quality for sashimi.</i>
17	<i>Doesn't believe customers think it is in the same league as white truffles, black truffles and caviar, as customers understand the reason for paying supplements for these items, but due to the low cost of Maine lobster don't understand why they would pay a supplement for ASR. Pays \$225/5kg for live Langoustines.</i>
19	<i>Menu says they use Nova Scotia lobster (i.e Candian), however they told us Maine.</i>
20	<i>Young chefs and kitchen staff, worried about them making mistakes with such an expensive animal</i>

Several interesting comments are recorded in the above table:

- 2 respondents asked if ASR could supply any other types of seafood products
- 1 respondent stated they believe that *consumers* don't think the ASR is in the same league as white truffles, black truffles and caviar.
- Respondent 20 has young chefs and kitchen staff and are concerned their inexperience would adversely affect their ability to cook/utilise such an expensive product.

Further comments of interest are presented in the table below.

Table 105 Further (Unrelated) Comments

R ID	Response
2	<i>X (Exec Chef, Director of Food & Beverage) is looking to install a tank in his kitchen to hold various live seafood products, was interested in receiving assistance from Matt</i>
3	<i>The restaurant group is certified environmentally friendly/green. First national multi concept restaurant group to achieve this certification.</i>
19	<i>Interview ended abruptly with the chef sick of the questions.</i>
21	<i>Chef in NY was not concerned with sustainability, whereas Chef in LA was. This was because Chef in LA was in London and exposed to massive amounts of pro sustainability media, therefore creating the awareness.</i>
24	<i>In LA: The standard of restaurants (in terms of overall quality, staff, etc) is not particularly high, especially compared to New York where he (Chef) has been working recently. Chef is having difficulty finding staff of a high enough standard for his kitchen, restaurant.</i>
25	<i>Difficult to source quality produce Always a fight for good produce Now that the restaurant is established (EST 2001) easier to source. Feels goods he purchases from Maine (not just lobster) are of high quality. Also gets it from Boston and NY Lack of quality local produce, mainly carrots and potatoes</i>

7. Surveys: Current Customers

7.1. Rationale

A quantitative survey was designed by SRL and a Research Associate from the Ehrenberg-Bass Institute for Marketing Science, UniSA prior to the commencement of this project. The survey was administered both prior to, and during, the course of this project. The results of this survey were analysed for this project and used to investigate the penetrated market.

7.2. Research Design

A quantitative survey was conducted with current customers. Quantitative research was determined to be an appropriate method as SRL sought to describe and quantify specific characteristics of the penetrated market. The majority of survey questions were pre-coded. A range of question types were used including likert scale, dichotomous (Y/N), multiple-choice, and open-ended (see Section 10.3).

The survey contained the four sections outlined below.

1. Clean Green Program: Q1

This section aimed to determine customers understanding and perceptions of the Clean Green program.

2. Customer Satisfaction: Q2

This section aimed to determine customers level of satisfaction with ASR product characteristics, and SRL logistical issues.

3. Consumer & Staff Communication: Q3 through Q12

This section aimed to identify methods of communication conducted within the restaurant; and potential communication strategies

4. Sales Trends: Q13

This section aimed to identify potential periods of high demand up until 30 June 2008.

7.3. Data Collection Method

This quantitative survey was administered by two methods: person-to-person (50% of surveys); and over the telephone (50%). The person-to-person survey method was determined to be an effective option as it is a personal approach and can allow for large amounts of data collection. The telephone method was used for other surveys as a matter of convenience for the interviewer and due to time and cost constraints. The interviewer took written notes on the survey that were later transcribed into Microsoft Word versions of the surveys.

7.4. Method of Sampling

The sampling frame for this survey was a list of customers/ restaurants that had purchased ASR more than twice. The final sample of restaurants contacted totalled 31.

7.5. Field Work

These surveys were conducted by SRL's in-market Account Manager. Surveys were conducted during the period December 2007 to March 2008.

7.6. Method of Analysis

Data stored in the various word documents was entered into Microsoft Excel and SPSS V.11 files. These programs were used to determine frequencies, ratings scores and to perform cross-tabulations. Open-ended responses were analysed individually to identify common themes.

7.7. Results

This section presents the results for each survey question. Results are categorised into the survey section outlined above in Section 7.1.

Due to small sample sizes, the number of responses to a question is reported rather than (or in addition to) the proportion. Responses to open-ended and multiple-choice questions do not equal the number of total respondents, as some gave more than one response.

A minimal amount of interpretation of the results is provided; further interpretation is included in Appendix 5.

7.7.1. Sample Size

Table 106 Current Customer Survey Sample Size

	N	%
General comment only obtained from respondent	13	42
Survey completed	12	39
No comment obtained from respondent relating to ASR and/ or SRL	6	19
Total sample	31	100

Results show that 39% of respondents completed the survey.

7.7.2. Clean Green Program

“Q1. Please describe what the certified Clean Green certification program means to you”

Responses were categorised into the three themes outlined below.

Table 107 Meaning of Clean Green to Chefs

Theme	N
Unfamiliar with the program	4
Related the program to sustainability, origin and/ or environment	6
Related the program to providing a high quality product; mentioned quality attributes	6

Results show one third of respondents are unfamiliar with the program. Half of the respondents attribute the program to positive aspects of sustainability, origin and the environment. Half of the respondents attribute the program to product quality.

“Q1a. Please describe the benefits that the Clean Green provides you and your customers”

Responses were categorised into the themes outlined below.

Table 108 Perceived Benefits of CG to Chefs and Consumers

Theme	N
Related the program to sustainability, origin and/ or environment (benefits for both the restaurant and their customers/consumers)	9
Related the program to providing a high quality product; mentioned quality attributes	4
Doesn't believe the program offers benefits to their customers (i.e. consumers)	2
<i>“basis to educate wait staff”; “important sales tool for servers”</i>	2

The majority of respondents recognise the environmental (origin and sustainability) benefits the program brings to both the restaurant and the consumer. One third of respondents believe the program offers product quality benefits.

Two additional comments were also recorded.

Table 109 Further Comments Regarding Clean Green

R ID	Response
2	<i>Makes the product more marketable to the customer...</i>
3	<i>..the responsibility of the restaurant to source good ingredients</i>

7.7.3. Customer Satisfaction

“Q2. Please rate how satisfied you have been with the following”

(mark from 1, strongly dissatisfied to 5, strongly satisfied)

Table 110 Satisfaction with ASR, and SRL Logistics

Variable	Avg Rating
Rocklobster freshness	4.9
Rocklobster liveliness	4.9
Delivery times	4.9
Rocklobster taste	4.8
Rocklobster presentation (aesthetics)	4.8
Customer service (orders)	4.8
Rocklobster texture	4.6
Price	3.6

No. of respondents=12

Customers are very satisfied with 7 of the 8 variables analysed. However, customers are not as satisfied with price.

7.7.4. Consumer & Staff Communication

“Q3. Please rank how effective you think the following promotional strategies would be to encourage customers to purchase this high-end item?”

(mark from 1, strongly discourage to 5, strongly encourage).

Table 111 Potential Effectiveness of Promotional Strategies Directed at Consumers

Variable	Avg Ranking
Premium quality	4.9
Wild caught	4.8
Origin	4.6
Sustainability	4.5
Fisher direct	4.3
Traceability system	4.0
Individual fisherman story	4.0
Australian	3.9
Clean Green certification	3.5

No. of respondents=12

Note that one respondent who rated “Traceability” as 5, stipulated this strategy was important to the chef, not to the consumer.

Results show that respondents believe the majority of promotional strategies would encourage or strongly encourage consumer purchasing. Premium quality and origin are viewed as potentially having the most impact, whereas Australian and Clean Green certification are viewed as having the least impact.

There was also an option “other” where respondents could provide a rating out of 5 for any other strategy not on the pre-coded list. Responses to “other” are presented below.

Table 112 Other Potential Promotional Strategies Directed at Consumers

Variable	Rating	N
Unique	5	2
Size	5	2
Live and/from Australia	5	2
Live and size	5	1
Large and unique	na	1
Total	na	8

The above table shows that four respondents believe that ‘size’; and three believe that ‘live’ would be very effective promotional tools for encouraging consumer purchasing.

“Q4. Have you used these points of difference on your menu?”

- Only 1 respondent selected the response option “Yes, at least one” and the variable selected was “Wild Caught”.
- There were zero responses to the options: “Yes, all of them”; “No, none of them”, and “I don’t know”.
- 11 respondents provided an answer to the response option “Yes, a few”. See results in Table 113 below.

Table 113 Promotional Strategies Used on Menus

Variable	N
Premium quality	11
Wild caught	10
Other	8
Origin	7
Australian	5
Sustainability	4
Traceability	3
Fisher direct	2
Individual fisherman story	2
Clean Green certification	1

No. of respondents=11

The above table shows that customers use ‘premium quality’, ‘wild caught’, ‘other’ and ‘origin’ to promote the ASR on the menu.

All 8 respondents who provided an answer of “other” to the previous question (Q3) said they used this other variable on their menu.

“Q5. Would you use these points of difference when communicating with your clients (direct marketing or/ and advertising?)”

Responses to this question were the same as those received for the previous question (Q4).

“Q6. Do you think a promotional strategy could be implemented to encourage customers to purchase this high-end item?”

Table 114 Could a Consumer Oriented Promotional Strategy be Implemented?

Response	N
Yes	12
No	0
Don't Know	0
Total	12

All respondents believe a promotional strategy could be implemented to encourage consumers to purchase the high-end ASR.

“Q7. Do you educate your wait staff about the products used on your menu?”

Table 115 Do You Educate Wait Staff?

Response	N
Yes	12
No	0
Don't Know	0
Total	12

Results show that all respondents educate their wait staff.

“Q8. What have you done to educate your wait staff? (multiple responses possible)”

Table 116 Methods for Educating Wait Staff

Response	N
Product tasting	9
Wait staff are briefed by the chef for all plates on the menu	9
Wait staff receive a description notice of all plates served on the menu	5
Other	2
Wait staff are briefed by the chef for the main plates on the menu	1

No. of respondents=12

Results show that that ‘product tasting’ and ‘briefing on all plates’ are the two main methods for educating wait staff.

Cross tabulations of the methods of educating wait staff revealed the following results.

Table 117 Duplication of Methods of Educating Wait Staff

	Who also use:			
Those who use:	Tasting	All Plates	Description	Main Plates
Tasting	--	7	4	1
All Plates	7	--	2	1
Description	4	2	--	1
Main Plates	1	1	1	--

The duplication table above shows there is a higher amount of sharing between ‘tasting’ and ‘all plates’ than other pairs, and a reasonable amount of sharing between ‘tasting’ and ‘description’.

The following 2 comments were also recorded.

Table 118 Comments on Methods for Educating Wait Staff

R ID	Response
8	<i>“Product Tasting is very expensive as they have a big turn-over in staff”</i>
12	<i>“SRL product briefing to wait staff”</i>

“Q9. To what extent is the wait staff knowledge passed/ transferred to the consumer?”

Table 119 Extent of Wait Staff Knowledge Transfer to Consumer

Response	N
Sometimes, when presenting the menu	6
At all times when presenting the menu	4
Only if requested by the client	1
I’m not sure/ don’t know	1
Not often	0
Total	12

Results show that wait staff knowledge is generally transferred to the consumer sometimes, or at all times, when presenting the menu. Only one of the restaurants relies on the consumer to prompt the wait staff for information.

“Q10. How do you know what knowledge is transferred to the customer?”

Responses to this open-ended question are outlined below.

Table 120 Monitoring Wait Staff Knowledge Transfer

R ID	Response
1	<i>Presentations are talk about and he often asks his servers how they present to the customers.</i>
2	<i>Seeking feed-back from the wait staff on how they are offering the menu.</i>
3	<i>The chef also receives talks to the customers and gets feed-back.</i>
4	<i>Feedback from the customers and management team.</i>
5	<i>Through training</i>
6	<i>The restaurant is small and I can observe the wait staff presenting the information to the customers.</i>
7	<i>Feed-back received from the wait staff.</i>
8	<i>Chef Matt keeps a good eye on everyone wait staff and he also has some food runners that keep a look-out on the wit staff.</i>
9	<i>Feed back from the wait staff, plus Chef Thomas also does talk to customers as well.</i>
10	<i>I Don't</i>
11	<i>Chef X advised that it is hard to tell if all the info about the lobster is passed onto the customer. The Chef is on the floor and gets direct feed/back from customers and is sometimes requested to talk to the customers about the lobsters.</i>
12	<i>Server interactions with the chef and kitchen staff.</i>

Results show that many chefs are able to monitor the transfer of wait staff knowledge to the consumer through observation and feedback.

“Q11. Why don't you educate your wait staff about the products used on your menu?”

All respondents educate their wait staff; therefore there were zero responses to this question.

“Q12. Please rank how effective each strategy below would be to increase sales?”

(mark from 1, the least impact to 5, most impact)

Table 121 Perceived Effectiveness of Promotional Strategies to Increase Sales

Variable	Avg Ranking
Volume rate to the restaurant	4.8
Continual wait staff education	4.5
Chef and wait staff incentive program	4.4
Fisher meet and greet	3.9
Customer incentives	3.4
SRL supplied live holding tanks	2.0
Restaurant promotion – branding	1.5

Table 121 above shows that customers rank 'volume rate', 'continual wait staff education' and 'incentive programs' as potentially having the most impact for increasing sales of ASR. 'Restaurant promotion' and 'holding tanks' were ranked as having the least impact.

One respondent stated the current Chef and wait staff incentive program was not achievable and recommended a less expensive incentive be given.

7.7.5. Sales Trends

"Q13. Are there any particular times when you will require more Australian Southern Rocklobster between now and 30th June 2008 (eg special times)?"

Responses to this open-ended question are presented below.

Table 122 Potential Sales Trends

R ID	Response
1	<i>Restaurant show (May) and convention times.</i>
2	<i>Jan / Feb and May</i>
3	<i>Oct 15th – May 15th – 1500 covers per night and 80 servers May 21st – Mid September – 200 covers per night and 20 servers Very busy between the 24th December, 2007 – 10th January, 2008</i>
4	<i>Superbowl weekend, big fights in Las Vegas and certain slot tournaments.</i>
5	<i>Depends on events</i>
6	<i>Keep in touch every week about using the live lobsters.</i>
7	<i>He wanted the lobster available all the time.</i>
8	<i>New Years. Decisions are made regarding the menu 6 - 8 weeks before different events and planning commences 3-4 weeks before the event.</i>
9	<i>The week before and after New Years.</i>
11	<i>Big fights and concerts.</i>
12	<i>January – May is the Las Vegas "High Season"</i>

Results show that several customers would require more ASR during special events, and during the Christmas and New Year's period. May is also a busy period for those customers located in Las Vegas.

7.7.6. General Comments

Open-ended responses of those 13 customers who provided a general comment only have been categorised into the following themes.

Table 123 Customer - General Comment Themes

Theme	N
Price is a factor prohibiting purchase	4
Likes ASR, though one or two factors (size, price, competitor) prohibit from using	4
Competitive product is a factor prohibiting purchase	3
Size is a factor prohibiting purchase	2
ASR could be used for special occasions	2
Distributor issue prohibited purchase	1
Had no success selling ASR, will not continue to use	1
ASR may work on their Spring menu	1

Results show that many of these respondents do like the product; however factors such as price, size and competitive products prohibit purchase.

Two additional comments were recorded:

Table 124 Other General Comments From Customers

R ID	Response
14	One customer who stated they wouldn't support the ASR, also stated they would be <i>"more than happy to assist with value adding or chef training exercises....and from time to time his catering clientele may use this high</i>
15	One customer, who stated price was the factor prohibiting purchase, also stated that the restaurant does move high end items

Competitors

Two respondents mentioned usage of competitor brands within their general comments.

The interviewer comments recorded are reported below.

Table 125 Additional Comments – Competitive Brands

R ID	Response
14	<i>Although he liked our lobster he is currently using a Maine lobster that has been processed through ultra high pressure. This lobster cost him around \$40 per lb</i>
31	<i>He advised that they use approximately 800lb of maine lobster per week – 1lb. Each customer receives a tail from the main lobster and the remainder of the lobster is sent tot heir other restaurant.... He also advised that if SRL had smaller lobsters that he would like to look at these.</i>

8. Online Survey System

In order to facilitate easy data storage and analysis, and central records storage, an interview system was developed. An internet-based database system was developed due to the fact that multiple people in multiple countries were conducting interviews, and would therefore need access to the system at the same time.

Figure 5 Online Interview System Initial Phone Survey Interface

Basic features of the system are:

- Ability to easily conduct/input the three main surveys SRL conduct:
 - Initial phone survey,
 - In Depth Interview 1, conducted in market up to 9 May 2008, and
 - In Depth Interview 2, conducted in market post 9 May 2008.
- Ability to edit and view the three main surveys.
- Ability to add interviewers, and track who has conducted or entered specific surveys into the system.

- Ability to log contact with customers not part of surveys.
- Basic statistics for the initial phone survey.
- Tracking of all surveys and contact by phone number, enabling these to later be attributed to customers if a customer module is written.

The database itself was developed in MySQL, and consists of five tables, with the largest table consisting of 247 fields. The complete database, while being developed to allow future additions and modifications to the system, is specific to SRL, and could not be easily used for other applications.

The interface was written in internet standard formatting languages (XHTML/CSS), and utilised a scripting language (PHP) to allow the retrieval of data from the database to be displayed or edited on screen, and to be inputted into the database. It consists of a total of 8,214 lines of code. The use of these languages also makes future modifications and improvements very easy.

The system was designed to be modular and allow the addition of more complex features in the future. Possible and suggested enhancements include:

- Customer Information – This will allow the system to function as a Customer Relationship Management (CRM) system, with SRL able to track communication and interviews conducted with potential and current customers. It will also allow customer data to be exported to Google Earth for mapping.
- Direct Email – This will allow SRL to send bulk emails to all customers and contacts with email addresses stored in the database.
- Public Surveys – This will allow SRL to email a link to their initial phone survey to potential customers, in order to increase the amount of data they have on their customers.
- Enhanced Statistics – This will automatically generate statistics on every question entered in the database, removing the need for time consuming data export and analysis.

Refinements of other parts of the system are also recommended, as many parts were completed in a simple fashion to allow for rapid development.

9. References

Appendix 2, Market and Industry Analysis.

Appendix 5, Customer Analysis.

CR 4 2008, Contact Report.

Malhorta, Hall, Shaw and Oppenheim 2004, *Essentials of marketing research: an applied orientation*, Pearson Education Australia, Frenchs Forest, NSW.

10. Surveys

A copy of each of the three surveys utilised during the course of this project is provided.

10.1. Telephone Survey

POTENTIAL ACCOUNTS:

The outlets that are ranked through the initial market research stage will be contacted and surveyed with this questionnaire.

AIM: Identify outlets that believe they could utilise live Australian Southern Rocklobster at the price points required by the Australian Southern Rocklobster fishers and are willing to meet with a SRL representative to experiment with the lobster.

INTERVIEW DETAILS:

DATE			
OUTLET NAME			
OUTLET ADDRESS			
CONTACT DETAILS			
OUTLET TYPE	RESTAURANT	RETAIL	OTHER
SURVEYOR			
PROCEED WITH TASTING	YES	NO	

PREAMBLE:

An introduction must be given prior to asking any questions:

Ask for the CHEF or the Sous "second" CHEF.

This is (YOUR NAME) from Australia, I am calling on behalf of Southern Rocklobster Limited.

We supply live, wild caught, certified Australian southern rocklobster direct to restaurants across the United States of America from Southern Australia.

1. Are you familiar with Australian Southern Rocklobster?

YES

NO

Can I tell you about the defining characteristics of ASR?

Live Australian Southern Rocklobster has the following attributes:

- Live, fresh, wild caught product
- High meat yield - 44%
- Sashimi grade – graded by chefs as the best sashimi lobster in the world

Notes for Interviewers**PRICE:**

- Compared to other lobster the meat return is almost double – 44%

	Australian Southern Rocklobster			Other Lobster		
Cost / pound	\$30.0	\$33.0	\$36.0	\$12.0	\$15.0	\$18.0
Meat Recovery %	44%	44%	44%	24%	24%	24%
Cost / ounce (meat)	\$4.26	\$4.69	\$5.11	\$3.13	\$3.91	\$4.69

- when working with a margin:

Steak house:

6lb lobster @ (\$180)

½ - \$150 – (cost - \$90) - \$60 plate margin

½ lobsters is enough to feed 2 (main) & 4 for an appetizer

Fine dining (can be used in almost any dish):

6lb lobster – yields 42 ounces

2 oz portion – 25 – 35 dollars 17 plates (average margin – 19 per plate) * 17 plates –
e.g. salad, omelette, sashimi

3 oz portion – 30 – 40 dollars (average margin – \$22 margin per plate) * 14 plates –
ravioli, grilled

4 oz portion – 50 – 60 dollars (average margin – \$37 margin per plate) * 10 plates –
portions medallions

\$20 – \$40 margin per plate + lobster stock

- need to talk about quality of the product and ability to provide different segments in one dish (tail, legs and knuckle meat).
- Southern Rocklobster is a premium product it is priced accordingly.
- We offer the highest quality wild caught product delivered live to your restaurant door for approximately \$30 / lb or \$4 / oz

- Southern Rocklobster is a luxury product and is considered to be the Grange of lobster or 'Kobe' of lobster.
- Currently we supply lobster across the US to high end restaurants such as:

Le Bernardin (3 star Michelin Restaurant) – Eric Ripert (NYC)

The French Laundry – Thomas Keller

Daniel – Daniel Boulud (NYC)

Nobu – Melbourne, Las Vegas, Miami, Dallas & 57

Others:

Charlie Trotters – Charlie Trotters

Alex – Alessandro Stratta (Wynn Las Vegas)

Bartolotta – Paul Bartolotta (Wynn Las Vegas)

Providence – Michael Cimarusti (Hollywood)

Craft Steakhouse

SW Steakhouse (Wynn Las Vegas)

Joe's Seafood Stone Crab and Prime Steak – Las Vegas, Chicago, Miami

Gibson's Steakhouse - Chicago

Seablue – Michael Mina

Nick and Sam's - Dallas

2. As a Chef what is the most important factor when choosing seafood for your menu?

Choose the 2 most important.

PRICE	SPECIES	CULINARY CAPABILITY	FRESHNESS	Ease of Supply	SUSTAINABLE

3. Who is in charge of the purchasing process and decides the prices of the seafood plate on the menu?

Name _____

Contact details _____

Best way to contact them _____

4. How is the plate price decided? Do you work on Margin or Food Cost?

- Margin (skip to Q5)
- Food Cost (Skip to Q 4.1)

Comments:

4.1. Would you consider working on a margin rather than food cost?

- YES
- NO

Comments:

5. We will be coming over to the USA in the next couple of months, would you be interested in meeting for a product trial?

- YES (skip Q 6)
- NO: thank them for their time and ask the chef why they are not interested.

Why not interested?

6. In the mean time am I able to get some more contact details from you so when I am in the US I can arrange a product trial, as well as email you a copy of our food service manual and chef news?

- YES
- NO

Email address _____

Mobile No. _____

7. Can I also ask you some more questions about your current lobster usage?

What type(s) of lobster do you currently use – select the appropriate boxes?

Species	Size of lobsters	Price range paid	Vol used / week	Frequency delivered
Maine Rocklobster (Atlantic)	Size 1			
	Size 2			
	Size 3			
Californian Spiny or Mexican Rocklobster (Pacific Rocklobster)	Size 1			
	Size 2			
	Size 3			
Floridian Rocklobster	Size 1			
	Size 2			
	Size 3			
South African Rocklobster	Size 1			
	Size 2			
	Size 3			
Canadian Rocklobster	Size 1			
	Size 2			
	Size 3			
Western Australian Rocklobster	Size 1			
	Size 2			
	Size 3			
Northern Australian Rocklobster	Size 1			
	Size 2			
	Size 3			
Other _____	Size 1			
	Size 2			
	Size 3			

Thank you for your time, we will contact you in the next few months to arrange an appropriate time to meet with you to discuss ASR and trial our product.

10.2. In-Depth Interview: Survey

POTENTIAL ACCOUNTS

In-depth interview

INTERVIEW DETAILS (should be already completed):

DATE			
OUTLET NAM			
OUTLET ADDRESS			
CONTACT DETAILS			
OUTLET TYPE	RESTAURANT	RETAIL	OTHER
SURVEYOR			
Chef name			
Email address			
Mobil phone #			
PROCEED WITH TASTING	YES	NO	

Reminder:

Following the conversation we had on the phone a few weeks ago, we are pleased to be here to show you the ASR and its features

You told us last time that you are (not) familiar with the ASR, could I remind you the main attributes of this product (make sure this aligns to our food service manual):

- ❖ Sweet, firm texture, delicate white flesh
- ❖ Wild caught and sustainable – strict catch controls: quota, size limits and season
- ❖ Sashimi grade – grade by chefs as the best sashimi lobster in the world
- ❖ Guaranteed quality – each lobster is certified and traced from “pot to plate”.
- ❖ High meat yield – 50%
- ❖ Chef friendly – simple preparation, handling and Storage – Minimal melanosis (doesn't turn black)

Australian Southern Rocklobster is one of the World's most revered culinary luxuries in the same category as Beluga caviar and truffles from Alba. Australian Southern Rocklobster – the Kobe Beef of lobster

Q1. Do you already use lobster on your menu? Yes No

If no (but it is assumed that they do), why, and will s/he be interested to have lobster on the menu, then skip to Q5

Q2. Is lobster?

- A permanent feature on your menu
- Special item on your menu
- Used in an alternative way on your menu – explain:

Q3. How many dishes do you have with lobster in them (entrée and main separate) and what is the average price of entrée and main course dishes that use lobster on your menu?

- ❖ # Entrée: _____ Ave Price: Us\$ _____
- ❖ # Main: _____ Ave Price: Us\$ _____

Q4. What type(s) of lobster do you currently use? Select the appropriate box(es)

Species	Size	Price range paid	Vol used / week	Frequency delivered	Form – WL ¹ , WGF ² , WC ³ FreT ⁴ , FroT ⁵ , FreC ⁶ , FroG ⁷
Maine Rocklobster (Atlantic – USA / Canadian)					
Californian Spiny or Mexican Rocklobster (Pacific Rocklobster)					
Floridian Rocklobster					
South African Rocklobster					
Western Australian Rocklobster					
Northern Australian Rocklobster					
Other _____					

Q5a. When we contacted you, you told us that the most important factor when choosing seafood for your menu is (complete table before):

Price	Species	Culinary capabilities	Quality	Freshness	Ease of supply	Sustainability

Q5.b. Could you tell us now briefly how you would define a good quality lobster and how do you recognise a good quality lobster?¹ WL – Whole Live² WF – Whole Green Frozen³ WC – Whole Cooked⁴ FreT – Fresh Green Tail⁵ FroT – Frozen Green Tail⁶ FreC – Fresh cooked Tail

a. Define a good quality lobster:

b. Recognising a good quality lobster:

Q6. When we contacted you, you told us that the person in charge of the purchasing process and decides the prices of the seafood plate on the menu is (complete name before the visit) _____

- a. If the response is the chef and if s/he works on food cost, then ask why?
- b. If the response is another person, try to have a discussion with this person to better understand his/her decision making process.

Q 7 Regarding your purchase of seafood and lobsters, how many distributors do you purchase seafood/lobster from; how long have you used this/these distributor/s

	a. Seafood	b. Lobster
1. Number of distributors (or suppliers)		
2. Name(s) of distributors or suppliers		
3. Do you work with punctual/short/medium/long term contract with your distributors or suppliers⁸		
4. For how long have you been working with this/these supplier(s)		
5. How would you characterise your relationship with your supplier(s)⁹		

Depending on who is in charge of the decision making process, ask the following questions to that person and to a few waiters/waitresses as well

⁷ FroC – Frozen Cooked Tail

⁸ 1=punctual, 2=short term contract (<3 months), medium term (3 to 12 months), long term contract (1 year or more)

Q8. How would you describe your typical customer (circle)?

- a. Mainly private Mainly business 50/50
- b. Mainly Young (<35) Mainly middle age mainly older (>50) All age
- c. Mainly new client Mainly casual client Mainly usual client All types
- d. Other characteristics:

Q9. Do communicate with your customers (at any other time than during their meal)?

- 1 Yes
- 2 No (if no, go directly to Q10)

Q10. How do you communicate with your customers? (ie: direct mail, website, promotional offers)

- 1 Direct mail
- 2 Website
- 3 Other medium (precise): _____
- 4 We don't

Q11 When communicating with your customers during their meal, do you suggest specific plates?

- 1 Yes
- 2 No (if no, go directly to Q12)

Q11a. If yes, how successful (on average during the last 4 weeks) is the wait staff regarding the suggestion proposed? (Tick the one that apply)

Completely Unsuccessful	Most of the time unsuccessful	Neither unsuccessful nor successful	Most of the time successful	Fully successful

⁹ 1=average, 2= good, 3=total confidence

Q12. What promotional strategies are used in your restaurant / outlets? (List the activities)

- 1 Daily special
- 2 Rewards - describe
- 3 Advertising in magazines
- 4 Other: _____

Q13. Do you educate your wait staff about the products used on your menu?

- 1 Yes
- 2 No (go directly to Q15)
- 3 I don't know

Q13a. How do you educate your wait staff? (Tick any that apply)

- 1 Wait staff taste all plates
- 2 Wait staff receives a description notice of all plates served on the menu
- 3 Wait staff are briefed by the chef for all plates on the menu
- 4 Wait staff are briefed by the chef for the main plates on the menu
- 5 Other: _____

Q13b. To what extent is this wait staff knowledge passed / transferred to the consumer?

- 1 Not often
- 2 Only if requested by the client
- 3 Sometime, when presenting the menu
- 4 At all time when presenting the menu
- 5 I'm not sure / I don't know

Q14. Do you offer staff incentives for increased sales of menu items?

- 1 Yes
- 2 No (go directly to Q15)
- 3 I don't know

Q14a. If yes, how do you know that it is efficient?

Q15. As a chef, how do you develop new recipes or new seafood products (rank – highest to lowest)?

- TV (media)
- Magazines
- Peers / fellow chefs
- Dining in other restaurants
- Other restaurants

Other – explain:

Q16. As a chef, do you participate to any forum, club, TV presentation where you can express your opinion regarding your business?

- Yes
- No

Q16a. If yes, what is this forum, club, TV?

Product trial (chef interview)

Q17. Please rate your experience using *certified CLEAN GREEN Australian Southern Rocklobster*?

- Excellent
- Good
- Average
- Poor
- Terrible

Please provide additional comments:

Q18. How did the following attributes of the *certified CLEAN GREEN Australian Southern Rocklobster* compare to other lobsters consumed? Give a mark from 1=much better to 5=much worse)

	a. culinary	b. Sweet flesh	c. firm texture	d. meat recovery	Don't use
1. Tail					
2. Leg					
3. Knuckles					
4. Head Meat					
5. Tomalley liver					
6. Shell					
7. Other: _____					

Q19. Which section of the lobster was used in each dish? Complete the table below:

Section of lobster	Use	Portion size	Cooking method (if applicable)
Tail			
Legs			
Feelers / horns			
Head meat			
Knuckles			
Shell			
Liver / tomalley			

Q20. What do you believe are the 3 main points of difference? (rank):

	Ranking
a. Region of Origin (cold southern Australian waters)	
b. Clean Green Certified Lobster	
c. Wild caught lobster	
d. Traceability system (traceable back to individual fishers)	
e. Premium quality – Kobe Beef of lobsters	
f. Sustainable fish production	
g. Fisher direct (from the sea to the plate)	
h. individual fisherman story	
i. other: _____	

Q21. Would you use these points of difference on your menu?

1. Yes, at least one (please circle the one that apply): a b c d e f g
2. Yes, a few (please circle all that apply): a b c d e f g
3. Yes, all of them
4. No, none of them
5. I don't know

Q22. Would you use these points of difference to communicate with your customers?

- 1. Yes, at least one (please circle the one that apply): a b c d e f g
- 2. Yes, a few (please circle all that apply): a b c d e f g
- 3. Yes, all of them
- 4. No, none of them
- 5. I don't know

Q23. If working with ASR, would fixed price be?

- An advantage
- More an inconvenience

Why? _____

Q24. Will you order certified Live Australian Southern Rocklobster?

- 1 Yes
- 2 No
- 3 I don't know

If NO – Please explain why?

Thankyou for your time.

Additional Comments

10.3. Current Customer Survey

Current Accounts

Date	
Restaurant	
Contact	
Quantity purchased since x	

General Comment:

Clean Green Certification program:

Q1. Please describe what the Clean Green certification program means to you?

Q1a. What value does the Clean Green provide you and your customers?

Product and logistics:

Q2. Please rate how satisfied you have been with the following?

(mark from 1, strongly dissatisfied to 5, strongly satisfied)

	1	2	3	4	5
a. Rocklobster taste					
b. Rocklobster freshness					
c. Rocklobster texture					
d. Rocklobster presentation (aesthetics)					
e. Rocklobster liveliness					
f. Customer service (orders)					
h. Delivery times					
e. Price					
h. Other:					

If strongly dissatisfied, please provide an explanation:

Communication

Q3. Please rank how effective you think the following promotional strategies would be to encourage customers to purchase this high-end item?

	1	2	3	4	5
a. Clean Green certification					
b. Origin (cold southern Australian waters)					
c. Wild caught					
d. Sustainability – quotas, size limits, protection of berried females)					
e. Traceability system (traceable back to individual fishers)					
f. Australian					
g. Premium quality – Waygu / Kobe beef of Seafood					
h. Fisher direct (from the sea to the plate)					
i. individual fisherman story					
j. Other					

Q4. Have you use these points of difference on your menu?

1. Yes, at least one (please circle the one that apply): a b c d e f g h I j
2. Yes, a few (please circle all that apply): a b c d e f g h I j
3. Yes, all of them
4. No, none of them
5. I don't know

If not, why not?

Q5. Would you use these points of difference when communicating with your clients (direct marketing or / and advertising)?

1. Yes, at least one (please circle the one that apply): a b c d e f g h I j
2. Yes, a few (please circle all that apply): a b c d e f g h I j
3. Yes, all of them
4. No, none of them
5. I don't know

Q6. Do you think a promotional strategy could be implemented to encourage customers to purchase this high-end item?

1. Yes
2. No
3. I don't know

Q7. Do you educate your wait staff about the products used on your menu?

1. Yes
2. **No (go directly to 11)**
3. I don't know

Q8. What have you done to educate your wait staff? (Tick any that apply)

- 1 Product tasting
- 2 Wait staff receives a description notice of all plates served on the menu
- 3 Wait staff are briefed by the chef for all plates on the menu
- 4 Wait staff are briefed by the chef for the main plates on the menu
- 5 Other:

Q9. To what extent is the wait staff knowledge passed / transferred to the consumer?

- 1 Not often
- 2 Only if requested by the client
- 3 Sometimes, when presenting the menu
- 4 At all time when presenting the menu
- 5 I'm not sure / I don't know

Q10. How do you know what knowledge is transferred to the customer?

Q11. Why don't you educate your wait staff about the products used on your menu?

- 1 We don't have the time
- 2 We don't think useful to do it
- 3 Too expensive
- 4 Other:

Q12. Please rank how effective each strategy below would be to increase sales?

(mark from 1, the least impact to 5, most impact)

	1	2	3	4	5
a. SRL Supplied of live holding tanks (display or back of house)					
b. Chef and wait staff incentive program (Chef or wait staff tour to Australia awarded to restaurants that achieve volumes targets)					
c. Fisher meet and greet – in the restaurant					
d. Restaurant promotion – branding e.g. menu / place mat, business cards, traceability cards, or table talker					
e. Volume rate to the restaurant – USA only					
f. Continual education of the wait staff on the program and product					
g. Customer incentives – lottery tags					

Sale trends:**Q13. Are there any particular times when you will require more Australian Southern Rocklobster between now and 30th June, 2008.(e.g. special times)**

Document any important dates:

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School of Marketing
International Marketing Planning Project



Southern Rocklobster Limited Contact Reports

Prepared For
Roger Edwards
Executive Officer

Supervised By
Dr Hervé Remaud

June 2008

Prepared By
Bryony Jardine
Ph: 0417 001 862
Email: jarbi001@students.unisa.edu.au

Ryan Jones
Ph: 0410 131 658
Email: jonesy@ryanjones.com.au

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1. Air Lobster – Patrick Hedges

ORGANISATION CONTACTED: Air Lobster	
DATE OF CONTACT: Wednesday 27 February, 2008	
ADDRESS: 16 Circuit Court, Hendon, S.A., 5014	
PHONE: (08) 8268 8888	FAX: (08) 8268 8868
E-MAIL: patrick@airlob.optusbiz.com	
PERSONS INTERVIEWED: Patrick Hedges, General Manager	
ACTIVITY OF ORGANISATION: Lobster Sales and Distribution	
EVALUATION OF CONTACT: Being an industry and supply chain member, Patrick has an interesting insight and will be useful if future supply chain questions arise.	
DURATION OF MEETING: 2 hours	
REFERENCE NUMBER: CR1	
BUSINESS CARDS	
	

Contact gave us a guided tour of the Air Lobster facilities, and showed us ASR, including variances in colour from differences in water depth and how they are packed for transport.

On SRL's Management Model:

- Happy to work with it, as it reduces the risks to his company from mortalities and currency fluctuations.
- Happy with fixed price per kilo for handling as long as it is a fair price.
- Has all required permits to export to the US, so could export direct to the US if required.

- Payment for supply chain members is slower through this model than through typical supply chain
- Track and Trace tags do not always stay on the lobsters; the program creates more work for all members along the supply chain when the software is, and isn't, working

On US Market Development Program:

- Thinks it's a good idea, however believes fishers will be reluctant to supply smaller lobster for the US at a fixed price when they get such good prices in Asia. SRL's fixed price is often below the beach price.
- Believes market development program is best for larger lobster in order to boost price paid for these.

On exporting ASR to Asia:

- Smaller lobsters (under 2kg) are in greater demand and command much higher prices than larger lobsters (over 2kg)
- Size may be a cultural / social aspect as the Chinese like to have their own individual small lobster to eat, and then one large lobster as a centre piece on the table
- Shell colour is also a cultural / social aspect in Asia as they will only buy the red shell lobsters (red is a lucky colour)
- Consider such cultural / social aspects when selling into the US market.

2. SRL – Hamish Parsons

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: Wednesday 27 February, 2008	
ADDRESS: Level 1, 16 Unley Road, Unley, S.A., 5061	
PHONE: (08) 8357 7569	FAX: (08) 8272 7767
E-MAIL:	
PERSONS INTERVIEWED: SRL Employee	
ACTIVITY OF ORGANISATION: Management of ASR fishery	
EVALUATION OF CONTACT: Very high level of industry knowledge	
DURATION OF MEETING: 2 hours	
REFERENCE NUMBER: CR2	
BUSINESS CARDS	
	

Contact provided insight into various aspects of the supply chain.

On the SRL Management Model:


- Time frame for payment is longer than in the typical industry supply chain; this creates dissatisfaction among supply chain members
- Fishers incur greater financial losses for mortalities and damaged animals
- SRL's fixed price paid to fishers is often below the beach price
- Fishers do not always fulfil contractual requirements when SRL's price is below the beach price; therefore supply into the chain is not always guaranteed. Enforcing contract requirements is difficult due to risk of damaging supply chain relationships.

- Track and Trace tags do not always stay on the lobsters; the program creates more work for all members along the supply chain when the software is, and isn't, working
- Inclusion of processor between fisher and exporter stages is currently necessary due to small quantities of product exported to the US

On the Clean Green program:

- There are currently no large benefits to the fishers themselves for being Clean Green certified. Certification allows them access to the SRL Management Model supply chain. Clean Green is a pre-emptive measure for ensuring the industry is ready for possible future Government increases in regulation of standards.
- Fishers not certified are individually responsible for passing AQIS inspections.
- Not all fishers take up certification, and not all fishers renew certification for various reasons including: some lack of perception of the value of certification; financial and human resources are required
- In Victoria, PrimeSafe do not recognise Clean Green as an alternative quality assurance program. Therefore CG certified fishermen in Victoria must still be audited by PrimeSafe

3. SRL – Matthew Muggleton

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: Thursday 28 February, 2008	
ADDRESS: Level 1, 16 Unley Road, Unley, S.A., 5061	
PHONE: (08) 8357 7569	FAX: (08) 8272 7767
E-MAIL: Matthew@corvel.com.au	
PERSONS INTERVIEWED: Matthew Muggleton	
ACTIVITY OF ORGANISATION: Management of ASR fishery	
EVALUATION OF CONTACT: Contact is able to provide a range of in-market knowledge of the target market and sales process	
DURATION OF MEETING: Contact provided an email response to questions	
REFERENCE NUMBER: CR3	
BUSINESS CARDS	
	

Contact responded via email to questions regarding the sales process within the US:

Preamble to Contact: We just had some questions on the US sales process and current state of affairs over there we were wondering if you could answer for us?

Questions, followed by Contacts response:

1. How long does it take from meeting to purchase decision?
 - Varies – some times they place an order immediately or some times it takes up to 6 months

2. What percentage of contact restaurants do you physically go to?
 - Are talking about the database of restaurants we have or our current accounts?
3. What percentage do you conduct taste tests with? What percentage makes a purchase following contact?
 - All of our current accounts have tasted the lobster. I would estimate and say 15 - 25% of restaurants I have visited buy the lobster.
4. How do targets respond to the approach? (*i.e. what reaction do you get from targets*)
 - *Good, that is how business is done in the USA*
5. What is targets current levels of awareness of SRL/ASR?
 - 5% are aware of the lobster
6. Are there any positive/negative perceptions?
 - Yes, some chefs just turn up there nose before they even try the lobster.
5. Which aspect of the sales approach has SRL found works best in attracting potential clients?
 - Visiting, taste test and working though how they can utilise the lobster.
6. Which aspect of the sales approach has SRL found works the worst in attracting potential clients?
 - Probably focus groups. But this helps build awareness of the product.
7. What do you believe is the biggest change/improvement SRL could make to their sales process?
 - Have more effort visiting, taste tests and working through the lobster.
8. How does the approach differ between approaching an independent restaurant and a hotel chain?
 - Independent restaurant or chains are difficult to crack.
9. Who are the Santa Monica Seafood's sales team approaching to sell ASR to?

- White table cloth restaurants.

10. Are they aware of who SRL have already made contact with? Yes. (*i.e. are they contacting the same targets as ASR before/after ASR have made contact? Are they contacting targets in the same geographical area?*)

- *They are not contact any of SRL's accounts.*

11. Has there been any feedback positive or negative about the Santa Monica Seafood's sales team?

- Not as yet. Some members of the Santa Monica Sales team believe the lobster is too expensive, therefore they don't try to sell the lobster.

12. When (what month) did the Santa Monica team begin selling the ASR?

- Jan

13. What volume have they sold to date?

- Maybe 100kg

14. Would you like to offer different forms of ASR in the US, besides live & fresh? (*i.e. Medallions, Frozen Tails*)

- *Yes, fresh tails.*

15. Do sales prices vary to customers in the US?

- Yes, restaurant in other cities is + shipping.

16. How does this variation occur?

- As per other comment.

4. Ann Oliver

ORGANISATION CONTACTED: Ms Ann Oliver – Independent Chef	
DATE OF CONTACT: Monday 3 March, 2008	
ADDRESS: Not Available	
PHONE: 0403 117 739	FAX: 8340 9341
E-MAIL: olive@annoliver.com	
PERSONS INTERVIEWED: Ann Oliver	
ACTIVITY OF ORGANISATION: Chef	
EVALUATION OF CONTACT: Being a chef, Ann Oliver has firsthand experience and knowledge in dealing with Chefs, therefore her opinions are highly valued	
DURATION OF MEETING: 20 minutes	
REFERENCE NUMBER: CR4	

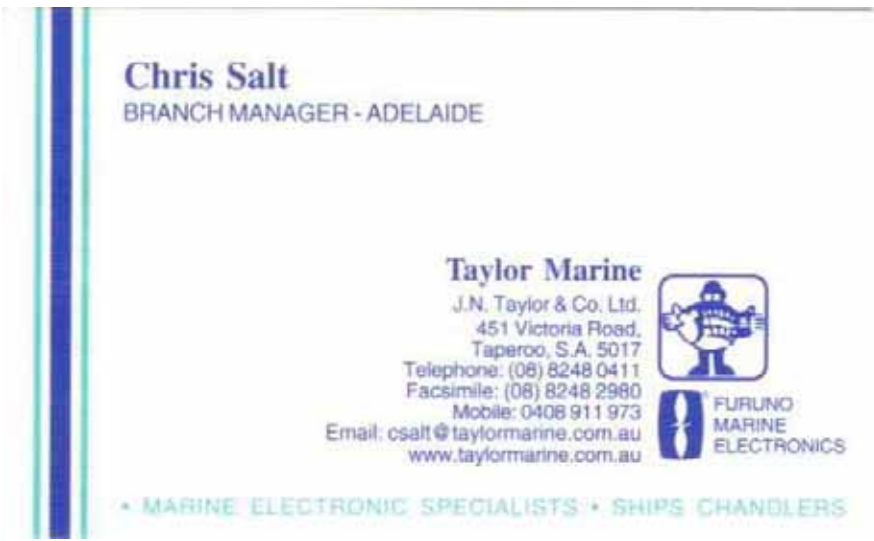
This contact was conducted via telephone.

Ann Oliver provided feedback and insight on how to conduct market research via the telephone with chefs. The draft telephone survey, aimed at potential accounts, was conducted with Ann.

Contacts feedback on the telephone survey:

- Chefs are time poor ego maniacs – you need to obtain their attention in the first few seconds of the telephone call. Do not open with a lengthy description of the organisation.
- Utilise words such as ‘Australian’, ‘live and fresh’, ‘wild caught’ to gain their attention
- Industry focus is moving towards issues of sustainability and ‘green’; capitalise on this by mentioning SRL’s programs / efforts towards achieving such results
- Use science based words to communicate sustainability
- Be aware that some chefs may be quite abrupt and not willing to answer your questions.

5. Taylor Marine – Chris Salt


ORGANISATION CONTACTED: Taylor Marine – Port Adelaide	
DATE OF CONTACT: Sunday 30 March, 2008	
ADDRESS: 451 Victoria Road, Taperoo, S.A., 5017	
PHONE: (08) 8248 0411	FAX: (08) 8248 2980
E-MAIL: Adelaide@taylormarine.com.au	
PERSONS INTERVIEWED: Chris Salt, Manager	
ACTIVITY OF ORGANISATION: Specialist supplier of Marine Equipment, including to rocklobster fishers	
EVALUATION OF CONTACT: Contact was helpful in providing his experience with fishers; however this shouldn't be regarded as necessarily indicative of the entire industry.	
DURATION OF MEETING: 15 mins	
REFERENCE NUMBER: CR5	
BUSINESS CARDS	
	

Contact shared some of his experience with fishers:

- Many older fishers resistant to change, not just SRL changes (e.g. Ferguson products)
- Only interested in selling their lobster and getting their price, reluctant to add extra work (e.g. tagging)
- Many not interested in Clean Green certification because it adds cost and takes time (i.e. required course)

- Clean Green is a good idea, as this is the way the industry will go, however a lot of older fishers believe they will have retired by then and will not need to concern themselves with it.
- Fishers seem to be very much concerned with the 'here and now' and short term objectives (i.e. catching all of their quota and getting a good price) rather than longer term projects such as the SRL Market Development Plan.

6. SRL – Justin Phillips

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: Wednesday 2 April, 2008	
ADDRESS: Level 1, 16 Unley Road, Unley, S.A., 5061	
PHONE: (08) 8357 7569	FAX: (08) 8272 7767
E-MAIL: justin@corvel.com.au	
PERSONS INTERVIEWED: Justin Philips,	
ACTIVITY OF ORGANISATION: Management of ASR fishery	
EVALUATION OF CONTACT: Knowledgeable in a number of industry specific areas, and will be useful for continual information regarding how the industry, supply chain and Clean Green program work.	
DURATION OF MEETING: 5 mins	
REFERNCE NUMBER: CR6	
BUSINESS CARDS	
	

Discussion with Justin centred on fishing limits for ASR fishers.

- There is a quota on ASR, which applies per boat
- In addition, there is a limit on the number of pots per boat

WA Fishery:

- Some resistance from industry in moving towards quota, despite total available catch being reduced.
- Currently fish almost unrestricted, although not allowed to fish on Sundays.
- Estimate stock levels based on spawning figures and fishers self manage.


Tas:

- Limited quota per boat, but no pot limits.

Certification:

- Looked at MSC certification, only addressed one issue (environmental/sustainability), not as many issues as Clean Green addresses (i.e. occupational health and safety, environmental, sustainability, etc.)
- Cost prohibitive
- Common certification, i.e. seen in Wal-Mart etc, therefore doesn't promote exclusive image like Clean Green.

7. SRL – Lucy Hinge

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: Wednesday 2 April, 2008	
ADDRESS: Level 1, 16 Unley Road, Unley, S.A., 5061	
PHONE: (08) 8357 7569	FAX: (08) 8272 7767
E-MAIL: Luy@corvel.com.au	
PERSONS INTERVIEWED: Lucy Hinge	
ACTIVITY OF ORGANISATION: Management of ASR fishery	
EVALUATION OF CONTACT: Contact has moderate knowledge of US promotional practices	
DURATION OF MEETING: Contact provided an email response to questions	
REFERENCE NUMBER: CR7	
BUSINESS CARDS	
	

Contact responded via email to questions regarding promotional practices within the US:

Preamble to Contact:

It would be great if you could please forward over some information regarding the promotional practices in the US. At the moment we really don't have much information regarding the details of these and we would like to include the most accurate information in our analysis as possible.

Questions and Contacts response:

Q1: How many chefs in the US were emailed Chef News, and was this done in December last year? Has a second issue now be sent also?

Contact Response: sent to approx 250 ppl – some in Aust and some in US in both December and March. The third edition is due to come out next month – Ann and I are working on the content now.

Q2: Has only one Group product tasting been conducted in the US? When was this, how many attended, and what sales came from it?

Contact Response: ask Matt for this – or RE. I think there have been a few. Charlie Trotters and a few other steak houses. Also, product was donated to some charity dinners (MM has these details) as well as G' day USA late last year.

Q3: How many trade shows has SRL been to - what & when were they?

Contact Response: We went to Restaurant 07 in Sydney last year around March. NRA show in Chicago in mid May 07 and we are obviously going to the NRA Chicago 08 this year which is 17th – 21- May

Q4: What are the details of the recent mail out of 'tags' that were sent? What was sent with the tags, how many people were they sent to etc?

Contact Response: a tag and a DL flier (look in box next to my desk where there is a double sided DL flier) were sent to 500 restaurants out of our database. We have had some response from this and I have spoken to two chefs who received the mail out and are interested in the product. I have completed the survey with them as well.

Q5: Any other promo practices in the US, and brief details of these?

Contact Response: You really need to ask Matt on details for these. There have been donations to charity dinners this year also, a lobster featured on a USA cooking show. I cant remember the name of the show but we provided them with a CG tagged lobster. We also set up a stand at a Japanese fish market called 'IMP'. IMP is a company that imports seafood fresh from Japan and has an early morning market a few times a week. High end Japanese and Asian chefs come and hand pick out their seafood from here. We set up a stand and had product tasting (sashimi lobster) as well as some brochures etc. Matt developed this relationship with IMP.

8. SRL – Matthew Muggleton

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: Wednesday 2 April 2008; Friday 4 April	
ADDRESS: Level 1, 16 Unley Road, Unley, S.A., 5061	
PHONE: (08) 8357 7569	FAX: (08) 8272 7767
E-MAIL: Matthew@corvel.com.au	
PERSONS INTERVIEWED: Matthew Muggleton	
ACTIVITY OF ORGANISATION: Management of ASR fishery	
EVALUATION OF CONTACT: Contact is able to provide a range of in-market knowledge of the target market.	
DURATION OF MEETING: 1 hour 45 minutes	
REFERENCE NUMBER: CR8	
BUSINESS CARDS	
	

Contact provided market knowledge of various aspects of the US market development program.

On the SRL Management Model:

- Major benefits of the Management Model are: allows quality management at every stage of the supply chain; allows better ownership of the product/ brand
- No major perceived limitations
- The importer/distributor should be performing the activities required in these stages of the supply chain. SRL have been performing many of the activities, though someone is now being trained to relieve SRL of these responsibilities/

- Contact is currently building a relationship with a new distributor, International Marine Products. They have purchased small volumes of ASR to date. The organisation is a Japanese importer/distributor that will provide access to a new customer base (predominantly Japanese restaurants).
- Contact believes the Clean Green and Track & Trace programs are in the right direction for current trends in the industry – i.e. sustainability and traceability. Contact believes the target market also recognise this. However contact does not believe target market are at the stage of using such issues as deciding factors in purchase; they are more concerned with quality and price.
- A domestic supply chain provides the following benefits for those 'brands' within the US: cost advantages that lead to lower prices charged to customers; lower risks of mortalities; shorter travel times for live lobster

On the Santa Monica (SM) Seafood Company:

- The relationship with this organisation is only approximately 3 months long and therefore still in development. Would not class this relationship as particularly strong, yet.
- The SM sales team consists of 10-15 people; approximately 4 of which have sold the ASR to customers.
- The SM sales team have approximately 3000 products on their product list to sell. They receive comparable margins for selling ASR; perhaps maybe a few cents more.
- Santa Monica provide Contact with up to date information on who (restaurants) they have sold to. They have sold to approx. 10-15 different white cloth restaurants
- For all products, the SM sales team sell predominantly to independent restaurants, and some chains
- Contact does not believe the SM sales team are particularly effective, nor dedicated to selling ASR as they have such a wide range of products to sell
- SM sales team perceptions of the ASR: some believe it is too expensive to try and sell, though do believe it is the best lobster available
- SM sales team provide Contact with limited feedback regarding restaurants' perceptions of the ASR. However, the feedback that is received is positive; the product is the best available

- Contact is unsure what selling points the SM sales team use when trying to sell the ASR to restaurants, as he is not present
- Contact believes the best method for improving the SM sales team process is for him to accompany them on every occasion; however this is not possible.

On Promotional Activities in the US:

- Group Product Tastings:
 - Approximately 4-5 have been conducted. These are held at a SPFD restaurant and various industry members are invited (chefs, restaurant owners & managers). These invitees cover a range of segments in the target market (independents; restaurant chains; hotels and hotel chains).
 - Response rate is not high; approx. 10-15 attend each.
 - A well known chef prepares the menu for the event.
 - Unsure what sales eventuate from these tastings – if they are not immediate it is difficult to tell (could review past sales data to determine if any attendees did eventually purchase)
 - Incentives used to encourage attendance: opportunity to taste the ‘world’s best lobster’, receive free meal and drinks etc
 - Note: Santa Monica conducts their own monthly group product tasting. This tasting can include any number of products from their product list
- Product Donations:
 - SRL have donated product to charity dinners this year and to the G’Day USA program last year. Types of promotion received as a result is inclusion on the menu, flyers/brochures made available at the events
- Television Promotion:
 - Chef Daniel Bouloud (celebrity chef) featured the ASR on an episode of his television program, ‘After Hours with Daniel Bouloud’. This product placement was the result of the existing relationship established between SRL and the chef. SRL did not receive any direct feedback/response from this promotion; however response and market influence is difficult to measure.

On Customers / Potential Customers and the Product:

- Reasons for some chefs turning up their nose when Contact approaches to sell? Is there a negative perception of ASR in the market?
A: Contact is unsure; though believes this response generally occurs because chefs are not always receptive to yet another sales person, and is not a reflection of the ASR itself.
- Determinants of 'quality' = is generally a combination of most product attributes (edible meat, freshness, texture, flavour, size).
- Tails: there is a large market in the US for tails, particularly within steakhouses. Contact would like to add tails to the product mix; will begin in-market trial with tails very soon
- Influence of Seasonality: Seasonality influences price – prices increase in summer. There are also peak times of the year, e.g. in Vegas for corporate functions that bring in more big spenders
- Customer base details: Contact asked to provide details of the customer base that were recently compiled by the Contact
- Building relationships with customers, particularly with 'celebrity chefs': Contact believes it is difficult to determine if increased time spent on building relationships would have much of a positive impact
- Value of celebrity/award winning chefs: Contact believes there is a positive attitude within the US market towards celebrity/award winning chefs
- Offering fluctuating price to customers: Contact is of the opinion that customers should continue to be charged a premium fixed price. However, the benefit of a fluctuating price may be realised by those at the supply end of the chain.

Purchasing/ Decision Process:

- Decision Makers in Restaurants: Contact has observed the purchase decision maker to generally be the chef, or sometimes the owner. Further the chef will often work in collaboration with the owner/manager/purchasing officer to make purchase decisions.
- Length of decision making process: Contact is unsure why the period between contact with customer and purchase decision can be quite long. Perhaps it is due to

price point – customers need time to process the high price of the ASR and realise how to utilise the product to make the price work in their favour.

- Follow ups: Contact will generally follow up with potential customers as soon as possible; then perhaps maybe a week later; then as he feels is appropriate. Contact is mindful of not putting potential customers offside by being too intrusive and 'pushy'.
- Offering discount for initial purchase: SRL have not utilised this approach, though Contact does not believe it is likely to increase sales as customers are aware they will still need to pay the price premium
- Fixed Price: Customers do not find fixed price to be highly important. It is not a deciding factor in purchase decision. Customers are accustomed to working with fluctuating prices
- Reasons for customers not repeat purchasing: Contact is unsure, though will sometimes receive a response from the chef to the effect of; 'I don't have the big spenders coming in at the moment' (and therefore do not have the customer base to sell lobster to).

Customers/potential customers perceptions of ASR:

- Quality: fantastic. Most say it is better quality than competitive products
- Flavour/texture: quite comparable to competitors; can be viewed as better, however some say the meat is not as sweet (as e.g. Maine). Sweet tasting meat is a desirable attribute for lobster.
- Appearance: shell colour and appearance is not a factor for the ASR
- Size: is generally larger than other species (larger lobsters are approx \$3 per pound cheaper than smaller lobsters).
- Species: only limited negative perception of spiny lobster (i.e. no claws)
- Culinary Capabilities: above those of competitors
- Sustainability: as mentioned before, the target market view this as a necessary trend/direction for fisheries, however it is not the deciding factor in purchase decisions

Chains (restaurant and hotel)

- Contact has found it more difficult to sell to chains than into independent restaurants.

- Those restaurants/hotels that are a part of a chain and have purchased ASR actually act independently; therefore the restaurants are technically independent.
- There are no chains on the customer database.
- Contact has not approached the national/corporate purchasing department for any chain
- In xxx there is a buying group, the Vendra Group, who largely control product purchasing/selling*searched google, didn't find anything

Media/ Communications

- Chefs, restaurant staff, purchase decision makers are exposed to, and receive recommendations from:
 - High end magazines: Gourmet; Bon A petit
 - Peers
 - Dining at other restaurants
 - Trade shows
 - High end cookbooks: e.g. Thomas Keller
 - Star Chefs website
 - Sales people/ distributors
- Level of influence on chefs/decision makers: Contact believes it is very difficult to measure this influence, and is unsure himself of the level of influence media/communications have on the target market
- Food Network is the number one TV program in the US

On Email Survey:

- Contact is of the opinion that targets would not take the initiative to complete and send back
- Contact would be comfortable with emailing the survey to those lower rated targets, and those who have been called though did not complete the survey due to unavailability and time constraints.
- Contact does not advise emailing the survey to targets not yet contacted (this is not how the first contact from SRL should be made)

On US Trip:

- Non-SRL personnel to manage tanks while students are in the US: someone is being trained at the moment
- Itinerary: a draft/temporary itinerary has been developed with Roger Edwards
- Confirming in-depth interviews: Contact and Lucy Hinge will be responsible
- Access to wait staff and other restaurant staff: is a possibility if a potential customer wants to conduct a group staff briefing/training session with the ASR
- Access to current customers: This is a possibility. Contact would like to view a list of questions intended for these people before a decision is made
- Phones in the US: Contact has purchased two for use in the US

Lobsters – General:

- Flavour: sweet is a desirable attribute
- Size: 1-2 pounds is the typical size of lobster in the US

On Competitors:

- Hard vs Soft Shells: Hard shells are higher quality and command higher prices than soft shells. Suppliers in Vegas buy the hard shell Canadian lobsters as they are more hardy, they survive better in the tanks
- Main bases of competition: Quality and Price are always the determining factors of purchase decision. Generally quality is 1, and price is 2, though both are taken into account. Price varies among the competitive set, therefore price is an issue even when ASR is excluded from the competitive set.
- Contact does not believe the Cuban lobster should be included in the competitive set
- Observed brands selling live lobster: Maine, Canadian, and Californian. Has only observed Floridian as tails.
- The ASR:
 - Culinary capabilities are above those of any competitor, even the Californian lobster

- Atlantic Lobster brand distinction:
 - Contact has not observed targets/industry members to distinguish between Maine (American) and Canadian lobsters. Contact was not aware of Maine's efforts to brand lobster harvested in Maine.

- Californian and Mexican Lobster brand distinction:
 - Within the market, Contact has not observed a distinction between the Californian and Mexican lobsters.

- Australian lobsters – brand distinction
 - All species of lobster from Australia are viewed in-market as being the same; i.e. no knowledge of distinction between Western, Northern, ASR
 - Australian lobsters (any species) are often referred to on the menu as 'Australian Cold Water Lobsters' regardless of whether they are Western or Northern

- Size:
 - 1-2lb is standard size of lobster in US (American/Maine)
 - Californian lobster have a similar range in size as the ASR; can grow quite large also

- Price & Product Forms:

Live and Tails are the major forms sold into restaurants. Floridian can be sold as 'whole cooked'.

 - Atlantic (Maine/Canadian): Whole \$8-13/lb whole. Can be sold for as much as \$17/lb (saw this in-market last year). Tails \$25/lb;
 - Californian: Whole \$16-18/lb;
 - Western Australian: Small Tails \$29.50/lb; Large Tails \$36.50;
 - South African: Tails \$21 to 23/lb
 - Northern Australian: \$29 to \$33/lb
 - Floridian: Not sure of price. Is also sold into SPFD a 'whole cooked'
 - Contact advised they have not seen a "Super Premium" restaurant buy tails; the buy fresh or live. Steakhouses buy tails.

- Quality/taste/appearance:
 - American = 99% of the time industry believes the ASR is better quality, the other 1% will say the American lobster is sweeter – contact believes the reason may be parochial. Texture – has no texture. Colour of the shell is black/brown, though this does not have a negative influence on customer/consuming purchasing – they are familiar with lobsters having this appearance. Size – generally 1-2lb.
 - Californian = high quality. However suffers from melanosis where the meat turns black easily, the meat deteriorates, tastes muddy, has no flavour and zero texture.
 - Floridian = is a warm water lobster and the quality is not as good (as some e.g. the Californian); has heard a small amount of feedback from high end chefs that the taste and quality is not as good.
 - Western Australian = is a good product; is the best tail on the market; though overall the lobster is not as good as the ASR
 - Tropical/ Northern Australian = is a good product; tails are on par with Western Australian

- Species:
 - US market is used to lobsters having claws
 - Spiny lobsters are generally sold as tails only, so customers/consumers are not aware that these lobsters do not actually have claws
 - Market is unfamiliar with spiny lobsters (i.e. non-clawed lobster); when customers/consumers are shown the ASR they ask where the claws are

- Processing/ 'shucking'
 - Has observed this within the market; is a threat; customers have bought this lobster over ASR; "it is ready to go"
 - Is potentially competition for 'sashimi' style lobster; however Contact has advised the lobster is not sashimi grade


- Coverage across the US
 - Floridian is sold in Florida; is sold in LA; Contact believes it may have full market coverage across the US; is not a large brand though
 - Californian: contact believes it is sold right across the US; however only a very small volume is sold in the US, majority of the already small catch is exported to Asia
 - Atlantic; full market coverage

- Supply & Seasonality
 - Maine Lobster have problems with weather that can affect supply
 - Western Australian– is frozen so available 24/7; though they do run out of them (coincides with the season?)
 - No clear observations of when live lobster (any species) is harder to source in market

- Marketing Advantages
 - American Lobsters – believes some customers/consumers buy American lobster due to parochialism
 - American: Price point significantly lower than ASR
 - American: well established; have been in the market forever
 - American lobster is definitely the largest competitor in the market
 - Sustainability and Company branding are two main marketing activities used. However Contact has not observed the branding of the Maine Lobster in market, and does not believe these activities (by any brand) have an effect on customers, “they don’t care” .

- South African Tails:
 - Contact has not observed a great amount of South African tails in the market; sees primarily Western Australian and Northern Australian

9. SRL – Roger Edwards

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: 10 April 2008 and 1 May 2008.	
ADDRESS: Level 1, 16 Unley Road, Unley, SA, 5061	
PHONE: (08) 8357 7569	FAX: (08) 8271 7767
E-MAIL: Roger@corvel.com.au	
PERSONS INTERVIEWED: Roger Edwards	
ACTIVITY OF ORGANISATION: Management of ASR fishery	
EVALUATION OF CONTACT: Contact has extensive, reliable industry knowledge	
DURATION OF MEETING: 20 minutes	
REFERENCE NUMBER: CR9	
BUSINESS CARDS	
	

Contact provided information regarding various aspects of market development in the US.


- The fishers no longer own infrastructure (tanks) in Los Angeles – these tanks were taken out of commission
- Tanks were shut down during October to mid-December 2007
- Contact referred us to the Australian Southern Rocklobster Industry Strategic Plan to observe fluctuations in landings of ASR during the year. Landings peak in May and then drop for several months following.
- The SA fishing season ends late May each year and is closed until 1 November – 55% of the industry’s catch comes from SA so the end of their season greatly affects supply levels of ASR

- November each year sees quality issues arise because the ASR are new-shell lobsters during this period
- Account Manager was not present in-market during June and July of 2007 – therefore there were no SRL employees in-market during this time

1 May 2008

- \$0 has been spent on marketing mix activities for development of the US market. Activities utilised to date are classified as research and development (including trade shows, G'Day USA, Food Service Manuals).
- The \$AU1 per kilogram of volume traded to date has been accumulating since market development commenced
- The ASR Industry does not have marketing levies as other industries do (e.g. pork, beef). There is no levy legislation for the industry. Neither is there an industry corporate that would invest in the marketing funding needed.
- SRL receive assistance from Austrade to subsidise the cost of their participation in the NRA Show.
- Educational activities, since they are not included in the marketing budget by SRL, can be budgeted under FRDC projects for the purposes of the Communications Plan.
- NRA costs approximately \$13,000 including two staff, and StarChefs costs approximately \$6,000 including two staff.

10. SRL – Matthew Muggleton

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: Monday 12 May 2008	
ADDRESS: Level 1, 16 Unley Road, Unley, SA 5061	
PHONE: (08) 8357 7569	FAX: (08) 8272 7767
E-MAIL: Matthew@corvel.com.au	
PERSONS INTERVIEWED: Matthew Muggleton	
ACTIVITY OF ORGANISATION: Management of ASR fishery	
EVALUATION OF CONTACT: Contact is the most knowledgeable possible contact on SRL's customer base	
DURATION OF MEETING: na. Contact provided an email response to questions (some updates to information were provided in person on 2 June 2008).	
REFERENCE NUMBER: CR10	
BUSINESS CARDS	
	

Contact responded via email to questions regarding characteristics of the customer base. Questions and responses are reported below.

Question1: Volume traded per month for January, Feb, March 2008 (excluding volume for R&D)

Answers:

VOLUME TRADED – JULY – APRIL – 3364.94 kg (excluding R&D)

JAN – 634.14kg

FEB – 1257.17kg

MAR – 508.33kg

APR – 395.85kg

Questions 2:

Number of customers in the US:

- who have purchased at least once

ANSWER: 24

- who have purchased at least twice

ANSWER: 34

- by State

ANSWER

State sold:

Nevada - 19

California - 10

NY - 5

Florida - 4

Illinois - 5

Washington DC - 1

Pennsylvania – 1

South Carolina – 1

Oklahoma - 1

Update received on 2 June: Nevada=25; California=15

- who are within a hotel

ANSWER 0

- who are part of a restaurant 'group' e.g. Gordon Ramsay's restaurants

ANSWER Michael Mina, etc - 29

- who have used/or do have ASR on their menu

ANSWER – 7

- who have used/or do have ASR on tasting menu - or as a special

ANSWER 51

EMAIL NO. 2

I have a few more questions for you that I please require answers for to assist in developing our analyses. These questions relate to incentive schemes, and the Santa Monica sales team.

Incentive Schemes:

- Please provide details of the incentive schemes SRL offer to Restaurants and wait staff – i.e. what volume are they required to sell to achieve which rewards?

BELOW IS A SUMMARY OF THE DIFFERENT PENETRATION STRATEGIES:

1. Supplying a tank – this strategy is currently being tested at Nobu Melbourne in Australia. The interim results demonstrate that the right restaurant can substantially increase their sales by having live lobsters available in the restaurant. Before having a tank the sales at Nobu were irregular (no more than 10kg per week). After installing the tank the sales increase to 60kg per week and then to 100kg per week after waitstaff training and incentive program was introduced.

Supplying a tank has its issues, there are as follows:

- Lack of skilled people operating the tank, which has resulted in loss of lobsters
- Ongoing trouble shooting and deliveries of water to keep the tank functioning correctly
- The customer still expects the cheapest price possible, even with the extra services provided.

2. Wait staff training / incentives

Wait staff training and incentive programs are one of the most powerful penetration strategies, but the chef (the person who is responsible for making the decisions) must be on side. The trial involving offering incentives and training increase sales by 33% at Nobu Melbourne over night.

DETAILS OF THE REWARD PROGRAMS ATTACHED.

3. Train the distributor sales staff – this strategy is one that allows SRL to connect with high end chefs with a personal introduction by their distributor. The trial involves SRL providing

a box in / box out scenario for the distributors. This penetration also involves SRL presenting to the sales staff of the distribution company and being available to educate chefs in conjunction with the distributor's sale staff.

The 2 distributors selected for the trail include:

- Santa Monica Seafoods
- IMP

The results have been limited thus far, but more time is required to determine the effectiveness of this strategy.

Update received on 2 June: IMP has sold a maximum of 20 pounds. IMP charge restaurants 125% of the price they purchase ASR for from SRL

4. Volume rebate – this is a simple program based on order size.

This has been effective to some degree, but the restaurants that really want to purchase the lobster would do it anyway.

5. External sales support – engaging sales support not linked to a distributor, but with a history of being in the food service sector.

A girl in New York has been engaged, but no results have been achieved to date.

Update received on 2 June: this person has only engaged in the R&D process to date.

6. Communication program – this is about educating the top restaurants that have a celebrity chef (industry leaders) about the lobster and Clean Green program. By penetrating accounts with these high-end restaurants, allows you to communicate to other restaurants that strive to be like the industry leaders to penetrate the market.

This strategy is hard to assess quantitatively, but I believe has real resonance with the high-end chefs.

7. Supporting Charity programs and government events – this strategy is about building awareness of the Clean Green lobster and its brand. To date SRL has supported Luke Mangan (Charlie Palmer) and Austrade (G'DAY USA) with events. I believe this penetration is very

little tangible results, apart from building key relationships with Australia's celebrity chefs – Luke Mangan & Neil Perry.

This strategy is about getting the industry leaders on board to communicate with current accounts about the users of Certified Clean Green Australian Southern Rocklobster.

8. Trade show (NRA) and events (Star Chefs) – The NRA show is an awareness building exercise, this will occur in May, 2008.

SRL supported Michael Cimurusti to present our lobster at the Star Chef's black tie dinner in New York to all the leading chefs in the USA and hold a workshop to demonstrate how to utilise the lobster by breaking into small portions.

It is difficult to assess this strategy, but one I believe is worthwhile to educate the culinary world.

9. Celebrity Chef – Curtis Stone – Curtis Stone is an Australian chef that stars in "Take Home Chef", which has an enormous following by the home mum's of America. This strategy has not been developed as yet, but could be a great penetration strategy for shipping directly to end consumers.

- Have any restaurants or wait staff achieved the required volume targets? NO RESTUARANTS HAVE ACHIEVED THE VOLUME TARGETS AND WILL NOT GET CLOSE. EVEN THE RESTAURANTS KEEN TO MAKE IT WORK HAVE CHANGED THERE COMMITMENT A LITTLE WAY THROUGH DUE TO PRICE AND MANAGEMENT DECISIONS ETC
- What response have you received from any restaurant or wait staff regarding these incentive schemes? – e.g. are these volume targets achievable? Have they made suggestions for what sort of incentives may be more achievable for them? THE RESTAURANTS IN THE USA ADVISED THAT THE VOLUME TARGETS WERE NOT ACHIEVABLE AND MORE SIMPLE TARGETS AND INCENTIVIES MAY BE MORE APPROPRIATE E.G. FREE LOBSTER OR STEAK DINNER. OVERALL THE

RESTAURANTS DIDN'T EMBRACE THE STRATEGIES THAT WELL. SRL IS STILL A LOW PRIORITY ON THERE RADAR.

Santa Monica sales team:

Please provide the following information on the Santa Monica sales team. This information will allow us to comment more accurately on the progress this team have made with assisting in developing the market

- The restaurants they have sold to; the date of these sales; and the volume of these sales to show how many people are buying from them, how often and how much. If you prefer not to include the restaurant name, then please provide e.g. Restaurant X bought X pounds on X date.

I'M CAN'T GET THIS INFORMATION:

SANTA Monica sales – 28th Dec 2007 – 30th April, 2008 – 477.54

lbs

Total USA Sales – 7823.03 lbs

Santa Monica sales – 6%

Note that I have given SMS sales due to Lucy being not well. I just thought that this should be noted.

- A description of the restaurant type (e.g. independent within a hotel; independent; restaurant group or chain) to show which types of restaurants they are selling to in comparison to SRL.

Santa Monica sales have all been to individual restaurants or restaurants within the Las Vegas Casinos.

Update received on 2 June: Customers who have purchased more than once, purchase approximately 30 pounds per week on average.

Previous SRL tastings have cost between \$3,500 and \$7,500, with an average of \$5,000.

Le Bernardin is a good customer of SRL's, and buys approximately 55 pounds per week.

Sales staff in the US must be paid incentives in the form of commissions. Each additional staff member will cost SRL approximately \$100,000 per year.

11. SRL – Kate Dermody

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: Wednesday 28 May 2008	
ADDRESS: Level 1, 16 Unley Road, Unley, SA 5061	
PHONE: (08) 8357 7569	FAX: (08) 8272 7767
E-MAIL: kate@corvel.com.au	
PERSONS INTERVIEWED: Kate Dermody	
ACTIVITY OF ORGANISATION: Office Manager	
EVALUATION OF CONTACT: Contact is knowledgeable on the office activities.	
DURATION OF MEETING: 5 minutes	
REFERENCE NUMBER: CR11	
BUSINESS CARDS	
	

Contact gave an overview of visa requirements for SRL in the US.

It will take approximately 2-4 weeks to prepare Visa paperwork for additional employees now that it has been prepared for the Market Development Manager.

US based lawyer was engaged to prepare initial paperwork; further information can be gathered from Matthew Muggleton, Market Development Manager.

12. SRL – Lucy Hinge

ORGANISATION CONTACTED: Southern Rocklobster Limited	
DATE OF CONTACT: Monday 12 May 2008	
ADDRESS: Level 1, 16 Unley Road, Unley, SA 5061	
PHONE: (08) 8357 7569	FAX: (08) 8272 7767
E-MAIL: lucy@corvel.com.au	
PERSONS INTERVIEWED: Lucy Hinge	
ACTIVITY OF ORGANISATION: Project Officer	
EVALUATION OF CONTACT: Contact has good knowledge of current organisational marketing and communication activities.	
DURATION OF MEETING: 5 minutes	
REFERENCE NUMBER: CR12	
BUSINESS CARDS 	

Contact provided information on previous SRL direct mail efforts.

Early 2007 mailed 500 “Clean Green” lobster tags with a DL information flyer to SPFD restaurants on SRL’s database.

Only 3 restaurants made contact with SRL, a response rate of less than 1%.

SRL conducted no pre-campaign calls, or post campaign calls.

Chef News costs \$2,000 per issue to produce, with this going towards Ann Oliver’s costs.

13. Island Institute – Shey Conover

ORGANISATION CONTACTED: Island Institute	
DATE OF CONTACT: Tuesday 13 May 2008	
ADDRESS: 368 Main Street, Rockland, Maine, 04841	
PHONE: 207 594 9209	FAX: 207 594 9314
E-MAIL: sconover@islandinstitute.org	
PERSONS INTERVIEWED: Shey Conover	
ACTIVITY OF ORGANISATION: Research into Maine Lobster industry	
EVALUATION OF CONTACT: Contact is knowledgeable on Maine Lobster tracking.	
DURATION OF MEETING: na. Contact provided an email response to questions	
REFERENCE NUMBER: CR13	

Preamble to Contact: Could I ask you some questions about LobsterTales.org, what you were doing with it, how it worked and whether it was successful. Also what are your current plans for the site? It seems to have been down for quite some time, has it been shut down or is it being rebuilt?


The site was started originally to help market Maine lobsters and emphasize the local communities supported through the fishing economy. Since its inception, the site has moved into more of a technology education project where elementary and middle school students in the participating communities gather the local information about their community to populate the LobsterTales website, create their own community websites which link off the main LobsterTales site to help tell their communities' stories to the wider world, and then analyze the information the LobsterTales website gathers about the consumers who purchase the lobsters caught by their local lobstermen. This feedback loop helps students to understand how their community fits into the local, regional, and global economies.

Currently, the website is down because of a server crash. We are currently rebuilding the site and hope to have it back online this summer. The delay in bringing it back online is because we have decided to change the way the site was programmed so that it utilizes more open-source mapping technology which will ultimately make the site more sustainable to maintain going forward.


APPENDIX 12: CLEAN GREEN SUPPLY CHAIN SPECIFICATIONS

Product Specifications	
	Product Name Jumbo Porcelain Southern Rocklobsters (<i>Jasus edwardsii</i>)
	Description Large live Southern Rocklobster
	Country Of Manufacture Australia
	Allergies Crustacean
1	Colour Shell - Speckled (white/organe/red) or red Meat - Translucent or partially translucent meat
2	Branding A tag issued by SRL to be attached to the left horn above the first joint
	Smell Fresh seafood smell
	Size 2.0kg (4.4lb) – 3.0Kg (6.6lb) (Carapace Length: 155mm – approx 175mm)
3	Liveliness/ Tail Strength One prompt tail curl or spreading of appendages within 5 seconds of handling
4	Tail Shape No major differential in shape between the top (directly below the Carapace) and base of tail
	Shell Hardness and Meat Shell to be firm or hard and full of meat
	Harvested Between December and October from South Australia, Tasmania or Victoria
5	Appendages All appendages (legs) intact / feelers (above the 2nd knuckle) can be missing
6	No Damage No damage to carapace, legs & tail

1 Colour



Speckled or red shell



Translucent or Partially Translucent meat

2 Branding



A tag issued by SRL to be attached to the left horn above the first joint

3 Liveliness/ Tail Strength







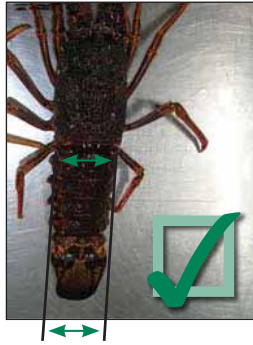
One prompt tail curl or spreading of appendages within 5 seconds of handling

4 Tail Shape

Wedge tail

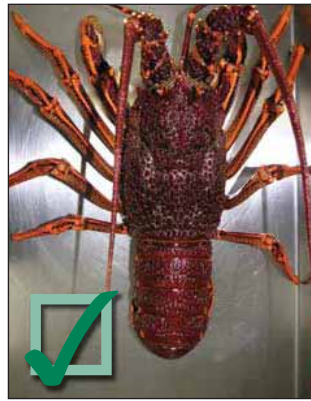


Consistent tail width



No major differential in shape between the top (directly below the Carapace) and base of tail

5 Appendages



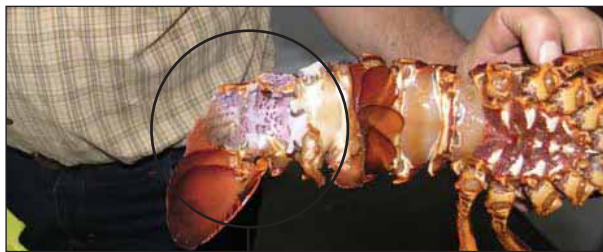
All appendages (legs) intact / feelers (above the 2nd knuckle) can be missing

6 No Damage

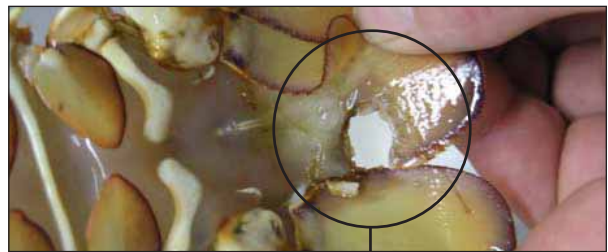
Rocklobsters tagged to be in premium condition



Tail damage

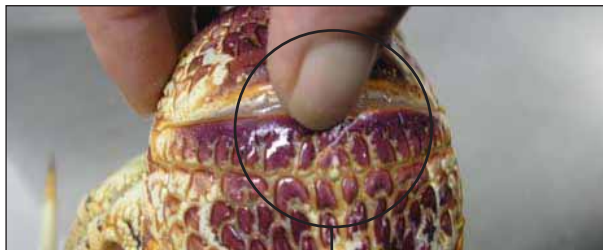


Eaten tail



Hole in the tail fan

Shell damage



Cracked shell



Dropped product

Appendage damage



Broken appendage

Product Specifications

	Product Name	Jumbo Porcelain Southern Rocklobster (<i>Jasus edwardsii</i>)
	Description	Large live Southern Rocklobster
	Country Of Manufacture	Australia
	Allergies	Crustacean
1	Color	Shell - Speckled (white/orange/red) or red Meat - Translucent or partially translucent meat
2	Branding	A tag issued by SRL to be attached to the left horn above the first joint
	Smell	Fresh seafood smell
	Size	2.0kg (4.4lb) – 3.0Kg (6.6lb) (Carapace Length: 155mm – approx 175mm)
3	Liveliness/ Tail Strength	One prompt tail curl or spreading of appendages within 5 seconds of handling
4	Tail Shape	No major differential in shape between the top (directly below the Carapace) and base of tail
	Shell Hardness and Meat	Shell to be firm or hard and full of meat
	Harvested	Between December and October from South Australia, Tasmania or Victoria
5	Appendages	One leg can be missing / feelers (above the 2nd knuckle) can be missing
6	No Damage	No damage to carapace, legs or tail

1 Colour



Speckled or red shell

Translucent or partially translucent meat

2 Branding



A tag issued by SRL to be attached to the left horn above the first joint

3 Liveliness/ Tail Strength



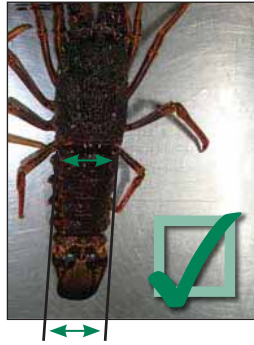
One prompt tail curl or spreading of appendages within 5 seconds of handling

4 Tail Shape

Wedge tail

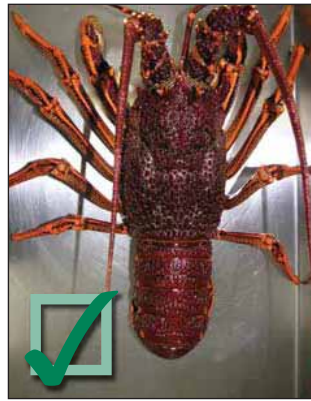


Consistent tail width



No major differential in shape between the top (directly below the Carapace) and base of tail

5 Appendages



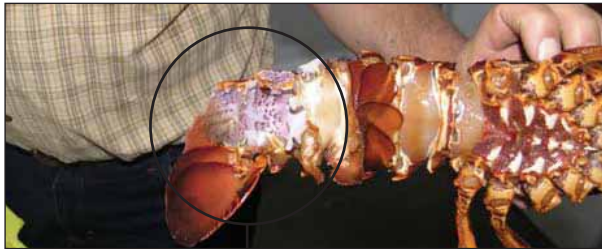
One leg can be missing / feelers (above the 2nd knuckle) can be missing

6 No Damage

Rocklobsters tagged to be in premium condition



Tail damage

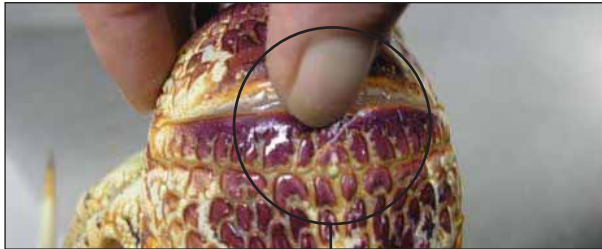


Eaten tail



Hole in the tail fan

Shell damage



Cracked shell



Dropped product

Appendage damage



Broken appendage

■ Packaging Specifications

1	Packaging - Box	35lb Foam Box
	Dimensions	28" x 14 ¹ / ₈ " x 11 ³ / ₄ "
2	Packaging Material	1 x 17.6oz (500ml) Gel Pack Wood Wool, Absorbent pad
3	Packaging Technique	Pack comfortably facing head to head – approximately 22lb (10kg) per box
	Barcode Number	Computer generated barcode
4	Box Branding	The shipping box to be wrapped in the Clean Green sleeve The <i>Plate Flip Card</i> to be placed under the sleeve
	Maximum Shelf Life	Live product: recommend consumption within 1 week of delivery - only if product is held in accordance with live storage standards

1 Packaging - Box



2 Packaging - Material



3 Packaging - Technique



4 Box Branding



Handling and Distribution

5	Live Storage Conditions	Live storage conditions TEMPERATURE: 51-53°F OR 11-12°C OXYGEN: > 80% saturation, preferably this should be 100% AMMONIA: < 0.5mg/l NITRITE: < 1 mg/l NITRATE: 100 – 140 mg/l ALKALINITY: 100 – 200 mg/l PH: 7.8 – 8.2 SALINITY: 35 – 38ppt
	Chilling	Chill lobsters to 41°F - 45°F (5°C - 7°C) and maintain at this temperature for minimum 40 minutes prior to packing.
	Handling	Maintaining the cold supply chain (between 45°F - 50°F (7°C -10°C))
7	Distribution Method	Refrigerated transport or suitably packaged with refrigerant
6	Rocklobster Handling	Use correct handling techniques to maximise product quality

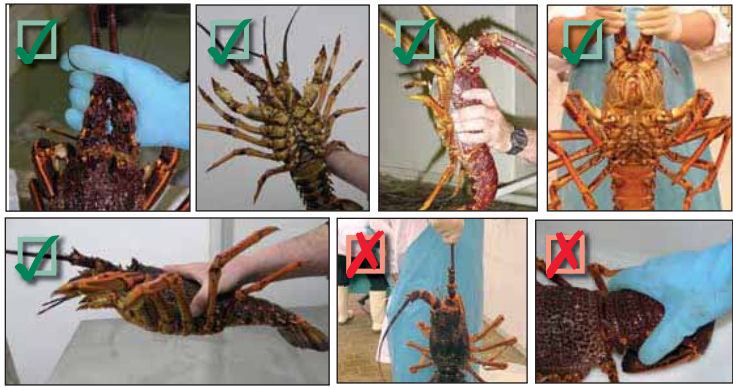
Ingredients

100% LIVE SOUTHERN ROCKLOBSTER (*Jasus edwardsii*) HARVESTED FROM AN AUSTRALIAN FISHERY

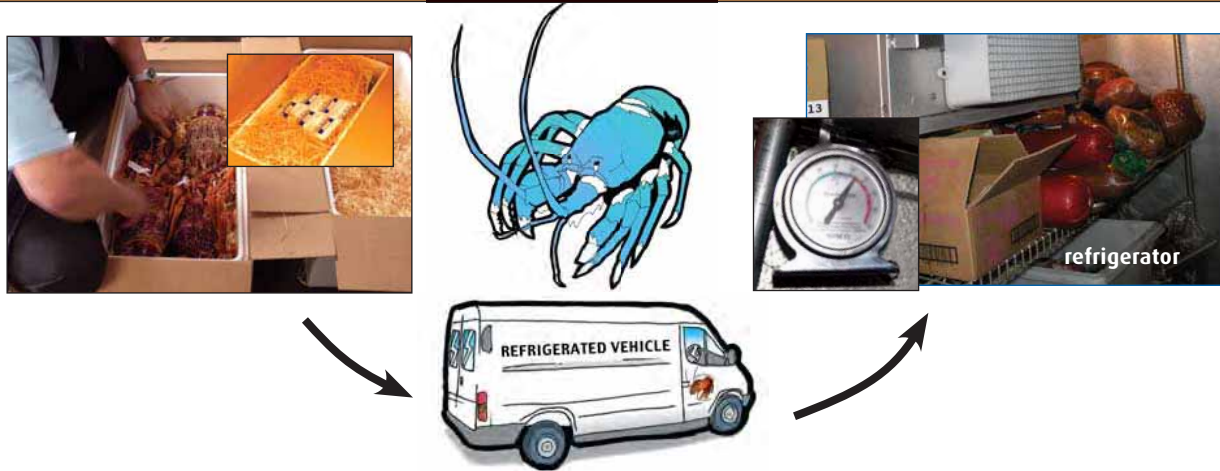
5 Live storage conditions



6 Correct handling



7 Cold Supply Chain/Distribution Method





■ Packaging Specifications

1	Packaging - Fish Bin	72L / 36L fish bin
3	Packaging - Technique	Pack comfortably facing head to head – approximately 25-30kg per 72L bin or 15kg-20kg per 36L bin Place a lid on the bin
4	Label Markings (Label Size: 85mm x 125mm)	PRODUCT OF AUSTRALIA, FRAGILE – LIVE AUSTRALIAN SOUTHERN ROCKLOBSTER, KEEP CHILLED, CLEAN GREEN TRADE MARK, PRODUCT NAME, PRODUCT NO, BARCODE, WEIGHT (NET) & NO OF PIECES, PACKED ON DATE, STORAGE INSTRUCTIONS, PACKED BY, CONTACT DETAILS (WEBSITE), AQIS REGISTRATION NO.

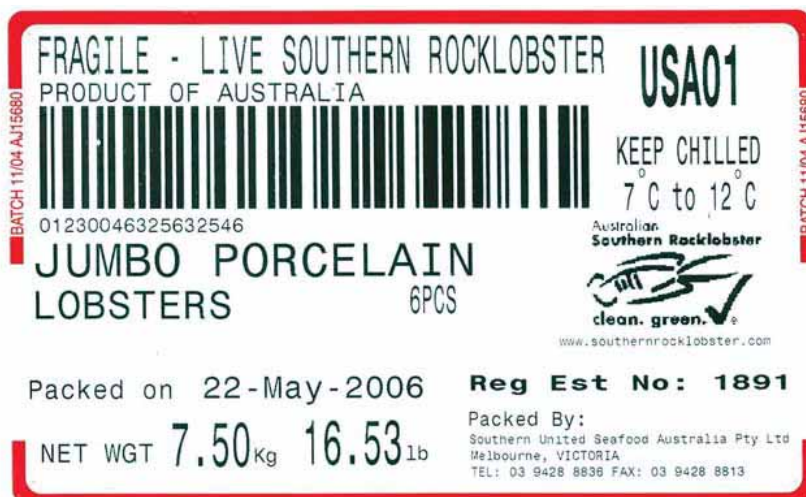
1 Packaging - Fish Bin



3 Packaging - Technique



4 Label Markings



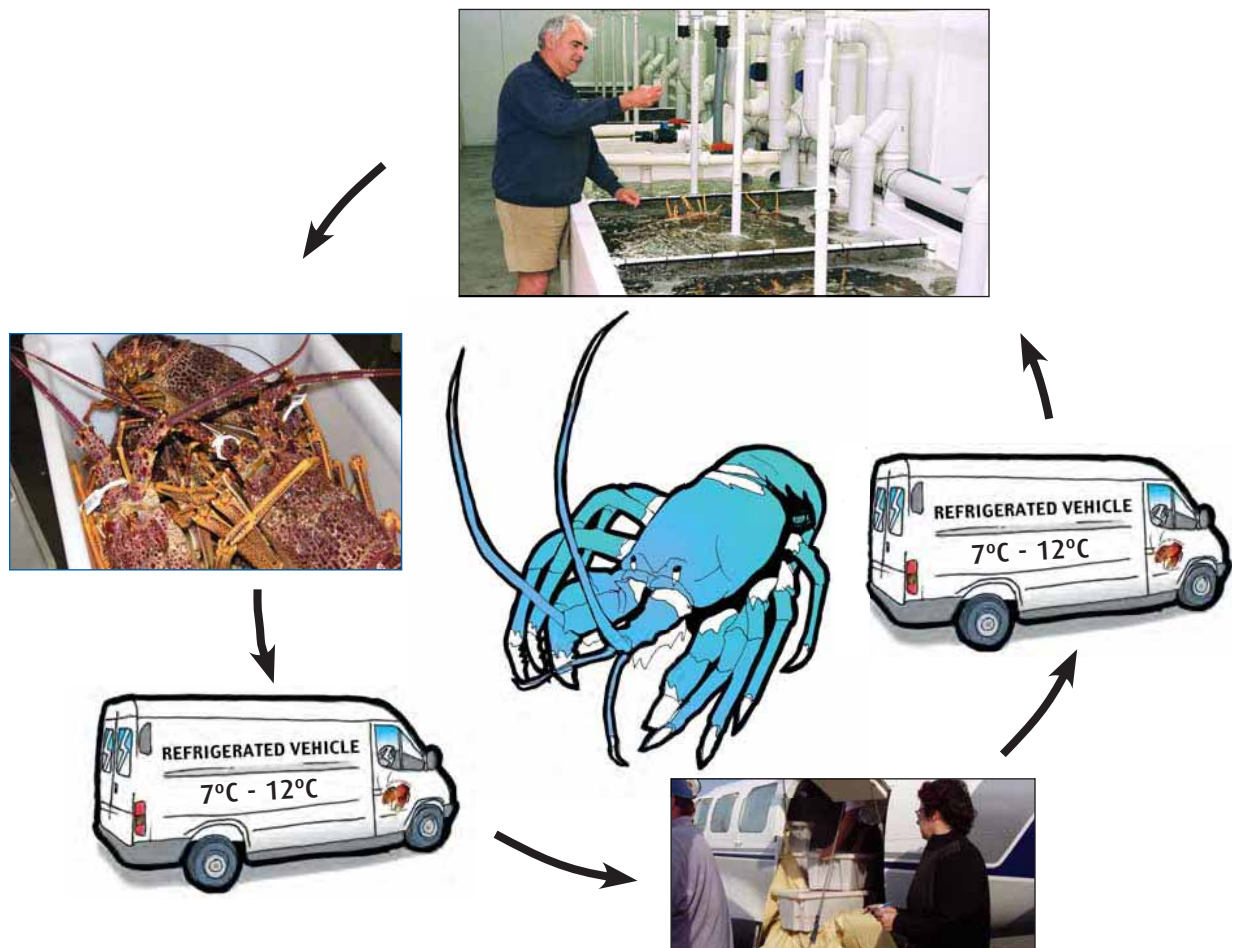
Handling and Distribution

Live Storage Conditions	Live storage conditions TEMPERATURE: 11-12°C OXYGEN: > 80% saturation, preferably this should be 100% AMMONIA: < 0.5mg/l NITRITE: < 1 mg/l NITRATE: 100 – 140 mg/l ALKALINITY: 100 – 200 mg/l PH: 7.8 – 8.2 SALINITY: 35 – 38ppt
Chilling	Chill Rocklobsters to 7°C - 9°C and maintain at this temperature for minimum 40 minutes prior to packing.
Handling	Maintaining the cold supply chain (between 7°C - 12°C)
5 Distribution Method	Refrigerated transport or suitably packaged with refrigerant

Ingredients

100% LIVE SOUTHERN ROCKLOBSTER (*Jasus edwardsii*) HARVESTED FROM AN AUSTRALIAN FISHERY

5 Live Storage Conditions/Cold Supply Chain/Live Storage Conditions





■ Packaging Specifications

1	Packaging - Box	15kg Fish Box (21)
	Dimensions	490mm x 338mm x 205 (external measurements)
2	Packaging - Material	1 x 500ml Gel Pack Wood Wool Absorbent pad
3	Packaging - Technique	Pack comfortably facing head to head – approximately 10kg per box
	Barcode Number	Computer generated barcode
4	Label Markings (Label Size: 85mm x 125mm)	PRODUCT OF AUSTRALIA, FRAGILE – LIVE AUSTRALIAN SOUTHERN ROCKLOBSTER, KEEP CHILLED, CLEAN GREEN TRADE MARK, PRODUCT NAME, PRODUCT NO, BARCODE, WEIGHT (NET) & NO OF PIECES, PACKED ON DATE, STORAGE INSTRUCTIONS, PACKED BY, CONTACT DETAILS (WEBSITE), AQIS REGISTRATION NO.
	Maximum Shelf Life	Live product: recommend consumption within 1 week of delivery - only if product is held in accordance with live storage standards

1 Packaging - Box



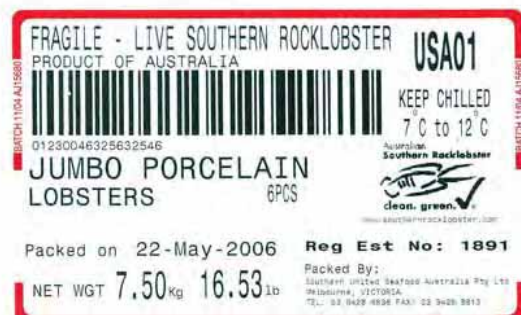
2 Packaging - Material



3 Packaging - Technique



4 Label Markings



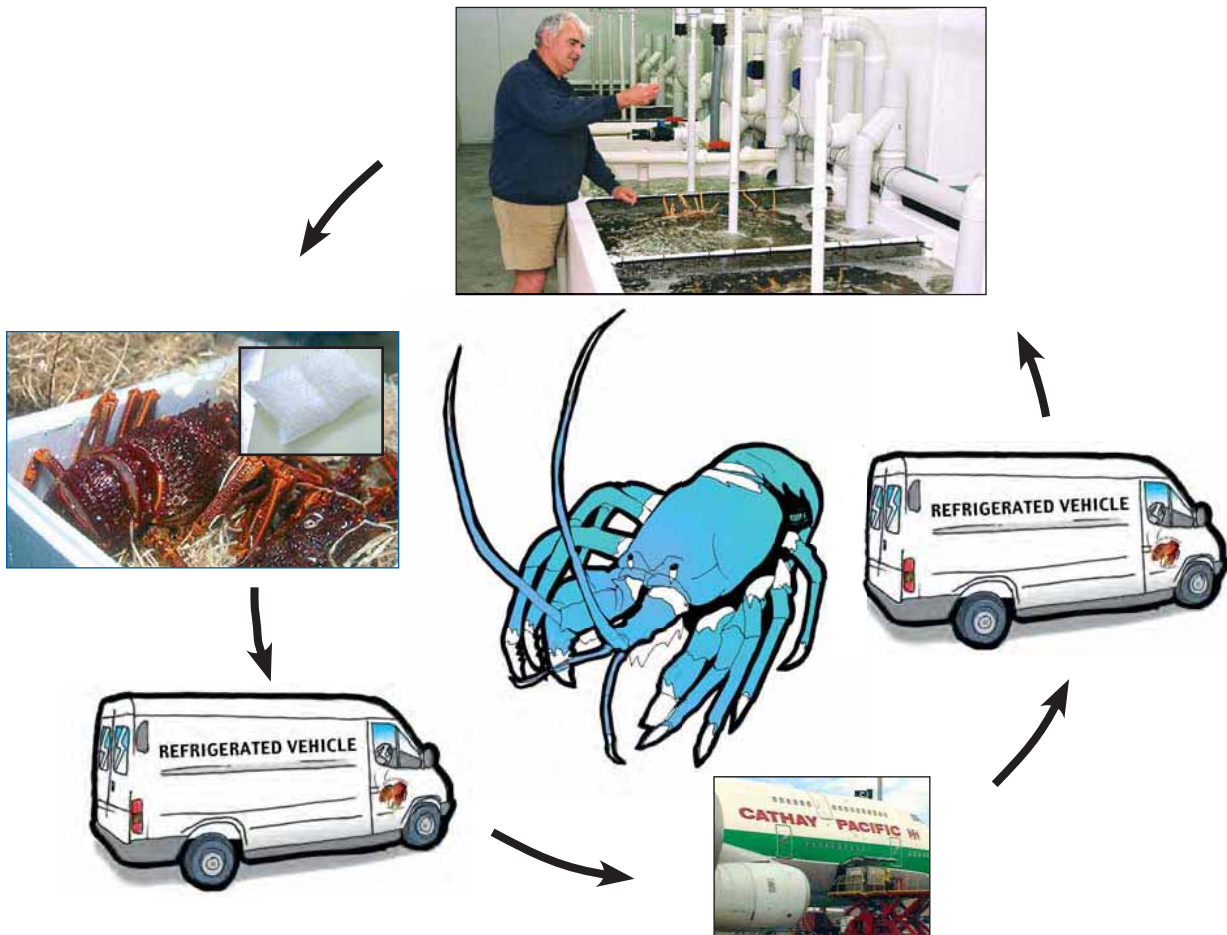
Handling and Distribution

	Live Storage Conditions	Live storage conditions TEMPERATURE: 11-12°C OXYGEN: > 80% saturation, preferably this should be 100% AMMONIA: < 0.5mg/l NITRITE: < 1 mg/l NITRATE: 100 – 140 mg/l ALKALINITY: 100 – 200 mg/l PH: 7.8 – 8.2 SALINITY: 35 – 38ppt
	Chilling	Chill lobsters to 5°C - 7°C and maintain at this temperature for minimum 40 minutes prior to packing.
	Handling	Maintaining the cold supply chain (between 7°C - 12°C)
5	Distribution Method	Refrigerated transport or suitably packaged with refrigerant

Ingredients

100% LIVE SOUTHERN ROCKLOBSTER (*Jasus edwardsii*) HARVESTED FROM AN AUSTRALIAN FISHERY

5 Live Storage Conditions/Cold Supply Chain/Live Storage Conditions



APPENDIX 13: SUPPLY CHAIN PARTNERS SURVEY AND RESULTS

Southern Rocklobster Limited Supply Chain Partner Survey



Company Name: _____

1. Please list your opinion of the Pro's and Con's of being an SRL Supply Chain Partner?

2. What do you see as the main problems or inefficiencies of the SRL supply model?

3. How would you rate fisher support for the program now compared with last year (question only applicable if you were involved last year)?

4. In your opinion, what improvements can be made to

(a) Increase volume through the chain

(b) Reduce supply chain costs

5. Have you noticed a significant improvement in quality between SRL lobster and normal export lobster?

6. Can you suggest any ways to further improve quality?

7. How much (if any?) could you reduce your service fee if volumes of SRL lobster through your facility were:

(a) 500kg per week _____

(b) 1AV per week _____

(c) 2AV per week _____

(d) 3AV per week _____

8. Describe your ideal alternative model (if any) to build the US Market, whilst maintaining the Clean Green quality assurance program?

9. Do you see SRL as a threat to your business or an opportunity?

Date _____ Name _____ Signed _____

THANKYOU FOR TAKING THE TIME TO FILL OUT THIS SURVEY. WE LOOK FORWARD TO WORKING WITH YOU WELL INTO THE FUTURE.

On Completion, please place in the enclosed return envelope ASAP.

Should you wish to discuss this survey, please do not hesitate to contact Hamish Parsons on 0416 779 667.

SUPPLY CHAIN ASSESSMENT

The six regional receivers currently in use were asked to complete the survey. They are:

Ocean Wave Seafood Trading Pty Ltd

Stanke Ociana Seafoods

Coastal Waters Seafoods

Air Lobster Pty Ltd

MD Pty Ltd

Fox Fishing

Below is a brief summary of the views expressed for each question.

1. Please list your opinion of the Pro's and Con's of being an SRL Supply Chain Partner

Pro's

- Access to fishers that do not regularly supply the service provider
- Helping to develop a new market

Con's

- Slow payment
- Do not make enough money out of it

2. What do you see as the main problems or inefficiencies of the SRL supply model?

The main problems highlighted include:

- Unreadable tags
- Lack of functioning traceability system
- Need to send larger volumes (ie AV minimum) in order to save money within the chain
- Slow payment to fishers and service providers
- The service provider has to deal with poorer quality lobster, ie. downgrades.

3. How would you rate fisher support for the program now compared with last year (only if you were involved last year)

Some service providers noted that support for the program had decreased. However the majority noted that this didn't change

4. In your opinion, what improvements can be made to

(a) Increase volume through the chain

(b) Reduce supply chain costs

The surveys offered little advice in regards to (a), however responses for part (b) again highlighted the need to send larger volumes of at least AV size shipments (760kg). It was also noted that cost could be cut by reducing mortalities in the chain. Another suggestion was that SRL should send direct from the regional receiver and avoid using the consolidator where possible.

Increased organisational skills from SRL are needed to avoid pickups on weekends and where possible supply pick-ups should be aligned with other factory collections to reduce costs.

One service provider suggested costs could be reduced by bringing the US market team back to Australia to conduct sales.

5. Have you noticed a significant improvement in quality between SRL lobster and normal export lobster?

Some providers indicated that they had seen an improvement in quality whilst others suggested that there has been no change.

6. Can you suggest any ways to further improve quality?

Sending lobsters direct from regional receiver to the US could improve quality. A greater level of communication between SRL and fisherman to create pride in SRL quality amongst fishers

7. Describe your ideal alternative model (if any) to build the US Market, whilst maintaining the Clean Green quality assurance program.

There were no alternative models offered by any service providers.

8. Do you see SRL as a threat to your business or an opportunity?

Opportunity or neither

Supply Chain Manager's report:

The supply chain consistently fulfilled US and domestic market demands from October 2007 – May 2008. The greatest demand came in February 2008, with 1882kg sourced. Lobster supply was focused in South Australia for the summer months with supply coming from all southern zone ports and kangaroo island.

In April, SRL secured some product from Tasmanian fishers based in the Hobart, King Island, and Portland regions. Supply was limited in the months of May and June and it is predicted that supply will also be restricted in July. This is due to only a small number of fishers operating, poor catch rates and bad weather events. Historical evidence indicates that the average beach price is relatively high during winter months because of the restricted supply. This decreases the likelihood of SRL securing sufficient forward contracts during this period.

The fisher-direct model has proven successful in South Australia with "day fishers" based in the southern zone of SA. The model has the benefit of raising fisher

awareness of the implications of poor quality on survivability due to the direct financial impact incurred upon the fisher in the event of downgraded goods or mortality.

There is significant hesitation and distrust in the fisher direct model across the industry as a whole.

The major concerns, in order of importance include

- Slow payment
- Forward contracting does not suit most fishers
- Incurring loss due to downgrades and mortality, reducing average beach price
- Difficulty in tagging lobster
- Some fishers do not want to deal with SRL receivers.

To address the above problems SRL has taken the following action

- Payments are now conducted on a once monthly basis, in the 2nd week of each month. SRL is investigating twice monthly payments should the funds be available
- SRL is investigating the use of alternative supply models, particularly during the winter months which will allow the beach price to be at least matched or beaten in all circumstances
- SRL has reduced the volume of paperwork necessary for the forward contracting process and is investigating a simplified model as mentioned above which will allow fishers to supply lobster outside of a contract.
- The supply manager has had an increased role in managing processor quality and handling between supply chain providers. Vast improvements have been made in export quality from the Melbourne-based consolidator, particularly due to improved water quality monitoring. This has had the effect of reducing mortalities significantly.
- A tagging applicator is in the process of development through an Aus-Industry project. This project also aims to deliver a fully functional traceability system and indelible lobster tag. The outputs of the Aus-Industry project will directly benefit the SRL supply platform.
- SRL continually expands its' networks of service providers in-line with requests from fishers.

A lot has been learnt from the program to date. Maintaining fisher contentment is the number one priority in securing supply. SRL has lost some good supporters due to some of the factors mentioned above but it has also gained new support, particularly in Tasmania. The success of the market development platform is directly intertwined with that of the Clean Green program. If the Clean Green loses support in the years to come SRL will have to alter its market development strategy to maintain the quality aspects which define it.

The level of industry support received in the upcoming 2008/2009 will define whether the market program will succeed into the future.

Account Managers Report:

USA importer / Distributor:

Santa Monica Seafood partnered with SRL in the USA this financial year and has assisted with logistics, tanking infrastructure and facilities (warehouse & freezer) in Los Angeles.

The main concerns that Santa Monica Seafood have had with model include:

- Lack of volume being traded
- Lack of resources to manage the tanking system

Santa Monica Seafood advised that they would not take on a program like the Southern Rocklobster as it is too difficult to penetrate the market, without investing in the resources to do so.

SRL is going through a review of the partnership with Santa Monica Seafood and will address the resource issues immediately and the volume being traded will be addressed as the ASR further penetrates the marketplace.

Customers:

Overall, the accounts are have been satisfied with live Australian Southern Rocklobsters quality, condition on arrival & service.

There has been issues from the customers, these include;

1. Lack of supply
2. Correct size range
3. Logistics failure
4. Price point – being too high

There has been one case where the restaurant advised that the quality of the lobster wasn't similar nature to previous lobsters supplied. The researcher believes that there could be a natural variation in lobster quality from different locations and through different times of the year.

APPENDIX 14: CHEFS' NEWS AND RECIPES

If you cannot see this email, please [CLICK HERE](#)



Southern Rocklobster Limited

number one November 2007

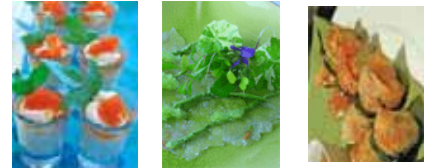
FOOD EDITOR **ANN OLIVER**



- **IF YOUR BOSS THINKS** that the best lobster in the world will blow the budget, prove them wrong by following our unique recipes that can deliver food costs as low as 18%
[READ MORE](#)
 - **GENIUS AT WORK - CHEF PROFILE** Michael Cimarusti, Providence restaurant Los Angeles is obsessed with quality wild produce, so small wonder that he loves Australian Southern Rocklobster. Devoted to technique try his absolutely brilliant recipe using Australian Southern Rocklobster. [GO STRAIGHT TO THE RECIPE](#) Read more about [Michael Cimarusti](#)
- Welcome to our first newsletter and to the start of the Australian Southern Rocklobster season. Southern Rocklobster Limited (SRL) is an independent company owned by licence holders across Southern Australia, established with the charter to develop the product for the benefit of both our customers and the industry. Our newsletters will aim to be a source of information for the restaurateur and chef, whilst at the same time providing for a share of knowledge and ideas from some of the world's most innovative and respected chefs. Our CHEF PROFILE segment will be a regular feature to support and acknowledge the intelligent and affordable use and boundless creativity of chefs using our superb Australian Southern Rocklobster. Take time to read the full story behind our [CLEAN AND GREEN PROGRAM](#) - we want you to appreciate and understand we are determined to deliver a certified product from a sustainable fishery that will be desired by the world's greatest restaurants and chefs. [TRACK AND TRACE](#) is further evidence of our commitment to wild lobsters, caught in pristine waters and delivered to your door in the most superb condition. Clean and Green and Track and Trace are the commitment of our company and member fishermen that enables us to always deliver absolute excellence.

Roger Edwards

President Southern Rocklobster Limited



Lobster custards with lobster, chilli oil and spicy flying fish roe Sashimi lobster with wasabi mayonnaise Crispy lobster, mushroom and tofu parcels

Click on the image to find the recipe on our web site

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[NEWSLETTER ONE NOVEMBER 07](#)

[NEWS LETTER TWO MARCH 08](#)

[CURRENT NEWSLETTER JULY 08](#)



Image above Australian Southern Rocklobster, Neil Perry, Rockpool, Sydney

In the coming months some of the world's most highly regarded chefs obsessed with the best produce will contribute recipes to our newsletter

CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



The industry is committed to ecological sustainable development (ESD) and we recognise the imperatives of delivering an exclusive and safe ('Clean') product of the highest quality to the world's best restaurants. This needs to be achieved through best practice ('Green') in dealing with sustainability of the marine environment in its broadest context. We also value a safe working environment for industry participants, measured by improved safety standards aboard our vessels.

What is the Clean Green program?

The Clean Green program is a world first rocklobster supply chain management strategy that integrates environmental management, food safety and quality, work place safety and animal welfare. It is a product certification program incorporating "pot to plate" standards with independent third party auditing.

Close consultation and collaboration with government at all levels has ensured the longevity of the Australian Southern Rocklobster industry and further uptake of the Clean Green program has been supported with additional funding from the Australian Government's Natural Heritage Trust in 2007 – 2008.



FISHERMAN PROFILE Dave Johnston

David Johnston has been fishing Australian Southern Rocklobster for over eight years in the Western Zone of Victoria and only recently relocated to the picturesque **Port MacDonnell**. David was certified **CLEAN AND GREEN** in 2006.

- Pride and joy - his vessel Elusive II
- Favourite beer - Boags
- Favourite wine - Sauvignon Blanc
- Favourite home-cooked Australian Southern Rocklobster dish - Boiled in seawater
- Favourite restaurant dish - Curried lobster



Dave Johnston's Elusive II

TECHNIQUE

The gelatinous properties of green Southern Rocklobster lend themselves to this simple portion stamping technique and any wood worker can build you the simple tool required to perfect the process. So easy! We find that a 15g portion is ample for a canapé and 120g for a main course portion that will be embellished with other ingredients. Use a 4cm ring for canapés and 10cm for main course. Weigh out the pieces of lobster meat and then using two sheets of plastic and the cutter stamp out the medallions. Brush or spray with molten butter or oil, depending on the style of end dish and country of cuisine, season lightly with salt and pepper, cover and refrigerate. The options for cooking are conventional steaming, for combi-ovens half steam is excellent, or grilling. Whatever the choice they take between two and eight minutes to cook, depending on how cold they are when the cooking process starts. There is very slight shrinking during the cooking process, so when deciding on the size of cutter allow for a 2mm - 4mm oversize.



*Top left - weighing out the green rocklobster meat.
Bottom right - using a cutter and purpose built tool to stamp out the medallions.*

*Top right - stamped out canapé medallions ready for cooking.
Bottom right - purpose built wooden stamp using other end for large medallion.*

Copyright ©text, recipes and images Southern Rocklobster Limited and Ann Oliver 2007 - Text, recipes and images Michael Cimarusti copyright © Michael Cimarusti, Providence restaurant, Los Angeles USA 2007

IDEAS AND TRICKS



Australian Southern Rocklobster might be perceived as belonging in the upper end of the culinary world, but the clever chef can have the pleasure of using one of the world's best products and maintaining enviable food costs.

The 120g main course portion is affordable and adds the impression of luxury and extravagance to any menu. Combine the exquisite quality and freshness with innovation and careful cooking and your customers will be the grateful recipients.

The **Thai Rocklobster Salad with Tomato and Herbs** doesn't just look fantastic but it tastes divine. A combination of superb quality and beautiful fresh ingredients give a modern style lobster dish where there is absolutely no waste.

GENIUS AT WORK Michael Cimarusti, Providence restaurant, Los Angeles

INSPIRATION : Le Livre De Michael Bras, a book that has inspired Cimarusti more than any other and where he first realised how beautiful food could be. First read 15 years ago it remains his inspiration.

WEB SITE : www.providencela.com **EMAIL :** reservations are not taken by email - please refer to the Providence web site for contact details

CHEF PROFILE : [Michael Cimarusti Providence Los Angeles](#)

Michael Cimarusti's passion and curiosity for food was ignited at an early age by his grandmother. In the great Italian culinary tradition, his grandmother alongside his great-grandmother and aunts, made sure that every Sunday get-together was a veritable gastronomic event; today Cimarusti's traces his reverence for ingredients and proper technique back to those Sunday family meals. Cimarusti knew early on that he wanted to be a chef. After a couple of apprenticeships, he attended the Culinary Institute of America in Hyde Park, New York. After graduation he landed his first job in New York City working under Larry Forgione at An American Place. Wanting to hone his classical French cooking skills, Cimarusti began working at **le Cirque**, where he worked his way up to the saucier position. To this day Cimarusti names le Cirque chefs **Sottah Khunn** and **Sylvain Portay** as his greatest influences, and their reverence for quality ingredients and refined technique can be seen in his menu at Providence. Cimarusti's stint at Le Cirque lured him and his wife pastry chef Christina Echiverri to Paris and an apprenticeship with **Alain Passard** at the Michelin three starred **L'Arpège La Maree**. On returning to New York his reputation earned him an invitation from the Maccioni Family to serve as opening chef at their new venture, **Osteria del Circo**. Later looking for new culinary experience, Michael headed for Los Angeles taking up the position of Chef de Cuisine at Wolfgang Puck's original restaurant **Spargo**. Cimarusti was then head hunted by the Water Grill to help refine the restaurant to fine dining, and whilst there was named in 2004 as Los Angeles Rising Star by **StarChefs.com**. Cimarusti's passion for produce, knowledge of wild produce, especially seafood, and his extraordinary culinary experience has meant his first restaurant Providence was nominated for a **James Beard** award as 'best new restaurant' in the United States in it's first year of operation 2005-2006. In 2006 Providence was also named in American Gourmet as one of the "Top 50 restaurants in the United States". Cimarusti's devotion to produce and technique is evidenced in his recipe writing and his outspoken condemnation of farmed and other inferior produce has gathered him legendary respect. In a global world Cimarusti is an icon for young chefs desperately in need of mentors who run their kitchens with the same morals that they publicly espouse. Interestingly all completely driven chefs, wherever they might be located in the world share similar beliefs. Their dedication to showcasing the best seasonal produce, sustainability and excellence.



Australian Southern Rocklobster with Shiso and Burdock

- For the Spheres
- 500g Water
- 35g Shiso
- 5g Jalapeno, *thinly sliced*
- 30g Lemon Juice
- 0.09g Sodium Hexamateaphosphate, add this directly to the lemon juice before adding the lemon juice to the rest of the mixture
- 5g reduced beet juice
- salt and sugar to taste
- sodium alginate, as needed



Prepare the infusion by mixing together all of the above adding salt and pepper at the end to taste. Strain the infusion after about one hour. Weigh the result; multiply the weight of the mixture by 06%. This is the amount of sodium alginate you will need to add to the infusion. Add the alginate with the help of a bar blender.

For the Calcium Bath

- 20 g food grade calcium chloride
- 1kg water

To make the spheres

Dip a tablespoon measure into the calcium bath, collect enough of the liquid to fill the spoon by 1/3 pour about 25g of the infusion into the spoon and then carefully deposit the sphere into the calcium bath. Allow the spheres to sit in the calcium bath for 2 minutes and then remove them with a slotted spoon. Rinse them in cold tap water before service. The spheres can sit in plain water for up to 2 hours before service, after which time they will no longer have a liquid center. **READ AND PRINT THE FULL RECIPE**

NEXT ISSUE



In our next newsletter we will **EXPLAIN WHY BIG IS BETTER** and share the results of our extensive meat to shell ratio tests on large lobsters - 2 kilos or more.

We'll also explore **LOW TEMPERATURE BAG COOKING** with lobster. The bag concept maintains freshness, allows for exact timer controlled cooking and delivers a consistent quality of product that is less reliant on cooking skills.



THIS MONTH'S RECIPE **Grilled lobster with bone marrow, pancetta and truffle sauce**



Main Course - serves 1

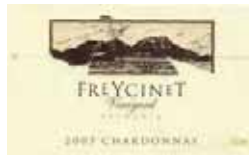
Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

INGREDIENTS

- 2 small Savoy cabbage leaves, blanched in boiling salted water with a little EV olive oil and refreshed
- 75g firm mash potato
- EV olive oil
- 3 pancetta slices crisped at low temperature
- 50g green lobster medallion ends are good for this dish
- 20g bone marrow pressed into 3cm ring
- sauce – serves 3
- 100ml lobster stock
- 50ml cream
- 10g truffle paste or better yet truffle crumbs and shavings
- 50g COLD butter, cut into small pieces

■ WINE RECOMMENDATIONS

Great wines and the world's finest lobster, Australian Southern Rocklobster, have a symbiotic relationship and the perfect combination of the two are the foundation of every memorable meal. Yes, we are an Australian company and certainly we are proud of the wonderful wines that come from our vineyards, but when it comes to our fabulous SOUTHERN ROCKLOBSTER our interest in food and wine is firmly on the world stage. It may be a sweet little French Sancerre, a fabulous super Tuscan, a sprightly white from Italy's Soave, a Grande cru Burgundy from France or a sweet little wine from Alsace. Equally it might be a dry little Semillon from our own Hunter Valley, a tricky little Riesling from South Australia's Clare Valley, but we'll be recommending wines and suggestions for lobster dishes that we think are perfect matches.



AUSTRALIA - TASMANIA - 2005 FREYCINET VINEYARD CHARDONNAY

This fabulous wine is a wonderful example of the coming of age of Australian wine. The elegant wine is fruit driven with wonderful acidity and a steely flinty almost French nose, but with just the right amount of silky Chardonnay characteristics to sit brilliantly with steamed lobster smothered in a gentle lemon beurre blanc or the caramelised flavours of lobster grilled with butter. VISIT [THE FREYCINET WEBSITE](#)

ITALY - SICILY - 2005 PELLEGRINO PANTELLERIA PASSITO LIQUOROSO

This is a wine from sun-drenched Sicily and the master sweet winemaker Carlo Pellegrino. Deep intense sun-dried raisin flavours of the very good wine are utterly brilliant with lobster and foie gras and especially perfect with the addition of a little pancetta flavouring to the outside of the lobster and will wrap its arms around a few black truffle shavings. Served with lobster cooked in a rustic dish or deeply detailed old style French court cooking this is a memorable match. VISIT [THE PELLEGRINO WEBSITE](#)

AUSTRALIA - SOUTH AUSTRALIA - MCLAREN VALE - 2006 d'ARENBERG THE STUMP JUMP GRENACHE, SHIRAZ, MOUVEDRE

A very recent release this is a wine that will benefit from double decanting. Simply stunning with enormous complexity and elegance and a length of finish that when used for both the sauce and the table wine introduces a confidence to any lobster and red wine dish. These style driven more elegant blends deal daringly and lovingly with the delicate combination of red wine and lobster making this wine a stunning match. VISIT [THE d'ARENBERG WEBSITE](#)

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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767

There's plenty more on our web site - visit us at www.southernrocklobster.com

USA 323 371 6115

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Southern Rocklobster Limited

number two March 2008

FOOD EDITOR **ANN OLIVER**



- We are constantly working to bring better techniques and better profit margins to our customers. With extensive experimentation and intelligent use of the full animal food costs as low as 18% can be delivered. [READ MORE](#)
- **GENIUS AT WORK** - CHEF PROFILE Eric Ripert, Le Bernardin, New York needs no introduction. Highly respected a culinary genius his passion for seafood and devotion to the best available wild caught product led him to use Australian Southern Rocklobster in his restaurant. Obsessed with technique his recipe using Australian Southern Rocklobster shows the depth of his intelligent cutting edge cooking.

[GO STRAIGHT TO THE RECIPE](#)

Read more about [Eric Ripert](#)

PRESIDENT'S LETTER

Welcome to our second edition of *Chef News*. The feedback on the first issue was very encouraging and thank you, to the Chefs that have chosen to take up using certified *Clean Green* Australian Southern Rocklobster in response. We are equally excited about our second issue and are confident you will find more useful information about making the most of the product. I am pleased to announce a new market research and development project by the Australian Seafood Cooperative Research Centre (Seafood CRC) is about to open new pathways in the United States, the Middle East and Europe for premium, *Clean Green* Southern Rocklobsters. The 3 year project will complement the work already being undertaken by us in the development of an integrated supply chain to deliver product that guarantees consistent supply and quality through organised distribution networks. The whole approach of our *Pot to Plate* concept is aimed at delivering customer satisfaction. CRC's are a federal government initiative that brings together leading research groups to provide real business solutions to industry partners. In this project we have partnered with the University of South Australia's School of Marketing Ehrenberg - Bass Institute for Marketing Science. The other major development is that shipments of live lobster to the USA for the 2008 season have recommenced. We now have in excess of 50 customers taking the product as part of the *Fisher Direct* program and we are looking to build the market significantly this year, underpinned by the research and development project and with direct in-market activities. Our market development manager Matt Muggleton is currently in the USA and he can be contacted at matthew@corvel.com.au In closing thank you for your ongoing support and interest, and by all means do not hesitate to contact me for further information and/or to provide feedback on any issue to do with the product and our programs.

Roger Edwards

President Southern Rocklobster Limited



Australian Southern Rocklobster with eggplant, pea eggplant, curry sauce, coconut milk rice



Australian Southern Rocklobster tail with organic asparagus, cuttlefish ink pasta and lemon beurre blanc

Click on the image to find the recipe on our web site

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Notice anything interesting about these lobster shells? Take a close look at the shells; completely clean and the meat is green. At Southern Rocklobster Limited we understand that any improvement in meat to shell ratio or improvements in meat extraction methods are critical. We are currently perfecting new extraction methods that make significant improvements on the meat to shell ratio, whilst at the same time almost halving the time required to pick the meat; and we are talking green meat - STAY TUNED!

CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



Clean Green Program Update – Certified Sustainable Wild Caught

The majority of the Australian Southern Rocklobster Industry is now officially Clean & Green, with 520 industry members already trained accounting for 53% of active vessels. This level of participation clearly demonstrates how seriously the industry takes its environmental, food quality and workplace safety responsibilities. The Clean Green program has been recognised through a swag of awards, including excellence in environmental best practice and workplace occupational health and safety. We are also receiving a lot of inquiries about the program from other seafood sectors and we are happy to share what we've learnt. We have had tremendous support in developing the program over the years. For example, funding provided by Australian Government's Natural Heritage Trust in 2007-2008 (under the Environmental Management Systems (EMS), Pathways to Sustainable Agriculture Programme) has allowed us to increase awareness both with industry and the market place. We are aiming to reach a target of 66% of the fleet through this program by June 2008 and eventually 100% over time.

Did you know?

- Each certified Clean Green Australian Southern Rocklobster is tagged with a barcode and is fully traceable along the supply chain. It is tracked direct from the fisher to customers guaranteeing quality and authenticity.
- Lobster tagged with the Australian Southern Rocklobster Clean Green trade mark are guaranteed to meet strict independent Government and industry sustainability and quality standards.
- Your customers can learn more about the fisherman who caught their lobster by entering the tag number into this website www.cglob.com



Clean Green Australian Southern Rocklobster - the finest in the world

Supported by:



Our land. Our Plan. Our Future



FISHERMAN PROFILE Mark Denton

MARK DENTON fishes out of the beautiful seaside village **ROBE** in South Australia. A third generation lobster fisherman who has been fishing for 25 years, he tells stories of his great grandfather lobster fishing from sailing boats. A vastly different style of fishing today, fishing for Australian Southern Rocklobster still remains a fight against the elements. A modern fisherman Denton uses a computerized system to accurately record where his pots are dropped. Licensed for 66 pots he fishes from shallower waters to anything up to 30 fathoms and braves all weather conditions. An early adopter of 'Clean and Green' certification (2005) Denton has a long term vision for the industry and understands the importance of sustainability and the preservation of the pristine waters in which he fishes. Mark fishes from his boat Mally's Pride with deck hand Brad Medwell-Curett and between them they keep up a good-natured banter that has something of a *kitchen humour* about it. The father of four, Meghan 19 and about to start university, Luke 17 is doing his second year chef apprentice in Melbourne, 11 year old Tori still at school and nine year old Sam is already potentially the fourth generation lobster fisherman and a great hand. The 11 year old Tori is already into food and lunching (and bossing her Daddy around) and is happy to supply her favourite restaurant recommendations for their fishing village. Denton is seriously into food and eating out and can name restaurants as his favourites in Adelaide and Melbourne that rate highly in the food and wine world. Keen to discuss cooking methods Denton's interest is far wider than just fishing the fabulous Australian Southern Rocklobster.

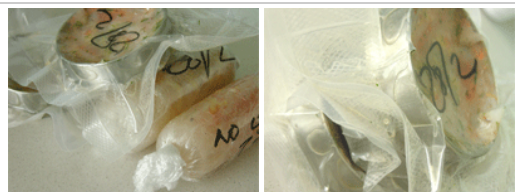


Top – Mark Denton in front of his boat Mally's Pride. Middle – hauling in the pots, from left Sam, Brad and Mark. Bottom – Sam Denton with a beauty

- Pride and joy – his vessel Mally's Pride and his gorgeous family
- Favourite beer – Beer? Why would you drink beer when there is Beam and Coke?
- Favourite wine – Red, any red, but especially from our own Mt Benson region
- Favourite home – cooked Australian Southern Rocklobster dish - Green tail rolled with my favourite extra virgin, salt, pepper, lemon rind and juice and quickly grilled on the barby – heaven!
- Favourite restaurant dish – we all just love trying dishes we wouldn't know how to cook at home

TECHNIQUE

Bag cooking, as we all know is nothing new, 'Sous vide' meaning literally cooked under vacuum has been around for more than 30 years. Perhaps what is new is the degree of accuracy with which it can be achieved and the application it now has for smaller establishments. This advanced technology is mainly due to the inquisitive nature of Ferran Adrià and his ElBulli team. Critics of molecular cuisine should acknowledge the advancements in cooking techniques that have come from their laboratory. Not since Escoffier who was a genius when it came to inventing cooking tools have so many advanced tools been developed or modified. **Ferran Adrià** and his **ElBulli** team are driven to find solutions to achieve resolutions for the dishes of their imagination. The **Termostato Roner**, and similar portable immersion pulsing thermostatically controlled



heating apparatus have revolutionized cooking in most restaurants. A worldwide skills shortage, means with bag-cooking a restaurant can deliver a consistent standard for cooking with far fewer skills, but in combination with bag cooking there are many more advantages. [READ THE FULL ARTICLE](#)
[READ ABOUT OTHER COOKING TECHNIQUES FOR AUSTRALIAN SOUTHERN ROCKLOBSTER](#)



Top left - Bagged leg and knuckle portions and rolled tails.
 Bottom right - cooked portion in a China mould.

Top right - bagged portions
 Bottom right - cooked leg and knuckle portion. Oiling rings makes it easier to remove them from the cooked meat.

IDEAS AND TRICKS Chef Sam Leong



Sam Leong's Lobster with Watermelon – image courtesey Sam Leong, Tung Lok Group

We love Singaporean Chef Sam Leong, and especially appreciate his generosity when we asked for a recipe it arrived promptly. Sam is the executive chef for the [Tunglok Group](#) who are renowned for their superb properties throughout Singapore, Indonesia, China, Japan and most recently India. That Sam maintains menus throughout their properties that are individual and original makes him one of our favourite chefs. This clever dish uses a very small amount of lobster, but whenever we serve it we find guests following the wait staff, and we promise you Sam, we always mention your name as the inspiration for our Rocklobster and Watermelon Canapés.

Try [Sam Leong's Rocklobster with Watermelon](#) they are absolutely delicious and we now serve this fabulous dish in a number of ways including an entree with watermelon jelly and have been working on one with our basil and mint sorbet. Sam Leong has two cook books [A WOK THROUGH TIME](#) (2004) and [SENSATIONS](#) (2007)

GENIUS AT WORK [Eric Ripert, Chef and Co-Owner Le Bernardin, New York](#)

INSPIRATION : The privilege of working with absolutely brilliant people is of course always part of the inspiration, but a childhood in two cultures laid the foundations of my cooking – Eric Ripert

WEB SITE : [Le Bernardin](#) **EMAIL :** [reservation, opening and location details](#)

CHEF PROFILE : [Eric Ripert, Chef and Co-Owner Le Bernardin, New York](#)

Eric Ripert is grateful for his early exposure to two cuisines, that of Antibes, France, where he was born, and to Andorra, a small country just over the Spanish border where moved as a young child. His family instilled their own passion for food in the young Ripert, and at the age of 15 he left home to attend culinary school in Perpignan. At 17, he moved to Paris and cooked at the legendary [La Tour D'Argent](#) before taking a position at the Michelin three- starred Jamin. After fulfilling his military service, Ripert returned to Jamin under [Joel Robuchon](#) to serve as chef poissonier.

In 1989, Ripert seized the opportunity to work under [Jean-Louis Palladin](#) as sous-chef at [Jean Louis](#) at the [Watergate Hotel in Washington, D.C.](#) Ripert moved to New York in 1991, working briefly as [David Bouley's](#) sous-chef before [Maguy and Gilbert Le Coze](#) recruited him as chef for Le Bernardin. Ripert has since firmly established himself as one of New York's, and the world's, great chefs.

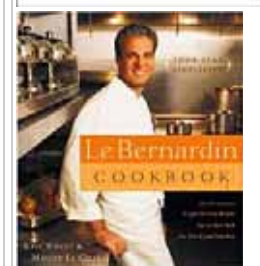
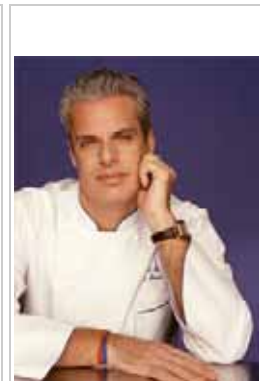
In 1995, at just 29 years old, Ripert earned a four- star rating from the New York Times. Ten years later and for the fourth consecutive time, Le Bernardin again earned the New York Times' highest rating of four stars, becoming the only restaurant to maintain this superior status for this length of time, without ever dropping a star.

In 1997, GQ named Le Bernardin the best restaurant in America, and in 2007, the magazine named Le Bernardin one of [Seven Food Temples of the World](#). In 2005, New York magazine declared Le Bernardin the #1 restaurant in the city, awarding it 5 stars in its inaugural restaurant rating issue - a position it holds today. Also in 2005, Bon Appetit declared Ripert's [Butter-Poached Lobster with Tarragon and Champagne](#) its [Dish of the Year](#).

Le Bernardin continues to receive universal critical acclaim for its food and service. The Michelin Guide, which made its New York debut in 2005, honored Chef Ripert and Le Bernardin with its highest rating of 3 stars in 2005, 2006 and 2007. The Zagat Guide has recognized the restaurant as the [Best Food](#) in New York City for the last seven consecutive years. In 1998, the [James Beard Foundation](#) named Le Bernardin [Outstanding Restaurant of the Year](#) and Eric Ripert [Top Chef in New York City](#). In 1999, the restaurant received the [Outstanding Service](#) award from the Beard Foundation, and in 2003, the Foundation named Ripert [Outstanding Chef in the United States](#).

Ripert has served as guest judge (and [fan favorite](#)) on Bravo's Top Chef for two seasons and has appeared on the Late Show with David Letterman, The Charlie Rose Show, Ellen DeGeneres, TODAY, Regis & Kelly, and Martha Stewart. In fall 2008, Ripert will publish The Le Bernardin Cookbook with Artisan, his second book with the publisher. In 2002, Artisan published A Return to Cooking, a collaboration between Ripert, photographers Shimon and Tammar Rothstein, artist Valentino Cortazar, and writer Michael Ruhlman that was selected by Newsweek as one of its best books of the season.

Ripert is the Chair of City Harvest's Food Council, working to bring together New York's top chefs and restaurateurs to raise



To read more about, and buy Eric Ripert's books please click on the cover images

funds and increase the quality and quantity of food donations to New York's neediest. When not in the kitchen, Ripert enjoys good tequila and peace and quiet. He lives on the Upper East Side and Sag Harbor with his wife and young son.

Warm Carpaccio of Australian Southern Rocklobster, Young Ginger and Matsutake Mushroom Salad, Vanilla-Citrus Oil

Citrus -Vanilla Oil

1/2 cup (120ml) lemon oil
 1/2 cup (120) extra virgin olive oil
 zest of 1 grapefruit
 zest of 1 lemon
 zest of 1 lime
 1 vanilla pod, split and scraped

Combine all the ingredients and let sit in a warm place for 10 minutes

Lobster

5-pound (2.3kg) Australian Southern Rocklobster
 sea salt

- Bring a large pot of salted water to a boil
- Cook the entire lobster for six minutes and remove from the water
- Remove the lobster from the boiling water and remove the tail from the body and set aside to cool
- Return the body to the boiling water and continue to cook for 8 minutes; set aside to cool
- When cool enough to handle, remove the lobster meat from the shell, keeping the tail intact as much as possible
- Slice the lobster tail into 1/4 inch thick slices and arrange in a single layer on a parchment lined sheet pan
- Add the meat from the body to the pan in a single layer

Lobster glaze (glaze)

8 cups (2L) lobster stock, reduced to 1 1/2 cups (360ml)
 fine sea salt

Pimentd' Espelette
 2 tablespoons (60g) butter

- Transfer reduced lobster stock to small sauce pot, whisk in the butter and season with salt and Espelette

Matsutake Salad

1 pound (450g) **Matsutake mushrooms**, peeled and sliced
 1/2 cup (120ml) pickled ginger, julienned
 cut chives
 1/4 cup (60ml) lemon oil
 juice of 2 lemons
 Salt and black pepper

- Toss all of the ingredients in a bowl

To serve

Preheat oven to 400°F/200°C

- Season the slices of lobster with salt and Espelette and lightly brush with lobster glaze
- Gently warm the lobster in the oven for about 4 minutes, just until the lobster is warm but not cooked
- Arrange the slices of lobster tail in the center of a round plate and spoon some of the body meat in the middle
- Top with Matsutake salad and drizzle with the Vanilla-Citrus Oil and serve immediately.

[READ AND PRINT THE FULL RECIPE](#)



NEXT ISSUE



Yes, we know that if you are using every possible gram of Australian Southern Rocklobster, finding innovative ways of using the shell and stocks can be daunting. In our next issue we'll be showing you simple ways of turning lobster stocks into salad and soup components, that can significantly bulk lobster dishes, whilst at the same time adding a second layer of flavour and texture.

We are also going to report on our newly developed method of extracting green meat. With as much as 10% improvement in meat to shell ratio whilst almost halving the time it takes to extract the meat – we are very excited!

THIS MONTH'S RECIPE [Salad of Australian Southern Rocklobster with Watermelon and Green Mango](#)



Entrée - lobster component per 3 serves, salad per 1

Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

INGREDIENTS

For the lobster portion

3 x 75g green leg and knuckle lobster portion

6g fresh strained limejuice

6g sweet pickled ginger juice

9 coriander stems chopped

For the salad

Serves 1

15g pickled green ginger, approx 10g julienne and 5g syrup – see end of on-line recipe

1/2 lime, freshly squeezed and strained juice

pinch Nigella seeds (onion seeds)

2 drops of sesame oil

10g very finely sliced shallot

80g cubed ripe watermelon

30g green mango julienne

mint leaves

chervil

garlic chives with flowers

coriander leaves

For the caviar

Sufficient for about 10 salads

30g Campari

20g Grenadine or strained fresh pomegranate juice

10g strained fresh limejuice

200g water

2g sodium alginate

For the bath

5g calcium chloride

1L water

For the lobster portions

Mix everything together and divide between three moulds that have been lightly oiled.

Bag, date and refrigerate. We used China teacups which produce a nice round shape, but they do make the cooking time longer.

For the caviar

Mix everything for the caviar together with a stick mixer and allow to stand for one hour. Prepare the bath. Using a small bucket punched with holes or a syringe drop the pearls into the bath and allow them to become spheres. Carefully remove them into cold water that has a couple of pinches of salt and add a splash of EV olive oil and keep refrigerated. The pearls will keep for three to four days.

To serve

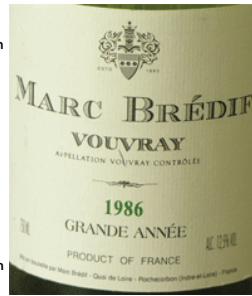
Cook the lobster portion at around 170°C and allow to stand for 5- 10 minutes. Prepare the salad component and gently toss everything together. Unmould the lobster into the centre of the plate and arrange the salad around the lobster meat, pouring the last of the juices over the lobster meat. Using a slotted spoon add some pearls to the dish and serve.

[CLICK HERE FOR THE PRINT FRIENDLY VERSION FULL RECIPE](#)

■ WINE RECOMMENDATIONS

All chefs and restaurateurs know that delivering the right wine match is critical to the complete dining experience. When serving the world's finest lobster, Australian Southern Rocklobster, the fascinating world of wine opens to endless opportunities. Not all restaurants serving our Australian Southern Rocklobster have the benefit of cellaring over several decades, but what they all have in common is a passion for great wine in combination with fabulous food.

In the last two months in the course of our work we have tried some remarkable wines. The rare treat of a bottle of South Australian Hardys Tintara McLaren Vale Liqueur Sauvignon Blanc where just 12 experimental bottles were made and the opportunity to compare it to South Australian 1999 Rymill Coonawarra Sauvignon Blanc. So fascinating to see a wine relatively in its infancy and compare it with a similar wine heading towards the end of its life but still in prime condition. In two months we have tasted dozens of new Australian labels for Nebbiolo and Tempranillo and a fascinating first time taste of an elegant blend of Tempranillo softened exquisitely with a touch of Graciano. Then on to a French tasting.....yes, we know we're spoilt rotten! *Ann Oliver*



FRANCE - VOUVRAY - 1986 MARC BRÉDIF VOUVRAY

This perfectly cellared wine, had it been tasted blind would have been as coy about its age as a French woman in the full bloom of life. In fact it exhibited a supple youthfulness that suggested a far younger wine and an elegance of nose and length of finish that made the entire table smile with grateful appreciation. Superbly youthful and fresh with a steely but zesty long finish it was a brilliant companion for [this month's recipe](#). NO LISTED WEB SITE AT TIME OF PUBLICATION

SPAIN - RIOJA - 2003 PALACIOS REMONDO RIOJA CRIANZA LA MONTESA

Utterly gorgeous is the only way to describe this wonderful little blend of Tempranillo 45%, Grenache 40% softened and embellished with a magician's skill with Graciano and Mazuelo. So subtle, so delicately spiced, so savoury, so balanced we knew it would work with a little butter, lobster meat and smoky/salty meat tastes of traditional Italian pancetta, [Lobster with Scallops, Crisp Pancetta Lemon Beurre Blanc and Salmon Roe](#). Just the most fabulous match, especially for those diners who doubt a white wine should be drunk after the aperitif. Our wine was tasted from a 375ml bottle. NO LISTED WEB SITE AT TIME OF PUBLICATION

AUSTRALIA - SOUTH AUSTRALIA - COONAWARRA - 1999 RYMILL COONAWARRA SAUVIGNON BLANC

This wine was a gift and to be utterly truthful we weren't quite sure where it would fit as a food match, so we tried it against the recipes of the day to find that well chilled it was a remarkable match for [Australian Southern Rocklobster and egg plant curry](#). The sometimes overwhelming florals of Sauvignon Blanc had completely dissipated and behind it were layers of leathery complexity mixed with a sweetness that whilst the wine was not oxidized gave it some fortified almost sherry characteristics. Against the richness and chilli of the curry and the clean fresh taste of the lobster the wine managed to dance a path that harmonized all of the components of the dish. This interesting wine would be a terrific addition to a flight designed to go with this dish. [VISIT THE RYMILL WEBSITE](#)

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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767
USA 323 371 6115

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Southern Rocklobster Limited

number three July 2008

FOOD EDITOR **ANN OLIVER**



- In our last issue we promised some revolutionary news. A simple new **TECHNIQUE** that allows fast and super efficient extraction of green, **SASHIMI GRADE** meat from the entire Australian Southern Rocklobster. Improved meat to shell ratios that in four months of testing have consistently been above 50% - [READ MORE](#)
- **GENIUS AT WORK - CHEF PROFILE KENJI ITO**
In this issue of Southern Rocklobster CHEF NEWS we celebrate one of our own, Kenji Ito a rising star in the Australian culinary scene. Young and adventurous in much of his cooking Ito is a classically trained Japanese master chef and shares with us a traditional Kyoto sashimi technique.

PRESIDENT'S LETTER

Welcome to our to our third **CHEF NEWS**. Southern Rocklobster Limited's **CLEAN GREEN** product certification program is not merely a world first, but an outstanding success. More than 50% of active fishers have taken up the **CLEAN GREEN** program and we are on track to achieve the targeted 100 percent fisher uptake by 2011.

A decade of investment has paid off. Ten years ago in the general community there was less emphasis on **WILD CAUGHT** or **SUSTAINABLE** or **CLEAN GREEN** but today chefs, and diners want to know where their food comes from and under what conditions it was grown and harvested. Southern Rocklobster Limited fishers' philosophy is deeply embedded in their local environment and utterly pristine fishing waters; a generational business they saw the need to preserve the beauty of their pristine waters and ensure the longevity of their fishing for future generations.

Southern Rocklobster Limited offers unique transparency for both the chef and the diner and our **CLEAN GREEN** brand is not just the guarantee of superb quality but environmental sensitivity, world's best practice starting with animal welfare right through the product chain to the restaurant kitchen door.

Dr Patrick Hone, Executive Director of the Australian Government's Fisheries Research & Development Corporation and a program sponsor believes that the program is an incredible achievement, setting a world benchmark for the implementation of an integrated accreditation system. Dr Hone is already working with Southern Rocklobster Limited to explore ways to transfer the wild fishery system to other sectors of the Australian fishing industry.

We are proud that we did not have to be bullied into conservation, that we were early adopters with solutions for environmental concerns and delighted that Southern Rocklobster Limited's **CLEAN GREEN** tag is rapidly becoming the only choice for the world's greatest chefs.

Roger Edwards

President Southern Rocklobster Limited



Sashimi of Australian Southern Rocklobster Tail with Pomegranate



Sashimi of Australian Southern Rocklobster Tail with Cuttlefish Ink Mayonnaise and Pearls

Click on the image to find the recipe on our web site

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Meet our Australian representatives in America



Lucy Hinge has just joined our American team as part of the front running group headed by **Matthew Muggleton** (pictured right) to introduce live **Clean Green** Australian Southern Rocklobster to the great chefs of America.

The daughter of a former South Australian Rocklobster fisherman Lucy's parents now fish deep-sea fish out of Darwin. Born in the idyllic fishing village Port Elliot in one of South Australia's most picturesque beach, fishing and wine regions, the fishing industry is not new to Lucy.

A boarding school girl for five years, before heading to university Lucy took a year off to travel extensively through Europe and spent three months working in London. On her return she attended Adelaide University where she majored in **Marketing & Management**.

The opportunity to work with Southern Rocklobster Limited became available in March 2007. A strong and positive work ethic, in combination with market knowledge embedded in the Australian fishing industry she quickly took over maintaining their web site and many of the communications details including fisher liaison. Lucy rapidly became extremely valuable to the company. When it was clear Matt would have to come backwards and forwards from the US Southern Rocklobster Limited started grooming Lucy to second him in America.

Schooled in *chef speak* by our **CHEF NEWS** food editor and chef, Lucy has quickly grasped not just the intensity of the lifestyle, but the needs of the chef and the importance of **TECHNIQUE** and product knowledge, meat to shell ratios etc. She also understands that ringing a chef during service times is idiotic. Lucy will say she likes to eat (not cook), but a few days with our chef gave her an understanding of bag cooking techniques and the new ice salt slurry green meat extraction method developed by Southern

Rocklobster Limited.

Confident and intelligent (and fun), Lucy is a no-fuss girl who lists her interests in this order; socializing with friends, eating and music so we just know she is destined to get on with chefs. Lucy is hard working and committed but like all of the members of our company has a zest for life and living. So, when you see a good looking Aussie girl at the kitchen door, you'll know why she's there!

CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



Clean Green Program Update – Certified Sustainable Wild Caught

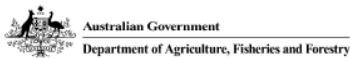
With more than 50 percent of active fishers involved in the **CLEAN GREEN** program, which operates in South Australia, Victoria and Tasmania, Southern Rocklobster Limited is able to offer unrivalled consistency in both quality and meat to shell ratios. In the 1990s when the Commonwealth Environment Protection and Biodiversity Conservation Bill was being developed there were so many bad examples of industry practice that it seemed almost too obvious. Listing the bad practices, we set about finding solutions and evolving a single environmentally sustainable, utterly transparent process that would have an enduring position in the world market. **CLEAN GREEN** just made good sense, not just for industry longevity but the entire moral food chain and the early adoption has given us enviable market advantage. **CLEAN GREEN** has allowed our members to hold their heads high at a time when growing and harvesting practices are being questioned world-wide. Environmentally attuned chefs and service staff relish the ease with which the superb quality high margin **CLEAN GREEN** Australian Southern Rocklobster sells and the customer appreciation of the product.

- The Southern Rocklobster Limited **CLEAN GREEN** model was ground-breaking and has become the envy of other less visionary fishery systems. **CLEAN GREEN** is the chef and diners' guarantee of the world's best practice, best quality Rocklobster in the world today.



Clean Green Australian Southern Rocklobster - the finest in the world

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FISHERMAN PROFILE Dean Woodward

DEAN WOODWARD (Woody) is another early adopter of Southern Rocklobster Limited's **Clean Green** fishing program. From an old fishing family his brother David and Darryl work on the shore side of **Clean Green** selecting, tagging and dispatching fish to the world market. When asked why **Clean Green** Dean Woodward explains that it's "just common sense" and goes on to talk about wanting a future for the industry. Dean talks about the benefits of being able to guarantee premium quality animals by adopting world's best practice, not ruining the environment they make their living from and ensuring that there is a future for their children. Like so many of our member fishers the generational association with the Australian Rocklobster industry has meant that the common sense of the **Clean Green** fisher program was basically formalizing their philosophy and ensuring that new industry members were forced to show the same respect to the animal and the environment. Southern Rocklobster Limited fishers have had ample opportunity to see the disastrous environmental alternatives that have resulted from greed and lack of long-term planning. Dean fishes out of the South Australian port of **ROBE**, which is a beautiful village set in the middle of the Mount Benson and Coonawarra wine regions.



Top – left Rodney Silvester, right Dean Woodward
Middle – Big beauties identified with Dean's fisher number

PRIDE AND JOY

After his family and footy team (Australian Rules of course) his boat Dajana

FAVOURITE BEER

Melbourne Bitter

FAVOURITE WINE

Australian Shiraz from any of the very fine producers of his local Coonawarra wine region

FAVOURITE HOME DISH

Straight from the boat, green tail cut into chunks and quickly fried with fabulous local extra virgin olive oil, garlic, salt and pepper

FAVOURITE RESTAURANT DISH

Never eaten anything as good as his favourite home dish in a restaurant, but admits the one hour from water to plate might be something of an unfair advantage.

TECHNIQUE GREEN MEAT EXTRACTION for Clean Green Australian Southern Rocklobster

Sometimes a chance remark can spark a good idea, and when Jordan Theodoros (seriously talented young South Australian chef) mentioned a method used to crack giant crab claw in Asia using salt and ice slurry it seemed worth a try. Salt and ice to lower temperature would not be new to anyone old enough to remember their grandmother's ice cream maker.

All previous methods of extracting green meat were cumbersome and slow and we had never managed to extract the green leg and knuckle meat at a rate that was financially viable or at a meat to shell ratio that was as good as blanching. In addition the horn



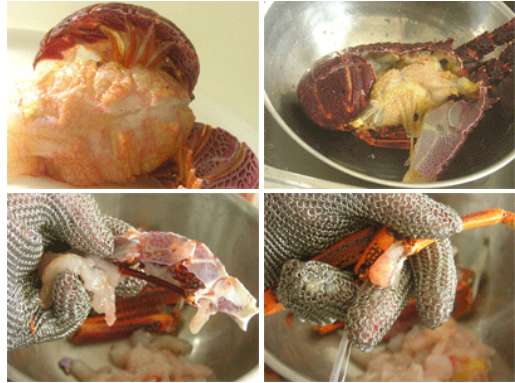
was impossible and the painful pinprick cuts for the tiny amount of meat extracted never seemed worth the effort. Anything that made green meat extraction easy and less labour intensive had to be a bonus.

The first experiments to develop a technique that would work in the same way for the whole animal were disastrous. Too short a time in the ice slurry didn't work at all, 30 minutes too long and the whole animal was frozen and the shell clung tighter to the meat than any other method.

The journey to perfecting extracting green meat from a whole Australian Southern Rocklobster has had its moments, but three months later it's mastered. We have cut the tail extraction time down to a **COUPLE OF MINUTES** and the knuckle, leg and horn to less than **15 MINUTES PER ANIMAL**. Apart from the ease of extraction, the meat gain from the horn and head has been amazing with up to **120g on a 2.3kg (5 pound)** Australian Southern Rocklobster, meaning another two entrée or single main course portions from the animal. The method has delivered as high as **47%-52% meat to shell ratio**, with a consistent **30% of that meat being sashimi grade tail meat**. It is important to note that all **Clean Green** Australian Southern Rocklobster is sashimi grade and being able to extract green meat from the leg, knuckle and horn opens a new spectrum of dishes and uses which are explained in the **COLD RECIPES Sashimi** section of our web site.

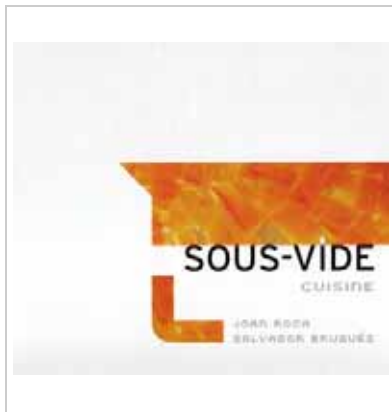
Read the full **GREEN MEAT EXTRACTION TECHNIQUE**

READ OUR COMPLETE TECHNIQUE ADVICE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER



These images tell the story, click on any of the images to see a large image

IDEAS AND TRICKS – BOOK REVIEW SOUS-VIDE



SOUS-VIDE CUISINE

Joan Roca and Salvador Bruqués

English edition published by Montagu Editores, H/B around \$200 USD

Sous-Vide is nothing new. In fact it has been in use for at least 30 years with average degrees of success until the last eight years. Stretching the idea, adding lower temperature cooking has led to incredible advances in recent years. This is a brilliant book fully explaining the sous-vidé (bag cooking) method, but what it is particularly valuable for is the explanations of how things can go wrong. How for instance what a 5°C temperature difference in cooking temperature can make. This book is written in succinct terms that will enable all levels of education to fully understand the process of sous-vidé.

A very useful book for the modern and inquisitive kitchen.

GENIUS AT WORK **KENJI ITO, KENJI MODERN JAPANESE, ADELAIDE SOUTH AUSTRALIA**

INSPIRATION : Classically trained in Japanese cuisine Kenji Ito has sought and found inspiration wherever he has worked, both in Japan and Australia. Like all good chefs Kenji finds the product he sources and the contact he has with producers and suppliers defines and inspires his cooking. Kenji's enthusiasm for food and cooking remains passionate, utterly undiminished after long years of apprenticeship and as a consequence his development of his own unique personal style is unending. Kenji names David Swain, a highly acclaimed young South Australian chef as his main source of inspiration. It was the admiration of David's food, says Kenji that led me to ask to do estage with him and started my journey with my own personal style of cuisine.

WEB SITE : NOT AVAILABLE - telephone +61 8 8232 0944 dinner only Monday to Saturday

EMAIL : kenjimodernjapanese@bigpong.com

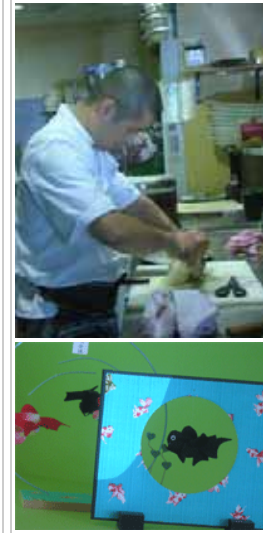
CHEF PROFILE : Kenji Ito is the new young darling of the Adelaide dining scene. He first came to Australia 17 years ago as an exchange student and spent nine months in Sydney before returning to Japan to complete a degree in English Literature. Like so many obsessed chefs Kenji fell into cooking doing a classical Japanese apprenticeship mainly in Tokyo. He returned to Australia nine years ago to work at the former Hemeji, a traditional Japanese restaurant. Determined to learn more about Western cooking Kenji worked with iconic young South Australian chefs David Swain (Fino), Peter Reschke and Nigel Rich (d'Arry's Verandah) and at The Greedy Goose. Chef Kenji and his wife Noriko opened Kenji Modern Japanese in early 06 and have created a gorgeous intimate little restaurant which has quickly developed a strong following.



In Adelaide, Kenji presents the best traditional Japanese cuisine and diners flock to eat his modern Japanese food. Interestingly Kenji sees no cultural boundaries as he includes newfound (to him) Western ingredients in his personal cuisine.

Kenji Ito is a master chef in terms of Japanese cooking but his inquisitive nature will see his food develop into a personal style in much the same way as the now globally famous South Australian chef Cheong Liew and we are following the evolution of his cuisine with deep interest.

Their wine list is written by Kenji's wife Noriko who modestly says she is learning (like when does that stop?) and has some very fine regional Australian wines available by the bottle and the glass and even offers several good champagnes and other old world wines. It is a small but very credible list that is constantly evolving. Most interesting is that Noriko is clever when it comes to matching wine to Kenji's food. One of the very refreshing aspects of Kenji Modern Japanese is their staff training that sees all staff able to fully discuss the many complexities of Kenji's food with genuine enthusiasm.



TRADITIONAL KYOTO STYLE ROCKLOBSTER SASHIMI

Sashimi two ways – Yaki Shimo and Arai

Serves 4

1 x 2k plus live Australian Southern Rocklobster

white miso

soy

dashi

sea salt

sake

mirin

ice

wooden skewers

Garnishes and condiments

shaved ice

bamboo leaves

sesame leaf

kara suma (preserved sea bream roe) *finely julienned*

limes

baby shiso

wasabi

shredded and crisped daikon

sushi mat folded in three

carrot and daikon curls, paper-thin carrot and daikon slices rolled around chopsticks and curled in ice water seasoning soy, a combination of soy sauce, mirin and bonito then strained

sea salt

baby chives

baby shiso leaves

toasted nori to wrap

4 paper-thin radish slices

Paper-thin cucumber slices

Remove the tail from the body and extract the tomalley – **SEE TIP** Mix the tomalley with equal amounts of white miso, dash and soy and set to one side. Remove the green tail and split it lengthwise pulling and cut it into roughly 4 cm chunks and divide the green tail 60%-40%.

for the Yaki Shimo

Set up an ice bath. Lay the green lobster tail on a heat proof tray and sprinkle it generously with sea salt, then using a blowtorch scorch the salt to infuse it into the lobster meat. Arrest the heat in the ice bath for a couple of seconds, then remove and drain. **READ AND PRINT THE FULL RECIPE**

Click on the last two images to see a larger image and full details of the plating



NEXT ISSUE



If you are throwing the **TOMALLEY** in the bin we have recipes and ideas that will convince you there is not a single gram of Australian Southern Rocklobster that does not have a use. Cougeres, truffle perfumed or not, soufflés to die for. A double cooked soufflé amazingly compliant for huge functions, (we've done them for 600) and another recipe that is strictly to order and doesn't wait for anyone, especially the waiter who fails to hear the call *soufflé*.

More molecular elements, soups and consommés with clever embellishments. Consommé pearls and baubles, lobster dumplings in wonderful delicate transparent wrappers. A Sichuan lobster and mushroom hotpot a recipe from Ann's recent work trip to Chengdu.

We invite you to get very excited with the exceptional food costs these simple and delicious techniques can achieve!

THIS MONTH'S RECIPE SOUTHERN ROCKLOBSTER CONSOMMÉ COLD ROLL



Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

INGREDIENTS

For the cold roll wrappers

Makes 10-12

1kg seasoned lobster consommé

5g agar agar

Once ready you need to work quickly, so lay out four trays 28cm/11" x 40cm/16" and one about half that size. Put the consommé on high heat and when it is boiling whisk in the agar agar and continue whisking and boiling for a couple of minutes. It is easy with agar agar to tell when it is ready because if you hold the whisk out of the pot, drops will immediately set on the whisk.

Working one tray at a time make a layer of not more than 1mm thickness, tipping and turning the tray to even it out. Repeat the process with the remaining three large trays then put anything remaining into the smaller tray – 3-4mm thickness is perfect for the tagliatelle.

For the wrappers we cut four to a tray, cover the trays with plastic food wrap and refrigerate. To remove them from the trays very carefully ease up an edge and peel it away. Once cut, they can be stored between plastic sheets the same way as prepared sashimi portions.

For the tagliatelle lift and edge and roll it into a flat loose roll. Put on a chopping board and cut into strips. Stored in air-tight containers in the fridge.

For the cold roll filling

Per 1, must be assembled to order

1 lobster consommé wrapper

50g lobster consommé tagliatelle

Take the wrapper and tagliatelle out of the fridge before you start assembling the salad to give it time to warm up

30g cooked Rocklobster leg and knuckle meat

coriander leaves

Thai basil leaves

Mint

1 Thai chilli, very finely sliced

20g zucchini, julienned very finely

5g long stemmed radish sprouts

1 lemon grass stem, peeled back to the soft part, finely sliced

5g pickled ginger

10ml pickled ginger syrup

5ml fish sauce

half lime, strained juice - to order

15g crispy fried shallots – **SEE TIP**

Gently mix everything together and keeping a small garnish and roll it up in a consommé wrapper.

Serving

Serve with a condiment tray with finely chopped Thai chilli, a dish of each of the dipping



saucers (see below) and half a just cut lime. A cold towel is a nice touch.

TIP

Crispy fried shallots are best made by slow frying them in clean oil. This extracts the moisture and they become deliciously crunchy.

Palm sugar chilli dipping sauce

100g palm sugar, a dark one, finely shaved
 6 lemon grass stems, peeled back to the soft part and finely chopped
 15g peeled weight garlic, finely chopped
 15g peeled weight young ginger, finely chopped
 6 Kaffir lime leaves, stripped of veins and chopped to pinhead size
 30g (approx 1 bunch coriander roots), washed and very finely chopped
 2 drops sesame oil
 10g roasted sesame seeds
 50g light soy
 100ml fresh strained limejuice

Mix everything together - keep refrigerated.

[CLICK HERE TO GO TO THE PRINT FRIENDLY VERSION](#)

WINE RECOMMENDATIONS

The recent South Australian vintage, the shortest in its history was probably the most difficult ever. Taking place through the state's worst heat wave since meteorological records began with 15 days of over 35°C - 40°C/95°F-104°F, and never dropping below 30°C/86°F during the night. Picking grapes at baume 20 has left some winemakers wishing they had stills and could turn it into brandy, marc or some other useful spirit. Yet, in the most peculiar of vintages there have been some spectacular parcels and no surprise it is with those winemakers who always make brilliant wine. Incredibly winemakers are predicting some of their best yet and even more fascinating these extraordinary vintages are coming from vines that have not received a drop of water other than from the heavens. In the grip of severe drought in it's third year, conventional viticulture considers this is an insufficient amount of water. Native trees fall to the ground with a rapid breath of wind and throughout South Australia, European species are dying with depressing frequency. Making great wine is a symbiotic relationship between the winemaker, the land, the viticulturist and perhaps God (if you believe in that sort of thing).

We are finding more and more of our favourite wines are grown with a good environmental approach. The Australian organic wine industry is rapidly being taken into the biodynamic sphere won over by their more holistic approach that starts with the soil. The issue of water in Australia particularly in South Australia has become critical, yet those winemakers who have not irrigated their vines unless they were under impossible stress have produced exceptional wines and are elated at the prospects of the 08 vintage when for some it has been their worst nightmare.

PAXTON
QUANGONG FARM



20 McLaren Vale Wine of Australia
06 Shiraz 2005

AUSTRALIA - SHIRAZ - 2005 PAXTON QUANGONG FARM

Biodynamics is a process that in every way exceeds organic; a process that equally takes care of the soil as well as the plant it is a total process that encompasses the sustainability of the land and the wise use of water. It takes time and patience and dedication, but if PAXTON'S QUANGONG FARM SHIRAZ is an indication of the end result it is a celebration of the fruits of labour. This wine is a personal favourite from the Paxton range. It is perfection when it comes to structure, soft but defined on the nose and on the palate there is fruit and fragrant spice that is so harmoniously combined the finish is long and balanced and so, so drinkable. This spectacular wine has a subtlety that does not confine it to traditional matches and we love it with the SOUTHERN ROCKLOBSTER CONSOMMÉ COLD ROLL because it is a wine that takes very kindly to a little (even a lot of chilli). [PAXTON VINEYARDS](#)

OLIVIER LEFLAIVE MERSAULT 'TILLET'S' 2005

Like an exquisite, perfectly costumed ballerina in a white tutu, the Margot Fonteyn of white burgundy, all delicacy, poise and balance and charm the Olivier Leflaive Mersault 'TILLET'S' 2005 is as an outstanding performer. Like Fonteyn on point, perfectly balanced, delicate but powerful with overriding clean fresh fruit, flintiness, almost aloofness with brilliant oak balance and persistence with length of palate that makes a wine a real star. Drink with [SASHIMI OF AUSTRALIAN SOUTHERN ROCKLOBSTER TAIL WITH WASABI MAYONNAISE AND WASABI FLAVOURED FLYING FISH ROE](#) and experience a brilliant food and wine match. [OLIVIER LEFLAIVE](#)

AUSTRALIA - SHIRAZ - 2005 COATES WINES SHIRAZ

Owner and winemaker Duane Coates is a Francophile when it comes to wine making. The wines that he makes under his own label as well as those he makes for clients of his *Free Run* consultancy services are proof that Australian shiraz can have the elegance and subtlety of the greatest of the French Sryah for about a tenth of the price. The wine palate of Australian drinkers is also changing as more and more drinkers succumb to less volatile more balanced wines with a softness to them that is brilliantly compatible to food. This Shiraz whilst not certified organic is made from certified organically grown grapes from South Australia's McLaren Vale region. A stunning match with the [ROCKLOBSTER AND BONE MARROW](#) combinations. The wines of this brilliant young winemaker have spectacular balance, length of finish and are further indication of the coming of age of the Australian wine industry. [COATES WINES](#)

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Southern Rocklobster Limited
 Level 1/16 Unley Road, Unley, South Australia 5061
 T +61 8 8357 7569 | F +61 8 8272 7767
 USA 323 371 6115

There's plenty more on our web site - visit us at www.southernrocklobster.com

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Southern Rocklobster Limited

number four October 2008

FOOD EDITOR [ANN OLIVER](#)



• IN THIS ISSUE

The tomalley is the essence of lobster flavour and a very small amount infused into the liquid medium can develop an outstanding depth of flavour. In this issue of **CHEF NEWS**, cougeres (right) and two soufflé recipes, double cooked (right) and a la minute below. Three technically sound recipes that deliver enviable food costs. [READ MORE](#)

• **GENIUS AT WORK** - CHEF PROFILE IRON CHEF HIROYUKI SAKAI is mad about Southern Rocklobster and recently collaborated with Palazzo Versace's Executive Chef Steve Szabo to create a fabulous dinner showcasing Australian Southern Rocklobster. [READ MORE](#)

• Superstar chef Shannon Bennett, Executive Chef and owner of Melbourne's fabulous Vue de Monde, rated in the world's top 50 restaurants shares a recipe from his most recent book *My French Vue*. [READ MORE](#)

• Read more about other chefs using [Australian Southern Rocklobster](#)

From the Executive Officer's Desk:

fourth **CHEF NEWS**. We are expanding our USA Program! As we enter our third season of our market initiative in the USA, we are pleased to announce that we are implementing an intensive communications strategy in order to further strengthen the USA market development program. SRL offers a unique, branded Southern Rocklobster product certified as Clean Green, fully traceable and tagged. SRL targets high-end restaurants for which quality and supply guarantees are paramount. We specifically are aiming at chefs who recognise the value of a premium quality wild caught lobster which is tagged, traced, quality guaranteed and most importantly sourced from a sustainable fishery.

We have completed extensive market research which has shown that face-to-face activity with chefs, wait staff and restaurant owners is likely to be the most effective way to communicate the features and values of Southern Rocklobster to the high-end US market.

The program will be undertaken by the SRL Market Development team of [Matt Muggleton](#) and [Lucy Hinge](#), who are now based permanently in Los Angeles for the next 2 years. The team will be supplemented with three additional American staff to be based on the East Coast and Mid West. Matthew will be responsible for managing all US operations including the market development team, while Lucy Hinge will handle logistics, administration, communication and in-house development support. Chefs can expect a call from one of our team or you can catch up with them at the upcoming International Hotel, Motel and Restaurant Show in November 9 – 11 in New York. Our Clean Green certification program now covers 56% of the active fleet and the program sets the benchmark nationally for the implementation of an integrated accreditation system which combines food safety, workplace safety and environmental standards with third-party independent auditing. Under the Southern Rocklobster Limited (SRL) "fisher-direct" model, fishermen own the Clean Green product through the supply chain with processing, receiving, consolidation, and distribution provided under service contracts. Data on supply chain management are essential tracking tools required to monitor service delivery and to improve on survival of live lobsters shipped to destinations such as the west coast of the USA.

It is a chain with numerous steps and we have experienced some traceability and supply chain



Rocklobster Cougeres, a wonderful simple rocklobster canapé made using only the tomalley

Looks stunning, tastes even better, another great recipe using the tomalley

Click on the image to find the recipe on our web site

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[NEWSLETTER ONE NOVEMBER 07](#)



Our President, Roger Edwards might look like a fairly conventional bloke, but this is a man who keeps his surfboard and a couple of bottles of good Aussie red in his office just in case! An economist by profession his amalgamation of the Australian Rocklobster fishers has been visionary. The conduit between fishers, government and the market route,

issues that have required attention included data entry and management. We are hopeful of relaunching the fully integrated traceability system this year following substantial improvements funded through additional investment by the industry and with Australian Government. In closing, our fisher members thank you for your ongoing support and interest and we look forward to working with you over the coming season.

Roger's unlimited energy has bought victories for the member fishers of Southern Rocklobster Limited who are quickly becoming the envy of all other fishing industry bodies.

Whilst the member fishers acknowledge they may be able to follow the **Clean Green** module, the ability to represent themselves to government and the world stage was to get their brilliant product to the world market.

Roger loves his family first and balances his life with short spells staying at the family's remote beach side shack where there is no mobile communication or email. They are a family that loves eating out (and in) and they have a deep interest in the technical side of cooking. Gastronomic passion and balancing the books are rare combinations, but they are our president's greatest asset.

CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



Clean Green Program Update – Certified Sustainable Wild Caught

Fishers are attracted to **Clean Green** because it allows them to show to the local and wider community that not only do they meet the legislative requirements but reach the highest standards possible. They deliver a high quality product that has been fished in an environmentally sustainable way in an industry where workplace safety and animal welfare are of paramount importance. The **Clean Green** audit program has also recently been found by the Australian Quarantine & Inspection Service (AQIS) to be acceptable for catcher boats handling live crustaceans for export. This fantastic breakthrough is further evidence of the credibility of the program as their accreditation is extremely tough.

- As fisher John Atkinson explained 'for many years lobster fishing was just that. We set the pots, brought them home and sold them but we always worried about the future. I completed the **Clean Green** program and am thrilled to be part of an organization that is acknowledged as being environmentally friendly the marine environment while establishing a benchmark system for future generations working in this industry'. David Jonston, another early adopter says, 'we pride ourselves on the superiority of our product. The **Clean Green** program highlighted the importance of quality and our system gives us the ability to demonstrate this to the market in a completely transparent manner. At a time when many fishing industries are facing shut down, **Clean Green** fishers are looking forward to market expansion under the **Clean Green** brand'. Tagged **Clean Green** Australian Southern Rocklobster is the chef's guarantee of Wild Caught, live Rocklobster, from well managed fishers who understand the importance of maintaining their pristine environments and fishing in a manner that is sustainable and allows natural growth whilst at the same time adoption world's best practice.



FISHERMAN OR PORT PROFILE JOHN SANSON

Hobart based John Sanson is a director of Southern Rocklobster Limited and president of the Tasmanian Rock Lobster Fishers Association (TRLFA). John has been certified **Clean Green** for three years. A devotee of **Wild Caught** and **Sustainability** the whole **Clean Green** program just made immediate sense to him. Very aware of the environment, John points out Tasmania has extensive well-preserved wilderness regions and has a spectacularly beautiful pristine coast line that is equally wild, tempestuous and dangerous. Like all **Clean Green** certified fishers John is proud that their industry doesn't just supply the best Rocklobster in the world, but that their fishing future is an example for the rest of the world to follow. 'Natural,' John says, 'is the only way to go, and **Clean Green** certification is putting our philosophy into a reality.'



PRIDE AND JOY

It is not surprising that **Clean Green** list their vessels and John Sanson is no exception. His vessel is called Waygoe

FAVOURITE BEER

Doesn't drink beer



Clean Green Australian Southern Rocklobster - the finest in the world

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FAVOURITE WINE

Not really a drinker but does enjoy an occasional glass of exceptional Tasmanian wine, pointing out that Tasmanian is Australia's best Pinot Noir and Pinot Meunier grapes for sparkling wines

FAVOURITE HOME DISH

John, like all our member fishers fancies himself as a bit of a cook and give his wife a big vote for her lobster dishes. His favourites are his wife's recipes; a chunky lobster pâté and a very good traditional Rocklobster Cocktail. John cheekily adds he has something of his own signature dish, a Rocklobster Mornay

FAVOURITE RESTAURANT DISH

John hopes his best restaurant Rocklobster dish is always the next one

TECHNIQUE MORE MOLECULAR ELEMENTS

More molecular elements using consommé provide texture, taste and interest to dishes. A working trip to Chengdu in January opened up new ingredients and an unbelievable diversity of textures and tastes. It came as a surprise that this fascinating chemical reaction of Sichuan food still allowed for distinct individual flavours.

Rocklobster Consommé Pearls

Makes about 25

For the pearls

250g clarified seasoned Rocklobster Consommé

2g sodium alginate

1g xanthan gum

Blend everything together and allow to stand for at least 1 hour to thicken

For the solution

5g calcium chloride

1L water

Dissolve the calcium chloride in the water.

We use spherical moulds see IDEAS AND TRICKS immediately below. Put the calcium chloride solution into the trays and using a syringe, put the tip into the middle and syringe a pearl into each sphere. Allow to stand for about 30 minutes before carefully rinsing them off. We store the pearls in consommé which helps to heighten the flavour.

Transparent dumpling pastry

Makes about 30 x 8cm dumpling disks rolled to the last notch on a pasta machine

150g corn flour

75g tapioca flour + little extra for kneading

1g fine salt

5g sesame oil

10g lard or oil - lard tastes best

250g boiling water or Rocklobster consommé

Mix everything except the liquid thoroughly in an electric mixer with the paddle.

When thoroughly combined add the boiling liquid working the dough until it comes together in a smooth ball. Knead with a little tapioca flour and bag.

The dough keeps well when re-sealed. A bit difficult to work but easiest at room temperature. Store the dumplings in pack away containers on a small piece of baking parchment. Completed dumplings have a shelflife of three days before the dough starts to deteriorate. We also dye this dough with spinach powder (available from health food shops) for a beautiful translucent emerald green.

To cook

Lift the lid and steam for about 10 minutes. Slide from the paper straight into the consommé. Pictured - our dumplings were filled with 10g of green Rocklobster leg meat seasoned with ginger garlic, white pepper and very finely shredded wood



TOP LEFT - Sichuan Rocklobster Consommé with fresh and dried mushrooms, wood fungus red dates and anatto buds.

BOTTOM LEFT - Consommé of Rocklobster with consommé pearls and rocklobster and wood fungus dumplings. Click on the two left hand images to take a closer look at the components.

TOP RIGHT - pearls in the making.
MIDDLE - Assembling the dumplings.
Storing the dumplings.

fungus.

READ OUR COMPLETE TECHNIQUE ADVICE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER

SHANNON BENNETT – Vue de Monde, Melbourne Australia

Named in the top 50 restaurants in the world 2008 Shannon Bennett's restaurant **Vue de Monde** is iconic, not just in the Australian dining scene, but the world. **Vue de Monde** is dining par excellence as are all of Bennett's dining tiers including **Bistro Vue** and the recently opened **Café Vue**. Innovation in combination with classical perfection, theatre, a world class wine list, attention to the tiniest detail required to make a perfect dining experience. Bennett is loyally supported by discerning diners in Australia and a pilgrimage for culinary tourists. Reservations are essential for **Vue de Monde**.

Fifteen-Minute Crayfish Nage

Serves 2

This recipe works with just as well with prawns, oysters, Moreton bay bugs and other shellfish, such as mussels. If food was ever meant to be served with wine this would be one of the dishes named in the top ten!

50 ml (2 fl oz) extra-virgin olive oil
 1 x 800 g (1 lb 12 oz) crayfish (rocklobster), cooked and shelled, tail cut into medallions
 Sea salt
 500 g (1 lb 2 oz) clams
 1 brown onion, finely diced
 2 garlic cloves, crushed
 6 baby carrots, peeled
 1 leek, finely sliced
 500 ml (1 pint) white wine
 Juice of ½ lemon
 Pepper
 100 g (3½ oz) cultured butter
 2 tablespoons basil leaves
 1 tablespoon finely chopped tarragon
 8 tablespoons cooked macaroni (made from 4 tablespoons uncooked)

Preheat a large pot over medium heat, add the olive oil. Once the oil is hot, add the crayfish medallions and sauté for 1 minute, then season with sea salt.

Add the clams, followed by all the vegetables in quick succession. Sauté on high heat, stirring constantly.

Add the white wine and place the lid on the pot. Cook on high for 4 minutes.

Season with the lemon juice and salt and pepper. Add the butter, and stir well.

Once the butter is mixed into the bubbling juices, add the herbs and pasta, cook for 1 minute and serve.



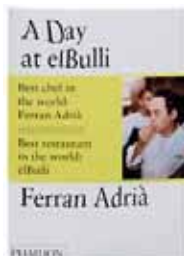
Fifteen-Minute Crayfish Nage is a wonderful example of the simplicity of true French bistro cooking; a simplicity that in no way diminishes the excellence of the finished dish or the refined flavours it delivers.

Recipe from Shannon Bennett's **My French Vue**, published by Simon and Schuster 2007, image copyright © Simon Griffiths

Visit [Vue de Monde](#)



IDEAS AND TRICKS AND BOOKS A Day at elBulli, an insight into the ideas, methods and creativity of Ferran Adrià



A day at elBulli

An insight into the ideas, methods and creativity of Ferran Adrià

Ferran Adrià – Juli Soler – Albert Adrià

Published by Phaidon Press Ltd 2008, www.phaidon.com – H/B \$19.95 USD \$75 AUD

Every chef in the world will want to own this book so they can paw the pages, devour and analyse every image, covet the first recipes from the elBulli kitchen and make them their own. Every chef with ambition dreams of being as famous as Ferran Adrià, just as thirty years ago the chefs of that time dreamed of being as famous as Bocuse or before that Escoffier. If you think about it creativity, true creativity is a rare commodity in the greatest kitchens of the world, but no chef in history has turned food upside down in the same way as Ferran Adrià and his team. No other restaurant kitchen has ever had such a universal influence on the food of the world.

A day at elBulli is the first book not published by their own publishing arm and the first book to really come within the reach (price wise) of even the most lowly paid apprentice. The inclusion of recipes will set a million of the world's most possessed chefs hard at work in their kitchen to push forward what the



Images courtesy Phaidon; top left cover, right Ferran Adrià, bottom a little taste of the recipes contained in the book - Coulant/soufflé of granadilla with cardamom toffee page 416
All images Maribel Ruiz de Erenchun

elBulli teams has been working on for years. Of course there is no catching up but the results of this ultimate generosity will certainly see changes in menus globally as chefs seek to play with the recipes contained in this book.

This is a beautiful and unique book with wonderful pictures and a heart so rarely found in modern day cookbooks. An absolutely brilliant benchmark book that is without doubt the best book of 2008. Read our interview with [Ferran Adrià](#)

Ann Oliver – we take book reviewing seriously, for more book reviews [click here](#)

GENIUS AT WORK [IRON CHEF HIROYUKI SAKAI](#)

INSPIRATION : Iron Chef Hiroyuki Sakai is crazy for Australian Southern Rocklobster

WEB SITE : [Iron Chef Official Web Site](#) **EMAIL :** [Chef Hiroyuki Sakai's official blogg](#)

CHEF PROFILE : Hiroyuki Sakai

You only have to look at the fabulous image of Iron Chef Hiroyuki Sakai with Southern Rocklobster to appreciate that he has a zest for life and a great sense of humour. Born April 2, 1942 Hiroyuki Sakai (Sakai Hiroyuki) has become a globally famous chef specialising in French Cuisine. The association of French food and wine has been longer established in Japan than any other cuisine and many of Japan's most famous chefs specialising in French cuisine have actually done their apprenticeships in the kitchens of France's three Michelin star restaurants. In fact Sakai named his restaurants after the French city la Rochelle where he did much of his apprenticeship. Sakai's restaurants under the [La Rochelle brand](#) are found in Shibuya (Tokyo) and Fukuoka. The high reputation of Hiroyuki Sakai's restaurants led to sn of his reputation and restaurants they, and Hiroyuki Sakai are more famous today than they ever were. Producer Toshihiko Matsuo sought out Sakai on the recommendation Kihachi Kumagai a famous Tokyo hotelier and restaurateur and thinking it would be just a few episodes Sakai agreed to a six-month contract. The rest of course is history and six years later he is still an important part of Iron Chef. Sakai's fascination for food remains and he is famous for quizzing chefs and their assistants about their techniques. A member of the Club des Trente, an organization of French chefs in Japan Sakai does not fall into the category of 'TV chefs' but is still a highly regarded chef in his own flourishing restaurants.



[Southern Rock Lobster and Oysters with Somen Noodle Salad](#)

Serves 4

- 100g (3 1/2oz) somen noodles
- 2 x 850g (2lb) Southern Rock lobsters
- 12 freshly shucked oysters
- 1 granny smith apple, peeled and finely diced
- juice and segments of 2 limes
- 1/2 cup baby watercress
- 4 tbsp extra virgin olive oil
- sea salt and cracked black pepper

Cook somen noodles in boiling salted water for 4 minutes and refresh in iced water and drain.

Place lobsters in freezer for 20 minutes to send them to sleep before cooking. Cook lobsters in a large saucepan of boiling salted water for 7 minutes. Refresh in iced water. Remove meat from shell and slice each lobster into six even medallions.

To serve, place three lobster medallions on each serving plate and top each medallion with a stack of somen noodles. Place an oyster on each noodle stack and garnish with a little diced apple. Garnish plate with lime segments, remaining diced apple and watercress. Dress plate with extra virgin olive oil, lime juice and salt and pepper. [PRINT FRIENDLY VERSION](#)



NEXT ISSUE



Extracting green meat is now so easy with our **GREEN MEAT EXTRACTION** technique and in our next chef news we'll be showing great ways to keep your sashimi portions in perfect condition with simple, but divine hot dishes using the prepared sashimi. We'll also be doing ravioli, the Italian dumplings with some divine and very cost effective fillings and sauces. We want to use the best of everything when it comes to ingredients, but try to run a no waste kitchen meaning we are always looking at ways to keep our stock moving so that everything is used at premium condition.

THIS MONTH'S RECIPE **ROCKLOBSTER SOUFFLÉ**



Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

SOUTHERN ROCKLOBSTER SOUFFLÉ

MAKES 7

For the soufflé base

200g whole cream milk
1 fresh bay leaf
1 pinch Iranian saffron
100g peeled weight red onion, finely sliced
25g tomalley
2g white pepper, freshly and coarsely ground
50g unsalted butter
50g strong flour
½ small nutmeg, freshly grated
15g freshly and finely grated parmesan Reggiano
130g egg yolk

Other ingredients

soft butter for buttering the soufflé dishes
approx 350g plus egg white at room temperature, preferably out of the shell for at least 3 days
cream of tartar or freshly juiced, strained lemon juice
7 x 50g green leg and knuckle meat
finely grated parmesan Reggiano

For the soufflé base

Put the milk, saffron, onion, bay leaf and tomalley into a saucepan and place on low heat. Bring to the simmer, stirring a couple of times, boil and then turn the heat off. Allow to stand for 10 minutes then strain off the infused milk. Weigh out the paprika, pepper, salt nutmeg and flour; melt the butter and when it foams whisk in the flour and cook, stirring constantly for a couple of minutes, then whisk in the milk and continue whisking until it is thick and comes cleanly away from the bottom of the pan. Stir through the parmesan and without delay whisk in the egg yolk. Turn the heat off and keep stirring over for a couple of minutes to finish cooking the egg and then scrape it into a bowl. Cover tightly with plastic food wrap and pierce a couple of pin-prick holes in the top to allow the steam to escape.

Service

Oven temp 180° C/350° F

Soufflé dishes should be carefully buttered before service (and collared if that is how you do it.)

We make soufflés by sight but it is approximately 50g egg white per soufflé. Put 50g base, 1 portion of lobster meat into a bowl and gently mix them together. In a clean bowl with a clean whisk add some egg white and a small pinch of cream or tartar or 5g lemon juice and whisk until they form soft smooth peaks. **If you over beat the egg white, clean the bowl and start again soufflés do not rise or have the right texture when made with dry split egg white.** Mix a heaped kitchen spoon of egg white into the base, and when fully incorporated very gently add another two. Spoon into a prepared soufflé dish, sprinkle the top with parmesan and put in the oven. They take approximately 20 minutes, centre should be ever so slightly goeey.

[CLICK HERE](#) TO GO TO THE PRINT FRIENDLY VERSION

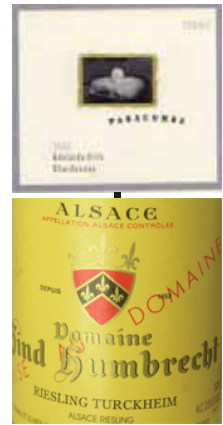
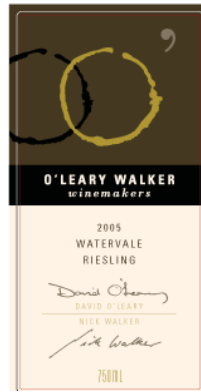
TIPS This soufflé can be double cooked. Allow them to deflate gently pushing the tops into the dishes as they deflate so they do not get caught on the top edges of the dishes. While they are still warm (but not hot because they will break) carefully release them from the dishes and place them on trays covered with silicon or baking parchment. Allow them to cool completely and turn the tops up. They will puff again 10-15 minutes in a 200° C/400° F oven.

Anyone can make a high soufflé, that's easy! The hard part is making it taste amazing without tasting eggy or being so full of egg white there is no taste at all. Infusing the Rocklobster tomalley into the milk adds the most stunning but subtle Rocklobster flavour with none of the bitterness that sometimes accompanies soufflé bases made with bisque stocks. We put the dishes on small pizza trays just slightly larger than our soufflé dishes and rotate them in order. With care they can be pulled forward rotating them as you go. The hardest thing about a soufflé is getting the service staff to be soufflé savvy.

■ WINE RECOMMENDATIONS

It has long been the conundrum of the chef to get the right balance between delicate food flavours embellished with chilli and pepper and the sommelier and chef to find a wine match. Multiple blind food and wine tastings (including beers) Sauvignon Blanc has been the overriding choice of our panels, but asking restaurateurs and sommeliers what their customer's order, in the main they would plainly disagree. One of Australia's most famous restaurateur families the Singhs and Sandus with their restaurants The Jasmin and Tandoori oven have between them consistently won Best Indian Restaurant in Australia for more years than any of us can remember. They sell more Australian Shiraz, especially hot climate Shiraz from the Barossa Valley and McLaren Vale wine regions, which bluntly defies the educated choice. Both of their wine lists have ample more compatible (in our opinion) wine choices ranging from Sauvignon Blanc, even some stunning Gewürztraminer and Moselles from Alsace. Why should we be surprised? Years ago in a three star Michelin restaurant in France that boasted a menu and wine list that would make most of us tremble with anticipation. There on the next table sat a woman who ignored the menu for Parma ham and mashed potato while she consumed a bottle of 76 Roderer Cristal. An absolutely stunning wine but certainly not a classical match.

We have all become used to the fragrant blunt chilli lashed with lime juice and lemon grass of the Thai kitchen, the rich and hot and mainly aromatic flavours of the Indian kitchen and the fusion of Indian, Thai and Singaporean that is found in Malaysian food. We've learned about the hot pungency of Vietnamese food with its herbaceous finishes, the duplicity of the chilli if the Hunan kitchen and now we've been confronted with Sichuan. Real Sichuan, a mouth-numbing fiery fantasy of chilli, chilli oil and pepper. Real Sichuan is without any real comparison in the Western kitchen, but we have found hot climate young feisty Australian Shiraz works almost as well as the sweet nature of Gewürztraminer.



AUSTRALIA – RIESLING – 2005 O'LEARY WALKER WATERVALE RIESLING

The austere complexity of this superb wine is yet another example of the coming of age of New World wines. Made with grapes from 45-year-old Riesling vines in picturesque Watervale, which is part of the South Australian Clare Valley wine region. A region noted especially for superb Rieslings in particular especially small pockets in Watervale and Eden Valley. Restrained fruit, perfect balance this wine has a long lingering finish that makes it a perfect companion for food. We have served it as an aperitivo with **SOUTHERN ROCKLOBSTER ROCKLOBSTER COUGERES** to great acclaim. **O'LEARY WALKER WINES**

AUSTRALIA – CHARDONNAY – 2005 PARACOMBE WINES ADELAIDE HILLS CHARDONNAY

The days of full-blown over oaked Australian Chardonnays have mercifully vanished and from the South Australian Adelaide Hills wine region come some of the country's most elegant examples of modern well-structured Chardonnay. Paul and Kathy Drogemuller have made an exceptional team. Paul, a self taught winemaker has received endless accolades for the Paracombe label and Kathy representing their wines has managed to place them on the country's best wine lists. Their 05 Chardonnay is like a ballerina in a stiff tutu making precise dashing steps across a stage. Skillful, restrained and brilliantly balanced this is another wine to meld with food. Served with **SOUTHERN ROCKLOBSTER SOUFFLÉ** it is a brilliant companion. **PARACOMBE WINES**

FRANCE – RIESLING TURCKHEIM – 2003 DOMAINE ZIND HUMBRECHT RIESLING

Alsace delivers some of the world's greatest Rieslings and Gewürztraminer and whilst many of them are brilliant aperitivo wines the 03 Domaine Zing Humbrecht is not one of them. Surprisingly austere this is a wine destined to be served with food and no better match can be found for this slightly floral, slightly soft edged wine than **Salad of Australian SOUTHERN ROCKLOBSTER with sweet pickled ginger, watermelon, green mango and herbs**. This superb wine picks up the ginger in the salad and rocks it like a baby lulling the textures and the flavours of this complex salad into peaceful submission without ever for an instant losing either the complexity of the dish or the wine and never for a moment smothering the sweet fresh taste of Australian Southern Rocklobster. NO LISTED WEB SITE AT TIME OF PUBLICATION

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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767
USA 323 371 6115

There's plenty more on our web site - visit us at www.southernrocklobster.com

If you cannot see this email, please [CLICK HERE](#)



Southern Rocklobster Limited

number five February 2009

FOOD EDITOR [ANN OLIVER](#)



- When Grant Achatz and his team at Alinea (Chicago, USA) published their wonderful cookbook *Alinea*, their generous sharing of knowledge instantly solved something we had been working on. We have lots of excellent ravioli recipes but none as good as this new recipe inspired by their fabulous *truffle explosion* [go to the recipe](#)
- **GENIUS AT WORK - CHEF PROFILE** The gorgeous Frank Comorra, currently Melbourne's *Age Good Food Guide* CHEF OF THE YEAR kindly agreed to be our **GENIUS AT WORK** for this issue, but with the frantic lead up to Christmas and everyone taking the opportunity to have a little time off after Christmas, getting over to Melbourne was not possible. As a result, our **GENIUS AT WORK** section is missing for this issue of our **CHEF NEWS**. Frank and Richard Cornish are working on a new book to be launched later this year and we're all set to catch up in February and we look forward to seeing what Frank does with a fabulous Southern Rocklobster.

Instead we are looking at the THERMOMIX and presenting some of the methods we have perfected in the few months we have owned one. They include small, but important discoveries that make the clarifying of lobster stocks very easy and time saving methods for stocks and bisques that also improve flavour and yields. [read more about the techniques](#)

Read more about why schemes like Southern Rocklobster's **CLEAN GREEN** programs are so vital to the future of food and excellence in restaurants. Investigative journalist Felicity Lawrence's **WHAT'S NOT ON THE LABEL** leaves a lot to think about [read our review](#)

PRESIDENT'S LETTER

Welcome to our fifth **CHEF NEWS**. The lead up to Christmas and New Year have seen major changes for our **CLEAN GREEN** fishers in Australia. We have seen exceptionally high beach prices in excess of A\$100/kg, a 33% devaluation of the Australian dollar against the US dollar, the credit crisis impacting on lobster businesses globally, interest rate cuts and a 30% drop in fuel costs.

No-one could have predicted this dramatic change in circumstances and while it is still early days in the season, we can summarise all of this by saying our competitiveness in world markets, in the short term at least, has improved markedly. The counter to these positives is the slower catch rates which the industry is monitoring closely and will respond to appropriately if required.

Our USA program has been slow to date with record opening beach prices diverting supply to more traditional markets, but we have kick started the New Year with very strong US sales for January. As the Australian season progresses I anticipate volumes will continue to grow.

The SRL USA team, Matt & Lucy, have recently attended the International Hotel/Motel and Restaurant (IHMR) show held in New York and the Fine Foods Show in San Francisco. Large live Southern Rocklobsters were on display with many top chefs amazed at their sheer size. They were also impressed with our **CLEAN GREEN** program and the overall industry sustainability credentials.

The New York Restaurant Show was the perfect opportunity for SRL to showcase our new value added products, and over the course of the show we provided samples of both the ravioli and the bisque. The feedback was extremely positive, with some attendees even



Not everyone loves sashimi but we have found that by serving this wonderful sugar and salt cured raw rocklobster two ways, suddenly non-believers seem to find it irresistible.



Not our favourite way of cooking rocklobster but some people just love it; love it so much we've added **FRIED LOBSTER** to our food service manual

Click on the image to find the recipe on our web site

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[NEWSLETTER THREE JULY 08](#)

[NEWSLETTER TWO MARCH 08](#)

[NEWSLETTER ONE NOVEMBER 07](#)



Southern Rocklobster Limited is continuously working to improve meat to shell ratios - it doesn't get much better than this with consistent 50% green meat - [READ MORE](#)

wanting to purchase the products at the show! The ravioli and bisque are made using Southern Rocklobster and are ready-to-use portions targeted at high-end caterers and banquet venues.

As an added bonus for our customers I am pleased to announce that SRL has expanded its range of high end seafood products to include CLEAN SEAS Hiramasa Kingfish (*Seriola lalandi*) and Suzuki Mulloway (*Argyrosomus hololepidotus*). These premium products are sourced directly from the fishers and farmers and maintain the highest quality standards. This is an exciting time for SRL as we aim to supply our USA market with premium seafood which can only strengthen the long term future and commitment to our customers in the USA.

In closing I must thank all our loyal customers and supporters. It is very early days in our long term program to develop new opportunities for chefs to access and use our magnificent lobster product and may I take this opportunity to wish you and your family a safe and prosperous 2009.

Roger Edwards
 President Southern Rocklobster Limited



CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



Clean Green Program Update – Certified Sustainable Wild Caught

When we first trialled CLEAN GREEN in 2002 our hopes were high that we had reached a sustainable solution for the WILD CAUGHT fishing of Australian Southern Rocklobster. The program especially appealed to fishers because they felt they were in control and government was quick to appreciate the financial and environmental advantages of industry self-management. What Southern Rocklobster certified CLEAN GREEN fishers were not so convinced about was the market acceptance and willingness to buy their product. As more and more of the world's greatest restaurants proudly list live Australian Southern Rocklobster on their menus, their confidence and pride in the program has markedly grown.

Open food forums in the mass media and books such as those written by American author Michael Pollan (*The Omnivore's Dilemma* and most recently *In Defence of Food*) and British investigative journalist Felicity Lawrence (*Not on the Label*) have done much to make the chef and the dining population seek more information about where their food comes from, how it is grown, harvested and taken to market.

- The utter transparency of Southern Rocklobster's CLEAN GREEN system where the purchaser can track their animals from point of capture to the restaurant door has been a big bonus. Our web site has been a major tool in our market strategy and the visibility of the fisher ports with their pristine waters is further reassurance for the chef and consumer that our environment is well cared for. Most impressively, at a time when so many fisheries are collapsing, Australian Southern Rocklobster fishers are looking forward to a bright and healthy future for generations to come.
- Our entry into the market place has been smooth and rapid and we look forward to continued growth and even higher acceptance of our fabulous CLEAN GREEN and WILD CAUGHT Southern Rocklobster.



FISHERMAN PROFILE JOEL REDMAN

Joel Redman lives in Millicent, fishes out of SOUTHEND, South Australia and is president of South East Professional Fisherman's Association (SEPFA). The Redman family is a typical example of the generational involvement in the industry. Father Kym Redman a recently retired director of Southern Rocklobster Limited and his younger brother Scott also fishes out of Southend.

Joel was a very early adopter and was part of the pilot study for CLEAN GREEN accreditation in 2002 when just 25 boats participated. The father of four kids under 12, Joel is a third generation Rocklobster fisher. With a passion for the product and the future, he talks of a moral responsibility to meet social and environmental obligations for future generations by ensuring the longevity of their industry. CLEAN GREEN particularly appealed to their family because is was





Clean Green Australian Southern Rocklobster - the finest in the world

Supported by:



Our land. Our Plan. Our Future



fisher managed with a system that started from the bottom up rather than attempting to filter down.'When you have the cleanest, living and breathing **Wild Caught** product to sell you would have to be an idiot not to respect the environment it comes from or fish in an unsustainable way.'

PRIDE AND JOY

Our four kids and our boat the Belvedere

FAVOURITE BEER

Coopers, South Australia's most famous brewers and available worldwide

FAVOURITE WINE

We're not stuck for choice down here being in the middle of two of Australia's most famous wine regions, the Coonawarra and the Limestone Coast – so just about any wine will be fine

FAVOURITE HOME DISH

Thick slices of fresh buttered white bread straight from our local bakery, chunks of cooked tail, white pepper, salt and a sprinkle of white wine vinegar

FAVOURITE RESTAURANT DISH

Pretty hard for a restaurant to compete with an animal straight from the water, cooked and eaten regardless of what the chef does to it, but we're always interested in trying new dishes, but that sandwich.....well!

TECHNIQUE MORE ABOUT GREEN MEAT EXTRACTION

It's a bit like making bread every day, some people find it boring but others love the feel of the dough in their hands. In my case my hands tell me its perfect and my brain can wander to something else, more often than not, thinking about what to write so that when I get home I can just type it up. Almost a year in after our first experiments with the ice slurry technique we have become faster and faster and improved our meat to shell ratio, our best effort yielding 53% meat. The ratio is not consistent enough to boast about yet but we believe we can, with more practice, consistently achieve these ratios. The **REVISED GREEN MEAT EXTRACTION TECHNIQUE** has led to a lot of new dishes using green leg meat, which provides greater scope for a la carte menu items. We've worked out the best order of working, starting with the tail and finishing with the leg. We love the fact that we even get the meat from the leg joint and claw tip (on the big claws) and that the method extracts the clear plastic-like shell inside the legs. Whilst one still needs to check for small pieces of shell, the rest is easy and the legs keep a good shape.

[READ OUR COMPLETE TECHNIQUE ADVICE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER](#)



IDEAS AND TRICKS AND BOOKS – British investigative journalist Felicity Lawrence poses some very scary questions



CLEAN GREEN and sustainable Southern Rocklobster make even more sense after reading this book. The CLEAN GREEN program

NOT ON THE LABEL

Felicity Lawrence

Published by Penguin, P/B \$24.95

If you think about it poor people, with a small piece of land that grow their food by time honored traditional methods have the best food in the world today. Do you want your children and grandchildren to grow up never having tasted a fresh fish or a piece of ripe fruit straight from a tree? In her book *Not on the Label*, what really goes into the food on your plate British journalist Felicity Lawrence explains how the long-life and out of season market works. The section on bread is particularly scary, as is the description of labour gangs (bordering on slavery) which frequently perform the work living and working under the most inhumane conditions. Large chains will undercut their independent competitors out of the equation, even working for months at a calculated loss. This book is a wake up to what we are doing to our food and health, and recognises that we need to take steps to stop the reemergence of slavery in the Western world.

shows responsibility to the fishers, the environment and sustainability.

THERMOMIX SOME NEAT APPLICATIONS FOR MAKING BISQUES AND STOCKS

INSPIRATION : Watching kitchen staff take forever to pass the shell for a bisque. Staff cooking a stock too long and introducing inedible bitterness to stock or bisque. Volume loss when passing shells for stocks and flavour loss when using conventional clarification methods. And of course food costs! These are all factors that drive our kitchen to constantly look for new methods to achieve better yields and most importantly intense flavour profiles without a hint of chalky bitterness. We want the stocks to be sweet and succulent.



Images above from left, tail shells which are roughly cut into three before processing, middle, waste after stock and right, after bisque after second processing of strained shell in Thermomix. At Southern Rocklobster Limited, our team is constantly working on developing better techniques and sharing that knowledge with the chefs who use our product. Often these improvements are inspired by other chefs. Sometimes we find ourselves having one of those “why didn't I think of that?” moments instantly identifying directions that we have missed or not fully explored. Our determination to produce the best possible food costs whilst at the same time achieving the best possible flavour is sometimes sped up by pure chance. Read more in our first Thermomix section [TECHNIQUE](#) – [We welcome your comments](#)



MAKING A CLEAR LOBSTER CONSOMMÉ USING THE THERMOMIX

Serves dependent on the amount of shell you start with

INGREDIENTS

- rinse the lobster shells under cold running water, we have found that lobsters that spend longer in the slurry can be salty
- weigh the shell, lobster juices and tomalley (if you are using it)
- prepare half the weight of the shell peeled white onion, finely chopped
- keeping them separate**
- prepare one quarter the weight, peeled and finely chopped carrot
- one fifth of the shell weight celery, no leaves and very finely chopped
- 50g unsalted butter or EV Olive Oil per 500g shell
- 1250ml cold water per 500g shell
- whole white pepper
- appropriate fresh herbs and bay leaves

METHOD

Sauté the onion until it is golden, then add the carrot and continue cooking until it is also caramelised then add the celery. Cook stirring for a further few minutes and then add the tomato and cook until everything is soft. Roughly chop up the shell, put it into the Thermomix and add about 250ml (a cup) of the vegetable. Pulverise the shell in 10 second bursts at speed 10, scraping down the sides until it is very liquid and the shell pieces tiny. Add the water to the vegetable, scrape the brownings into the stock and then add the pulverised shell. Turn the heat down very low, and stirring **only for the first 30 minutes** very slowly bring the stock to a simmer. **NEVER**



ACTIVELY BOIL THE STOCK When the scum has come to the surface, turn the heat off and set a timer for one hour. Without stirring the stock up strain through a chinois lined with muslin. The bottom dirty stock is reserved for rice, bisques, soups and sauces that do not require clarity. [SEE MORE TECHNICAL INFORMATION](#)

NEXT ISSUE



Melbourne's hottest chef, and owner of Movidia, Frank Comorra is our **GENIUS AT WORK** and we'll be introducing you to Frank and Richard Cornish's' first book **MOVIDA** and giving you an insight to the new book they are working on that will be launched later in 2009.

In keeping with the Spanish theme our recipes will be **TAPAS** style. Scrumptious morsels of Southern Rocklobster that leave you longing for more like *steamed lobster with salad of orange, red onion and dill with smoked paprika and chilli oil*.

We'll also be expanding on the use of **THERMOMIX** when preparing rocklobster dishes and doing some steamed Rocklobster tapas using steaming techniques from the Chinese kitchen.

THIS MONTH'S RECIPE **ROCKLOBSTER AND TRUFFLE RAVIOLI, ROCKLOBSTER SAUCE, PASSIONFRUIT VINAIGRETTE AND CAVIAR**

Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

for the stock

1kg Rocklobster stock made using the Thermomix method [refer to recipe](#) reduce by half, weigh to ensure you have it exactly right, top to 500g with good spring water

taste and season the reduced stock – we find that shells from ice slurry extraction don't need salt and only occasionally pepper

for the pasta dough

Australia is blessed with some of the best flour in the world. It is no coincidence that the bakers of Iraq, some of the most talented and least celebrated bakers in the world today fought over the limited Australian flour coming into Iraq at the height of the Iraq war. Much of my cooking comes from old people (older than me) who have fearlessly taken me to one side and told me "you've got it wrong!" We used to make pasta dough with strong flour until our friend Lucia, one of my city's finest traditional Italian cooks pointed out the error of our ways. We have used soft flour or cake flour for years and the result is wonderful. Tender, but al dente it is exquisite!

We also make our dough once a week and vac it; it saves time but it also inexplicably seems to improve the pasta dough. It's also very easy to take out what you need and reseal. Our lovely egg man, John Morby runs free range and supplies stunning big delicious super fresh eggs. Fresh eggs as we all know are the real taste test. We have foxes on mainland Australia and the John protects his chickens with lamas. So sweet looking they are fearless when it comes to protecting their charges.

Ingredients

1.8kg cake flour
30 fine sea salt
50g EV olive oil
17 x 61g **COLD** whole eggs; egg size is important
8 egg **COLD** yolks from 61g eggs

Method

Mix the flour, salt and oil together. Add the eggs and work the dough to a smooth well-kneaded dough. Vac and refrigerate for at least 3 hours before using the dough. We never freeze pasta dough, believing it is an altered state.

for the ravioli spheres

makes 45 - 9 entrée appetiser/entrée serves or 3 ravioli per portion

equipment – half sphere silicon sheets 4cm diameter

Ingredients

315g green Rocklobster meat, roughly chopped – we believe the leg and knuckle meat provide the best flavour
90g quality Italian or French truffle paste
500g of the reduced Rocklobster stock, prepared as previously described
3g agar agar

Method

Put 7g of the green lobster meat into each form and then 2g of truffle paste on top. Put the stock onto the stove, bring to the boil and then whisk in the agar agar and continue whisking until drops will form on the whisk when it is held above the pot – 2-3 minutes maximum. Using a bulb baster fill the moulds and allow them to set.

to assemble the ravioli

Roll the pasta to the finest notch and make the ravioli using as little additional flour as possible.



for the jellied lobster consommé garnish

make another batch of the agar agar consommé and set in a form that will mean it is not more than 5 mm deep

for the passionfruit caviar – make the base 24 hours before you want to use it

100g fresh strained passionfruit juice

150g spring water

2g sodium alginate

Mix everything together in the Thermomix or blender. let stand for 30 minutes, then blend again. Refrigerate for 24 hours.

to finish and store the passionfruit caviar

for the bath

5g calcium chloride

1kg water

Mix together then drop the passionfruit caviar mix into the solution and leave it there until it becomes spherical - approximately 10 minutes. Rinse under cold water and store 50:50 fresh strained passionfruit juice and water solution in the fridge.

for the glacé chilli strands

Very finely julienne large sweet chillies. Cook them without movement in a syrup made from equal quantities of caster sugar and quality white wine vinegar until they are translucent light emitting strips like skinny strips of rubies.

for the passionfruit vinaigrette

The selection of the EV olive oil is critical to the success of this vinaigrette; it should be fresh and sprightly, new, but with fantastic tropical overtones, one of those rare oils with banana and pineapple notes, but with fabulous complexity and a little bitterness on the end palate.

20g roasted pureed organic garlic

240g EV Olive Oil

120g fresh strained passionfruit juice - tropical passionfruit are too sweet

black pepper, freshly and coarsely ground

black sea salt

Emulsify the garlic, olive oil, passionfruit and pepper. Stir the salt through so the grains of black remain apparent.

to serve

place some fine strips of the jellied consommé on a warm plate

cook the ravioli, drain them and place them on the consommé

drizzle the passionfruit vinaigrette over the top

garnish with the glace chilli

scatter the passionfruit caviar over the top

PRINT FRIENDLY VERSION

WINE RECOMMENDATIONS

Working from left to right; sublime, fabulous and bloody good value for money is how these three excellent wines can be summed up.

One of the most fantastic opportunities of my cooking career and long association with the great wines of the world (in particular Australia), was to cook a lunch for a vertical tasting of thirty years of Penfolds Grange and Henschke's Hill of Grace. In the middle of opening a hotel in Adelaide my boss was less than enthusiastic about my running away, but was somewhat mollified when later that night we served a sauce listed as *sauce of the century made with full bottles of 83 Penfolds Grange and Henschke's Hill of Grace*. Naturally it walked out the door and our wine-loving restaurant manager enjoyed the stories he could tell. Both are Australian icons, the most sought after and most expensive and most regarded Australian Shiraz. What many international wine drinkers may not know is that Australia has some of the world's oldest vines. Whilst the tyranny of distance did much to slow progress in Australia it was that distance that preserved the oldest vines in Australia from the fungal disease phylloxera. Many of the most treasured vines of Europe were so diseased they had to be pulled out and replanted.

Penfolds in particular can choose grapes from some of the oldest vineyards in the world at their [Kalimna Vineyards](#). The ability to choose so widely from such old vines with so many dry country complexities allows their winemakers the opportunity to deliver enviable consistency.

FRANCE – SYRAH – 1996 CHÂTEAU BEYCHEVELLE

This wine whilst relatively young was almost in the full bloom of life, rich and complex and drinking brilliantly now. We loved the musky undertones, the mild sophisticated spice, the complex wild red berry softened with the fragrance of violets. Exotic and delicious, this wine would be stunning with a [LOBSTER AND BONE MARROW SOUFFLÉ WITH RED WINE SAUCE](#) and add 50g poached bone marrow per soufflé and a saucier of your best red wine sauce flavoured with a little lobster stock reduction. Bliss! [CHÂTEAU BEYCHEVELLE](#)

AUSTRALIA – SHIRAZ – 1990 PENFOLDS GRANGE

One of the classic vintages of this fabulous wine the 90 Grange is ranked with 71, 76, 83 and 86. Having never been lucky enough to try 71 and 76 (hint! hint!) 90 is drinking brilliantly. Still in its youth the palate is lingering like a lover unwilling to return home, complex and exquisitely balanced with rich plum spice and beautiful refined youthful tannins. Properly cellared this wine has a long life still to live. A slab of [FOIE GRAS SAUTEED IN BUTTER WITH STEAMED SOUTHERN ROCKLOBSTER LOBSTER LEGS](#) drizzled with some [GINGER SYRUP PENFOLDS WINES](#)

AUSTRALIA – SHIRAZ – 2005 FIRST DROP WINES MOTHER'S MILK

Young Barossa winemakers are rapidly removing the region's reputation for hot climate jammy and volatile wines at the lower end of the market. Mother's Milk is a great illustration of that shift in style. So well-priced it could be almost anyone's everyday drink it is a wine that sits well with young diners, not just for its quality and price but its funky and fun label that tells the story of the wine. Matt Grant and John Retsas take their wines seriously but like all good winemakers don't mind having a little fun along the way; try this wine with [SOUTHERN ROCKLOBSTER WITH PEA EGGPLANT CURRY SAUCE AND COCONUT MILK RICE](#) the wine has just the right amount of spice and audacity to make an excellent match. [FIRST DROP WINES](#) We love the intro for their web site



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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767
USA 323 371 6115

There's plenty more on our web site - visit us at www.southernrocklobster.com

If you cannot see this email, please [click here](#)



Southern Rocklobster Limited

number six May 2009

FOOD EDITOR **ANN OLIVE**



IN THIS ISSUE TAPAS ANTIPASTO

What makes them special? Imagination? Sure! Appearance? Of course, but in the end it is freshness and taste. Something that looks fabulous but tastes ordinary just doesn't leave the diner lusting to repeat the dining experience. We have developed a raft of luscious and different tapas for this issue. [read more](#)

GENIUS AT WORK - CHEF PROFILE Frank Camorra, chef owner Movidia Bar de Tapas Y Vino and Movidia Next Door, Melbourne Australia – Camorra currently holds the coveted title of Melbourne Age Good Food Guide's *Chef of the Year*.

At a time when many of the world's greatest chefs are choosing to follow an experimental style of cooking in the molecular vein, Frank Camorra and his team have stayed with traditional food, the food of his Spanish heritage. Camorra's food is celebrated and loved by all who are lucky enough to experience it, and his restaurants enjoy a disparity of demographics that is the envy of every restaurant in Australia. Every generation loves Movidia Bar de Tapas y Vino and Movidia next Door. [read more](#)

FEATURE GENIUS AT WORK RECIPE

From the Movidia kitchen Frank Camorra's Rocklobster Terrine with scallop mousse, sea urchin and cavolo nero and Russian salad [go straight to the recipe](#)

Read more about Southern Rocklobster fishers, this issue Tasmanian John Parker a **CLEAN GREEN** Southern Rocklobster fisher for two years fishing out of the picturesque port of Hobart in Tasmania. [read more](#)

From the Executive Officer's Desk:

sixth newsletter.

As the Australian Southern Rocklobster season draws to a close across the 3 fishing States on Victoria, South Australia and Tasmania, the industry is reflecting on a complicated operating scenario. On the one hand record high prices have been achieved driven by strong demand across all market segments and slower supply, while on the other hand some uncertainty has emerged due to lower catches and the global financial situation. Put this together with a strengthening A\$ (around 20% in 2 months) and the picture facing the industry remains relatively volatile.

This combination of factors has added to our challenges in developing the USA market, but I am delighted to report progress is being made, thanks to the ongoing support of our ever-expanding customer base and the Australian Seafood Cooperative Research Centre and Fisheries Research and Development Corporation that fund our market development program. In the last 12 months we have expanded the range of premium Australian seafood products in our "seafood basket", to include products such as Hiramasa Kingfish, Suzuki (Japanese sea bass), Mulloway and lobster bisque and ravioli. We are highly appreciative of the tremendous support from Gary Baca of Joe Stone Crab and Steak Chicago and Ann Oliver our Chef News Editor, who provided direction in the product development phase.

Looking forward, the industry body Southern Rocklobster Limited remains committed to global market development challenge to expand a diversified market portfolio of customers and products has not changed since we commenced assessing our options back in 2005. Our team of Matt Muggleton and Hamish Parsons are now permanently based in the USA and they are



ROCKLOBSTER OIL MAYONNAISE

ROCKLOBSTER BLANCMANGER AND CHILLED ROCKLOBSTER AND ALMOND SOUP SPHERES

[Click on the image to find the recipe on our web site](#)

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[NEWSLETTER ONE NOVEMBER 07](#)



currently planning the next phase of the USA program.

In Australia the industry will assess the slower catches within the quota management arrangements and respond as needed to ensure the long term sustainability of the resource. We are pleased to announce the 6th National Rocklobster Congress will be held in Adelaide South Australia 14-16 September this year, at the picturesque Adelaide beach side suburb Glenelg. The Congress will focus heavily on profitability issues facing the next generation and include sessions on marketing, environment and sustainability. An informal meet & greet will be held on the Monday evening, where participants will have the opportunity to catch up and the national species of the year taste off and Congress dinner will provide great entertainment. We urge you, your family, partners and staff to join us and colleagues from around the lobster nation at the 6th National Lobster Congress. In closing, this will be my final column for the Chefs News and Matt Muggleton will be taking over the helm. After 20 years involvement with the industry I am stepping aside. Thank you all for your support and encouragement over the journey – it has been a pleasure to be involved with the industry at all levels from pot to plate.

Roger Edwards
 President Southern Rocklobster Limited



6th National Rocklobster Congress
 Adelaide 14 to 16 September, 2009



industry profitability - market development
 promotion levies - stock management
 aquaculture - environment
 climate change - fuel miles
 carbon trading - the next generation

preliminary program

Monday 14 September
 SRL Annual General Meeting - afternoon
 welcome and reception - evening

Tuesday 15 September
 sessions and presentations - all day
 congress dinner and Taste Off - evening

Wednesday 16 September
 sessions and presentations - all day

conference venue
 The Oaks Plaza Pier, 16 Holdfast Promenade
 Glenelg South Australia 5045

Major Sponsor

 Australian Government
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t 1300 853 880
 f +61 8 8272 7767
 e Alison Wallis <alison@corvel.com.au>
 w www.southernrocklobster.com

For further information and sponsorship opportunities
[click here](#) to email Alison Wallis – to see the venue [click here](#)

CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



Clean Green Program Update – Certified Sustainable Wild Caught

Our unique **CLEAN GREEN** utterly transparent tagging system immediately identifies quality and excellence. The tagging allows you to follow Southern Rocklobsters from point of catch to your restaurant table. Our original tagging system is our guarantee that you have purchased the highest possible quality Rocklobster in the world, caught in pristine Southern Australian waters, that they are **wild-caught** by a group of certified **CLEAN GREEN** member fishers who work through one of the world's most advanced self-imposed environmental management systems.

The member fishers of Southern Rocklobster Limited work closely with scientists and government to ensure absolute best practice based on scientific fact that ensures the future of their livelihoods whilst at the same time supplying to the best restaurants in the world the finest quality live rocklobster's available in the world today.



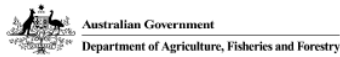
FISHERMAN OR PORT PROFILE JOHN PARKER

John Parker has over 25 years experience as a rocklobster fisherman, with his home port being picturesque **Hobart** and has been a certified **CLEAN GREEN** fisher for almost two years. The Parkers enjoy traveling around Australia, but are always happy to return home to the tranquility and beauty of Tasmania an island noted for its unspoiled pristine wild ocean, ancient forests and waterways and natural beauty, well preserved historical buildings and highly regarded cool climate



Clean Green Australian Southern Rocklobster - the finest in the world

Supported by:



Our land. Our Plan. Our Future

The Oaks Plaza Pier the location for the 6th National Rocklobster Congress



wines.

The abundance of seafood harvested in their unspoiled waters adds to the tourism experience in Tasmania. The island is only just 400km long and nearly every tiny seaside village will serve their local treasure and whilst they will mainly cook it plainly, in the main, they cook it well. John says that International tourists relish the Southern Rocklobster in Tasmania and delight in its proximity from fisher to plate enjoying the sweet firm flesh and premium freshness of the Southern Rocklobster.

from the top – The Petuna sailing along the rugged coastline at Pt Davey, South West Tasmania – closer to home port sailing back into Hobart – Southwest National Park Image courtesy Tourism Tasmania, photographer George Apostolidis – Sleepy Bay a pocket of the Freycinet Peninsula on the east coast of Tasmania Image courtesy Tourism Tasmania, photographer Paul Sinclair



PRIDE & JOY

Has to be my boat the Petuna

FAVOURITE BEER

Carlton Draught

WINE I know I live on an island that makes fabulous wine, but I am not a drinker

FAVOURITE HOME DISH

My wife and I are pretty good cooks and our favourite home dish is Lobst Thermidor, a classic old French rocklobster dish

FAVOURITE RESTAURANT DISH

Our family is lucky enough to eat Rocklobster a lot at home so when we we're looking for something different, in my case I enjoy a good T-bone when I'm out.

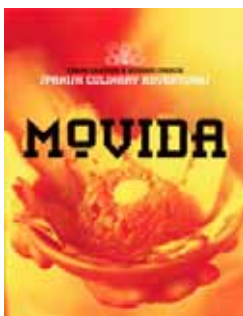
■TECHNIQUE MORE ICE SALT SLURRY

After many months of working with the salt and ice slurry we have it pretty much down pat. Consistent vastly improved meat to shell ratios that equate in better food costs, but the most important advancement for us has been that the meat is green. The options for cooking, or serving raw are so much better and the end results are a marked improvement delivering better freshness and quality. Most recently for the first time we tried the method on and 4kg/8lb monster. The shell was of course thicker and more difficult to cut through. The tail and head was easily extracted, and with the horn and large claws we covered them with a cloth bashed them with a mallet and the shell fell off. We like that!

[READ OUR COMPLETE TECHNIQUE ADVICE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER](#)



IDEAS AND TRICKS AND BOOKS MOVIDA Frank Camorra and Richard Cornish



MOVIDA SPANISH CULINARY ADVENTURES

Frank Camorra & Richard Cornish

Published by Murdoch Books, deluxe P/B \$45.00

This is a wonderful book, a book for the passionate chef and home cook. Camorra's food is the type of food that once you've got the hang of it you will find yourself using the book less and less, but it doesn't mean you won't return to it to re-read the exquisitely crafted text. Co-author, food journalist Richard Cornish has taken Camorra's words, kept their enthusiasm and passion and crafted them into perfectly compatible passages that sit alongside the recipes. If you like a book that makes you cry Movidita just might do it as there are some especially sentimental chapters. Try for instance p338. Curiously this old food is the food informal generation 'Y' love to eat and the type of food we love to cook and eat. Nothing too structured, utterly seasonal, often grown by suppliers who have become close friends and of course family who feel some ownership in the success of Movidita Bar de Tapas. Bold wine friendly fresh food combinations that are often embellished with the preserves of the seasonal glut, the magic of Spanish heritage that has transposed so smoothly to Australia Camorra's food, whilst served in an Australian restaurant his food has not become Australianised.

Particularly wonderful are the references to the cross-cultural lists of suppliers that are part of the miracle of the migration and cooking in Australia. It was impossible not to smile at the resistance to chilled soup, Chilled almond soup with grape granita, now a signature dish at Movida Bar de Tapas, and remember the gallons of chilled soup we poured down the sink in the 80s until we realised it went pretty well with vodka after work. Chef/owners will always persist regardless of the cost until finally their customers realise what they are missing out on.

The recipes are deeply embedded in family history and culinary traditions that whilst they come from Spain, are not at all out of place in the Australian. Not everyone will share our enthusiasm for the images, but we have come to detest pictures of food meant to be rustic that has been given a designer look. Food that is cooked and served in the same implement as a matter of custom should never be shown tortured into submission lying in a dish that has never seen an oven or stovetop. It misses the point, not just of the food and flavours, but the reality of the style of food. These are recipes from a restaurateur chef/owner, whose restaurants are always so packed with devotees its hard to get a seat and Camorra, despite the pressures of success and work maintains an intelligent equilibrium with a zest for life and fun that is ever present. The pastry section is spectacular. We love this book!

Frank Camorra and Richard Cornish are working on a second book (title not fixed) that will be launched world-wide later this year, probably October or November.

[read a review](#) for Movida Bar de Tapas

GENIUS AT WORK [Frank Camorra – Movida Bar de Tapas Y Vino and Movida Next Door](#)

INSPIRATION : My staff who never fail to amaze me!

WEB SITE : www.movida.com.au **EMAIL** : reservations are not taken by email – [email enquiries only](#)

CHEF PROFILE :

Frank Camorra

Chef owner Movida Bar de Tapas Y Vino and Movida Next Door Melbourne Australia

At a time when many of the world's greatest chefs are choosing to follow an experimental style of cooking in the molecular vein, Frank Camorra and his team have stayed with traditional food, the food of his Spanish heritage. Camorra's food is celebrated and loved by all who are lucky enough to experience it, and his restaurants enjoy a disparity of demographics that is the envy of every restaurant in Australia. Every generation loves Movida and Movida next Door.

It is a focus on traditional food that has finally been rewarded. Camorra currently holds the coveted title of Melbourne Age Good Food Guide's *Chef of the Year*. His tiny restaurants are packed from the second they open until late at night. Keeping "Spanish hours" his restaurants celebrate the traditions of Camorra family and their Spanish heritage.

Financial success and fame has not been instantaneous for Camorra, and he retains a refreshing humility about his recent achievements. Given the humble nature of his establishments it is important to note that during the recent Melbourne Food and Wine Festival some of the world's hottest chefs queued patiently for a seat. His food is the sum of his Spanish heritage.

Camorra's passion for food cannot be more poignantly put than his own words,

"Christmas in a Spanish Household

It's funny, I look back on the Christmases from my childhood and I seem to remember a lot of legs. Legs of uncles and aunts who'd come around to our place on Christmas Eve to party. In Spain, the exchanging of presents happens on 6 January, Three Kings Day. When we moved to Australia this was amalgamated into Christmas Eve, so the traditional dinner and party and presents were all combined, which helped fuel the children's excitement. We'd have a meal of *pinchitos muronos* (char grilled Moorish lamb skewers) and do the Aussie thing and have some *gambas a la plancha* (grilled garlic prawns) which dad would usually cook on the barbecue. We would also have Russian eggs.....

We were allowed to stay up well past midnight.

Some time during the night, Uncle Rebola, who was considered by many to be quite an accomplished flamenco singer, would put on a performance and sing soulful *cante hondo* (deep and emotional songs). Mum would bring out her *mantecados de alemendra* and dad poured liberal shots of anis liqueur and brandy. However, the focus was never on the food. It was always on the family. Special attention was paid to the very young and our grandparents. But the food was constant. As a child, it seemed like it was never-ending, like magically self-replenishing plates.

It was only when I was older that I realised how much hard work mum and dad put in; every year the food was consistently good and tasted just as good as it did the year before. It's just the people who changed. This year was the first year our son Pepe spent Christmas with his Grandparents. Mum's mantecados were exactly as I remember them and dad was just as liberal with his shots. But the smiles our little boy brought to their faces - sometimes I think mum and dad were going to burst they were smiling so much. I don't think I can remember seeing them so happy." P337 [Movida go to the](#)



review

The food of modern Australia has become the sum of migration, the journey of food and food culture over many continents to find a comfortable place amongst hundreds of different cuisines. The success of migration to Australia is in many ways remarkable, but then again, Australia is a nation of nations.

Connection, family and heritage play a dominant role in Camorra's cooking, and what he has managed to retain is a zest for life that has seen him maintain a balance that keeps his enthusiasm bubbling to the top. He is the type of chef who will be working with his team, calling the pass, joking, pushing and laughing with the kitchen family, but what he has achieved is something most restaurateur chefs do not; Camorra has restaurants that work as well with him as without him.....utterly remarkable!

Movida is powered by brilliantly trained staff who understand the mathematics of the restaurant floor. On a busy Sunday lunch, the dazzling front of house manager, kept a tiny table by the door, calculated every seat in multiples of two, never allowing a single diner to interrupt the flow or a single diner to escape. "A table for four, just a minute, have a drink, won't be long". Masterful. And when the night shift arrived it was more of the same, equally professional, equally loyal. The staff meal smelled wondrous, magical and it seemed to us that flavour, generosity and seasonality, combined with great wines and stirred with a blend of fun might just be the magical formula that is the sum of Movida.

Movida and Movida Next Door are wonderful testaments to food tradition. Ask any Melbournian with a love of food rich or poor, young or old, what their favourite restaurant is they will invariably name one of Camorra's restaurants. We agree!

AO

FAVOURITE BOOKS

- Roast chicken and other stories Simon Hopkinson
published by Ebury Publishing, UK (Random House Group)
- la technique Jacques Pepin
published by Black Dog & Leventhal Publishers Inc. New York, USA
- Classic Techniques of Italian Cooking Giulliano Bugialli
published by Simon & Schuster, New York, USA

from top to bottom – Frank Camorra and baby Pepe (image courtesy Murdoch Books, MOVIDA Spanish Culinary Adventures, Frank Camorra and Richard Cornish), street art Hosier Lane, Melbourne Australia, meatballs with squid, fab old and new world wines by the glass or bottle, Australia's benchmark (maybe the world's) caramel flan

**SOUTHERN ROCKLOBSTER TERRINE** with scallop mousse, sea urchin and cavolo nero and Russian salad

Frank Camorra, Movida Bar de Tapas y Vino and Movida Next Door, Melbourne Australia

Serves Cold entrée/appetizer 12-15 portions

Ingredients**Terrina de Bogavante**

- 1 live 1.5 - 2.5kg Southern Rocklobster
- 1L Rocklobster stock made in the traditional manner with lightly roasted Rocklobster shells and vegetable mirepoix
- 2 bunches of cavolo nero, washed and stalked and blanched in seasoned Rocklobster stock, briefly refreshed in an ice bath
- 1 small pinch of saffron
- 50ml cream
- 1 egg white (30g)
- 150g roe-on scallop meat
- salt and black pepper to taste
- 100g sea urchin roe

Ensalada de Russa (Russian Salad)

- brunoise wax potatoes, cooked in seasoned Rocklobster stock
- brunoise carrots, cooked in seasoned Rocklobster stock
- Fresh peas, cooked in seasoned Rocklobster stock
- 1 bunch of chives, finely chopped
- white anchovies
- 50g pureed Rocklobster coral
- 100g aioli, recipe follows
- red onion, brunoise

Aioli

3 egg yolks

10g of smooth Dijon mustard

60g white wine vinegar

200ml olive oil

200ml of vegetable oil

salt and pepper to taste

30g crustacean stock or 15g pureed Rocklobster coral to flavour the aioli

Method

Euthenase the Rocklobster humanely and remove the meat by your preferred method.

Lay out a double layer of cling film and sprinkle with EV olive oil, sea salt and black pepper. Place the Rocklobster tail on the cling film with the inside of the tail facing up. With a very sharp knife, butterfly the Rocklobster into an evenly thick rectangle. Dry the cavolo nero and then, covering the Rocklobster meat completely, layer the cavolo nero on top. Infuse the saffron into the cream and chill the infusion. Keeping the scallops very cold, make the scallop mousse with the scallop meat, egg white and infused cream. Season to taste with sea salt and white pepper.

Leaving a 3cm working edge along one of the long edges or the roulade, spread the scallop mousse evenly over cavolo nero.

Layer the sea urchin in an even row in the centre of the mousse. Lift one end of the Rocklobster with the cling film and roll creating a perfect cylinder. Twist each end of the cling film tightly to achieve a cylinder that is approximately 8cm diameter. Wrap a second time to secure the shape.

Pierce the roll with a few tiny pin-pricks and poach in the stock in a sous-vide bath for 12 minutes @ 90°C, or cook conventionally in the stock, sitting on a rack to avoid direct heat contact at 90°C for six minutes one side then turn and poach for a further six minutes the other side.

Carefully remove and cool in the chiller over night to firm the terrine.

To serve

Stir the Rocklobster coral into the aioli - this is best done at each service. For each portion, dress the Russian Salad components with aioli, taste and adjust the seasoning. Trim one end of the roll, and for each portion slice a 2cm thick round.

Place in the centre of the plate, garnish with more sea urchin roe and white anchovies, then sparingly sprinkle the terrine with the chardonnay vinegar, a touch of sea salt and a little freshly ground pepper. Serve immediately.

images — the fabulous terrine, rustic but complex individual flavours, that work brilliantly as a whole, artisan bread made by Melbourne's finest bakers, bottom, the start of the day looking out of Movida onto the street art of Hosier Lane.



NEXT ISSUE



We'll be visiting the biodynamic garden of our friends at **Rockford Wines** (Barossa Valley, South Australia) and their chefs Alison Cribb and Michael Voumard, who garden and cook the lunches for their acclaimed Stonewall Table. One of Australia's most remarkable and loved dining experiences their superb cooking is governed entirely by the seasons. A completely organic biodynamic garden the whole concept of the table is a sought after dining experience by any Australian with a love of great food and wine. It is not uncommon to find people have come from far flung places just to enjoy this very unique Australian dining experience.

left – Rockford Wines' Krondorf Garden the dream of every great chef.

We'll also have new Rocklobster appetiser recipes from the cold larder.

Light, delicious and interesting over a broad range of cultures
with complex salad dressings using EV Rocklobster Oil.

THIS MONTH'S RECIPE **ROCKLOBSTER EMPANADAS**



Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

TAPAS ANTIPASTO

What makes them special? Imagination? Sure! Appearance? Of course, but in the end it is freshness and taste. Something that looks fabulous but tastes ordinary just doesn't leave the diner lusting to repeat the dining experience.

There is a tiny wine bar in Venice, Cantina Do Mori, one of Venice's oldest, it is hidden in the tourist market area very close to the Rialto bridge. About the size of a small bedroom it is packed with Venetians. Every day they open the most amazing back vintage Italian wines and serve until finished just made antipasto.

It is seven years since we went to the wine bar but I salivate at the thought of the tiny flat onions that had been oven roasted with sugar, salt, pepper, fabulous EV olive oil until they were caramelised, drizzled with good balsamic and then secured with a toothpick they were topped with a squishy mild pickled green chilli and a perfect anchovy.

Oily, salty, sweet and a little sour from the onion, they were an exquisite match for the stunning earthy perfection of the 20-year-old Barolos the patron was opening that day. There have been a lot of great meals since then, a lot of great food, but the perfection of that tiny treat remains memorable. Dining is about experience and taste and memory and season and tapas/antipasto in the true sense of the word are a celebration of all of that.

Cantina Do Mori

San Polo 429, Vaporetto-Haltestelle San Polo, 30121 Venezia

t +39 41 522 5401

no web site at this stage

ROCKLOBSTER EMPANADAS

Makes 27

for the empanada pastry

5g double action baking powder, available from most Asian/Chinese grocers

270g strong flour + little extra for rolling

5g fine sea salt

100g lard, **cold** and cut into pieces

50g white wine, **cold** 50g fino sherry, **cold**

for the Rocklobster filling – see note

135g green Rocklobster meat (leg and head meat is fine)

0.5g fine sea salt

.25g white pepper

6g white wine vinegar

30g Rocklobster stock, can be dirty stock

10g tapioca flour

other ingredients

roasted and peeled red capsicums, marinated in EV olive, seasoned with sea salt and black pepper and finely minced organic garlic

roasted and smoke eggplant



chopped pumpkin or zucchini flowers
 1 egg yolk
 vegetable oil, or a mixture of EV olive oil and vegetable oil for deep-frying
 90mm pastry cutter
 1cm chisel sable paintbrush

Method

for the empanada pastry

In a Thermomix or food processor mix the baking powder, flour and salt. Add the lard and work in very quickly then add the liquid working just long enough to bring it together. Tip the mixture onto your pastry slab, knead together, wrap in plastic food wrap and rest for 30 minutes. Overworking ruins the texture of this pastry.

for the Rocklobster filling

Chop Rocklobster meat on pulse then work in the other ingredients on pulse. Scrape into a container and refrigerate for at least 30 minutes before using.

Using as little flour as possible, roll the pastry out thinly and cut disks. Add 6g of the Rocklobster filling per empanada and a little of the other ingredients. Brush one half of each disk with egg yolk, push them together and pleat the tops. Keep covered with plastic food wrap while completing the full batch of dough. Provided you are sparing with the additional rolling flour it is possible to knead the dough together and roll again without any noticeable stretchiness or real change in the texture of the pastry.

Keep chilled until ready to serve. Fry into hot oil until golden, drain on paper towel, good by themselves by also terrific with **ROCKLOBSTER OIL MAYONNAISE**

note – this recipe stretches the Rocklobster a long way. If your budget allows, chunks of green leg meat that has been seasoned with sea salt and white pepper is really terrific. It is especially good rolled through a little EV olive oil and some finely minced ginger and garlic.

click on the images to go to the recipes



DEEP-FRIED ZUCCHINI FLOWERS FILLED WITH ROCKLOBSTER MOUSSELINE



CHILLED ROCKLOBSTER CONSOMMÉ SPHERES



ROCKLOBSTER CROQUETTA

WINE RECOMMENDATIONS

It is impossible to think of TAPAS without thinking of sherry because served lightly chilled it is the perfect match to the oily salty flavour profile found in many tapas. Sherry also copes brilliantly with vinegar in a way that few wine varietals do. Travelling in Spain is the opportunity to indulge in the breadth and depth of sherries available in their country of origin. In Spain tapas bars often serve a single item that they have crafted and perfected for years, but it is a sure bet their wine offerings will show no such pared back restraint.

In the recently released 2009 S. Pellegrino World's Top 50 Restaurants the Spanish restaurant ElBulli was awarded number one for an unprecedented consecutive fourth year a brilliant achievement that deserves to be celebrated. On a recent visit to Melbourne Australia, chef and head of the ElBulli team Ferran Adrià gave us some tips for places they all like to eat in and around the Barcelona markets. "In the Mercat de la Boqueria a friend of mine has a little bar **Bar Pinotxo (Pinocchio)**, and then there is my brother Albert's tapas bar, **Inopia Classic Bar**, and the former head of the elBulli kitchen Albert Raurich and his partner Tamae Imachi who also used to be part of our team at elBulli have opened this place called **Dos Palillos (Two Chopsticks)** which is an Asian tapas bar. It's really good, we like it a lot!"

Delicately flavoured tapas that have a brush of chilli and a little brusque acidity in the form of lemon juice partner perfectly with Gewürztraminer and when it comes to creamier richer textures Chardonnay seems to slide into its own taking on deep-fried items. One of the greatest pleasures of tapas is the diversity of tastes and textures, that demand not a single wine, but many.

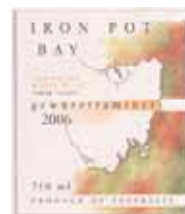
SPAIN – JEREZ – SHERRY – Emilio Lustau Amontillado Solera Reserva "Los Arcos" Emilio Lustau
 93 points Bright amber in colour. An attractive, nutty bouquet that offers nuances of apple and herb overlaying complex aldehyde notes. Very good intensity in the mouth, nutty complexity intermingled with exotic nuances of green apple and figs, a distinctive almond flavour provides further depth. Finishes dry with an excellent length of persistence and just a hint of alcohol warmth. Emilio Lustau Amontillado Solera Reserva "Los Arcos" is a stunning match with **ROCKLOBSTER EMPANADAS DC**

About the author

Duane Coates BSc MSc(Oen) MBA Winemaker, Coates Wines/Free Run Wine Consulting mbl (+61) 0417 882 557 fax (+61) 08 8363 9925 Po Box 859 McLaren Vale 5171 www.coates-wines.com
 Duane Coates will be adding reviews to CHEF NEWS from time to time. A highly regarded winemaker his ability to assess wine means that his opinion is highly respected. Duane is also in the last stages of his Masters of Wine studies having successfully passed the organoleptic stage he now has his dissertation to write. He will then join a very elite group of world wide wine experts of less than 300.

AUSTRALIA – TAMAR VALLEY, TASMANIA – GEWÜRZTRAMINER – 2006 Iron Pot Bay Gewürztraminer – Iron Pot Bay Wines

This brilliant wine is more than a match for its haughty Austrian cousins, snobbish because of their long lineage. Perfectly balanced the nuances of the wine open up with each sip, revealing



like a practiced trantalising stripper new excitement as each layer is exposed. Floral on the nose, perfectly balanced with just the right amount of residual sugar to adore mild chilli and a long slow finish that leaves the drinker in no doubt about the excellence of this wine. The 06 Iron Pot Bay Gewurztraminer would make a brilliant aperitif on a hot summer's day, but its ability to take a little chilli and a little complex savoury sweetness makes it a perfect match for **CHILLED ROCKLOBSTER CONSOMMÉ SPHERES AO**

AUSTRALIA — PICCADILLY VALLEY, ADELIDE HILLS, SOUTH AUSTRALIA — 2007 Michael Hall, Adelaide Hills Chardonnay — no web site at time of publication

We adore it when out of nowhere comes a wine that is so stupendous, so surprising that you just want to know everything about the winemaker and the wine. No web site, no listing in the white pages, no interstate Australian agents, even hard to find in South Australia where it is made, no export, in the Australian wine business for what is virtually an eye blink Michael Hall is rapidly becoming the darling of the Australian wine press. At a recent dinner for **First Drop Wines** "Spangled Mob" **Bremerton Wine's** family member and winemaker **Rebecca Wilson** confidently stood her excellent pre-release reserve 2008 Bremerton Reserve Chardonnay Langhorne Creek against 2007 Michael Hall Adelaide Hills Piccadilly Valley Chardonnay, 2005 **Leeuwin Estate** Chardonnay and 2001 **Leflaive Folatieres** Puligny Montrachet.

We cooked some of the recipes featured in this **CHEF NEWS**, **Empanada of Southern Rocklobster**, **Croquette of Southern Rocklobster**, **lobster oil and lime mayonnaise**, Southern Rocklobster broth, tomato and saffron, and a version of **Steamed Southern Rocklobster custard** minus of course the chilli oil. Each wine matched with a two-bite morsel. The croquette with its gooey lobster laden soft centre and crisp crust in combination with the richness of the mayonnaise was an impressive match for Hall's elegant steely Frenchy Australian Chardonnay. This miraculous wine is further proof of the benefits of wide travel and winemakers working in other countries. It did not come as a surprise that Hall has done many vintages in France including **Domaine Leflaive**, **Meo-Camuzet**, **Vieux Telegraphe** and **Trevallon** and in Australia **Cullens**, **Giaconda**, **Henschke**, **Shaw and Smith**, **Coldstream Hills** and **Veritas**. Hall also makes **Sang de Pigeon**. **Barossa Shiraz Saigné 2008**, **Michael Hall and Eden Valley Syrah 2007**, **Flaxman's Valley**. We love the story — jewellery valuer for Sotheby's in Geneva Hall spent his spare time visiting vineyards in France. In 2002, looking for a life change, he came to Australia to study wine science at Charles Sturt University, New South Wales Australia, graduated as dux in 2005 and currently works for **Roclands Wines** at **Nuriootpa** in the South Australian **Barossa Valley** where he also makes his wines. Mission statement "Complexity, elegance and balance. Quality at any cost." We love that! AO

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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767
USA 323 371 6115

There's plenty more on our web site - visit us at www.southernrocklobster.com

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Southern Rocklobster Limited

number seven August 2009

FOOD EDITOR **ANN OLIVER**



- **IN THIS ISSUE** we've taken the concept of our **consommé cold roll** from last summer and used it to give a modern twist to the old French classic, rocklobster with vanilla, **VANILLA COLD ROLL WITH SOUTHERN ROCKLOBSTER AND PORCINI SALAD**. The subtle vanilla flavour and the sweetness of the Southern Rocklobster is a gorgeous foil for the rest of the ingredients. [read more](#)
- **GENIUS AT WORK** - CHEF PROFILE Luke Stepsys is just 31 years old and has the prize job in Australia, executive chef at Penfolds Magill Estate Restaurant, the purpose built restaurant which showcases one of the world's most celebrated wines Penfolds Grange. [read more](#)
- Penfolds Magill Estate executive chef Luke Stepsys shares his recipe for Australian Southern Rocklobster [read more](#)
- Read more about a new English edition of the Spanish magazine Apicius, aimed solely at the professional chef. [read more](#)

From the Executive Officer's Desk:

Welcome to our seventh newsletter.

As we enter into our third year of the market development program, it's pleasing to see some signs of bottoming out of the fallout from the global financial crisis. Australia has come through this turbulent period relatively well and hopefully we can look forward to recovery, growth and expansion of our program. It would be fair to say the timing of launching our global program could not have been in a more challenging period, with soft demand and fluctuating exchange rates combined with and record high beach prices.

While the prices received by **CLEAN GREEN** certified lobster fishers have been strong, challenges emerged in the last season in terms of catch rates and lobster stock strength. This has seen rapid management responses in the three rocklobster producing States, with catch quota cuts aimed at sustainability across the board. This is one of the strong features of our industry, in that, when management action is required, immediate steps are taken to ensure long-term sustainability. The recent moves will no doubt protect the fishery, our industry and key markets, and it is guaranteed that the correct action will be taken to ensure stocks recover and supply to markets is assured. In the meantime, a slower supply and further strengthening of prices can be expected in the short term.

We are excited about the year ahead as we expand our "basket of seafood" in the USA market. We have established a strong relationship with key suppliers and our value added rocklobster range including bisque, steaks and ravioli, is attracting new interest from high-end customers. We expect a watershed year for the program as we demonstrate our long-term commitment to the USA market and continue to build our customer network.

A further sign of our commitment to our customers is the permanent relocation of Matt Muggleton and Hamish Parsons to the USA. From this base Matt and Hamish will continue to work with chefs across the country to utilize our magnificent rocklobster in ways that adds business value and delivers customers satisfaction.

In closing on behalf of the Australian Southern Rocklobster industry, we wish our customers a rapid recovery from the recent difficult period we know has been experienced and we look forward to working with you over the coming twelve months.

Roger Edwards
President Southern Rocklobster Limited



Southern Rocklobster Pâté with Crisp Pancetta and Rockmelon



Thai Salad of Southern Rocklobster with Pineapple, Green Radish and Choko

Click on the image to find the recipe on our web site

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6th National Rocklobster Congress

Adelaide 14 to 16 September, 2009



SARLAC

industry profitability - market development
promotion levies - stock management
aquaculture - environment
climate change - fuel miles
carbon trading - the next generation

preliminary program

Monday 14 September
SRL Annual General Meeting - afternoon
welcome and reception - evening

Tuesday 15 September
sessions and presentations - all day
congress dinner and Taste Off - evening

Wednesday 16 September
sessions and presentations - all day

conference venue
The Oaks Plaza Pier, 16 Holdfast Promenade
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t 1300 853 880
f +61 8 8272 7767
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For further information and sponsorship opportunities
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CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



Clean Green Program Update – Certified Sustainable Wild Caught

Australian Southern Rocklobster fishers have a generational association with the rocklobster industry. Their great grandfathers, fathers and their children are an integral part of Southern Rocklobster membership and the future of the rocklobster industry in Australia. Sustainability is not a new word, or a fashion for Southern Rocklobster member fishers because it is an industry that has been passed from generation to generation and one the current generation wants to preserve for future generations of their families. Our member fishers are the custodians of the rocklobster industry for their children and their children's children.

Catches are controlled with strict quotas and our pots are specifically designed to allow undersized lobsters to escape, while female lobsters laden with eggs are immediately returned to the sea. The industry protects the wider marine environment by adhering to strict environmental practices through the independently third party audited **CLEAN GREEN** program.



Clean Green Australian Southern Rocklobster - the finest in the world

Supported by:



Our land. Our Plan. Our Future

The Oaks Plaza Pier the location for the 6th National Rocklobster Congress



FISHERMAN OR PORT PROFILE QUEENSCLIFF, Victoria

Queenscliff sits just inside the entrance to Port Phillip Bay and is 103 kilometres south of Melbourne, Australia and is located just inside Swan Bay on the northern side of Queenscliff has beautiful sheltered beaches and the waters are great for fishing and boating.

The Queenscliff lobster fleet comprises of 10 boats and the season runs from November 15 to September 14. During the season an average of 14 tonnes of lobster are caught and exported each year.

The Australian Southern Rocklobster (*Jasus edwardsii*) is amongst the worlds rarest and most sought after crustaceans. Epicureans from around the world will enjoy this exquisitely fresh, ultra pure ocean jewel. Caught in the pristine wilderness of the Southern Ocean off Southern Australia; this ocean is one of the cleanest and coldest in the world with its vast waters running between **CLEAN GREEN Australia** and the isolated wonderland of Antarctica.



Images courtesy **TOURISM VICTORIA**

Queenscliff offers some excellent tourist destinations which include: Queenscliff-Sorrento Ferries, Marine Discovery Centre, Diving expeditions and the South Channel Fort and visitors can also swim with the dolphins and see off-shore sea-lion colonies through charter services.

■ **TECHNIQUE GREEN MEAT EXTRACTION**

At Southern Rocklobster Limited we are constantly working on ways to improve food costs, lessen preparation time and improve the quality of finished product in unique and innovative ways.

The ice slurry meat extraction method perfected at the end of 2007 has opened up a raft of recipes and techniques previously not possible because of the degree of cook in meat extract by the old blanching and refreshing method. If you are new to Southern Rocklobster we urge you to take a close look at [our green meat extraction method](#) and other technical and storage advice on our web site.

[READ OUR COMPLETE TECHNIQUE ADVICE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER](#)



Gorgeous green meat with the ice slurry method it just pulls away from the shell.

Green leg and knuckle meat opens out a raft of uses previously not available with blanching methods.

LUKE STEPSYS, PENFOLDS MAGILL ESTATE RESTAURANT

Luke Stepsys was born in Launceston Tasmania, Australia and is 31 years old and has been working in the industry since he was 13. At The Lawrence Street Brasserie, a classic French style brasserie, they grew their own vegetables, raised their own chickens, hunted for local venison and wallaby and caught their own fish and it was here that Stepsys discovered a passion for cooking. He finished his apprenticeship in a structured big hotel environment that taught him discipline and instilled a strong work ethic. Stepsys showed reluctance to take the next step and for a time he drifted from restaurant to restaurant until chance connected him with the inspirational Dr. Andrew Pirie, accredited as the genius behind the Tasmanian sparkling wine industry, now working out of Bay Of Fires, Tasmania. Here Luke began to understand the importance of wine and food as a single integral experience and enjoyed a chef's paradise with his own kitchen garden and spent much of his time between service periods truffle hunting and fishing for trout and yabbies.

In 2002 he joined the team at the acclaimed Terrace Restaurant and the restaurant won many awards under his leadership, including best fine dining restaurant in Tasmania in 2006, 07 and 08. The restaurant was recognised by Australian Gourmet Traveller to be amongst the leading restaurants in the country and won multiple chef hats in various food guides. The restaurant was one of only a handful of Australian restaurants to be awarded 2 wine goblets in the American Wine Spectator Magazine in 2006, 07 and 08. Stepsys assumed control of two other Hobart restaurants within the group encountering media backlash when one of the restaurants was awarded the maximum 3-chef hat rating in the Tasmanian Guide before he had changed the menu. Stepsys owns up to becoming obsessive and admits he neglected the other restaurants in his determination to win critical acclaim in his own right for that restaurant.

Then in 2008 a dream job was advertised for executive chef at Penfolds Magill Estate Restaurant working with one of the world's most acclaimed wines Penfolds Grange and a depth and breadth of premium Australian wines with back vintage selections not found in any other restaurant in the world. Stepsys fully appreciates the privilege of the position and had previously worked with their chief winemaker and custodian of Grange Peter Gago and knew the demands and pressures of the position. Since Luke's arrival in September 2008, the restaurant food has undergone many changes and his aim to create a greater synergy between the food and the wine, and refine and perfect his own cooking style is starting to gain acclaim. They plan to establish kitchen gardens in the near future and Stepsys has invested a lot of time finding the best local producers and incorporating them into his menus.

At just 31 Luke Stepsys is still in his infancy when it comes to his career and has taken to the responsibility, of what is regarded as the diamond of chef positions in Australia with great promise.



IDEAS AND TRICKS AND BOOKS APICIUS a very clever Spanish publication



top current issue and bottom first issue

apicius

international edition

published by Montagud Editores S.A, Spain

available by subscription in Australia from ecotel Adelaide [email](mailto:ecotel@ecotel.com.au) or telephone +61 8 8410 3633\$136 plus postage for two annual issues, for USA and elsewhere contact Montagud Editores S.A, Spain

second issue now available

Apart from nearly fainting at the price and immediately complaining that three good books could be purchased for the subscription price, after careful reading and examination I have to admit my opinion is changed. Unfortunately a lot of books and magazines about food and wine suffer in content because they are written by journalists, albeit with a passion for food and wine, but journalists without real subject knowledge. Given that **apicius** is pitched at the professional chef the text is rather mundane and there are quite a few typos that for the price should not be there. However, what the Montagud publishing house has managed to do is bridge the difficulty of modern publishing and the electronic media and includes web sites, u-tube references and much more. These contemporary references provide an immediate journey elsewhere, that just a few years ago would have been a very different experience. **This is a very very clever publication!** Ten years ago the article and recipe referencing at the back of the magazine would have left the reader with a list of books that may well have lead to credit card melt down and the annoyance of waiting for weeks for books to arrive from overseas because they were never stocked in Australia. Instead **apicius** is referenced to the appropriate web sites and don't be surprised to find yourself justifying your subscription to a partner fed up with your bringing home more books about food by how much money you have saved. Lol!

apicius is a class publication delivering good information and recipes from the world's current "kick-arse" chefs. Lots of modern techniques, the magazine refreshingly introduces some brilliant, less well known exponents of modern cuisine. A beautifully designed, quality publication printed on quality paper with stunning photographs there is a lot to like about **apicius**. Anyone with an obsession for food and wine will not be able to resist **apicius** however an English language editor with a real grasp of cuisine would greatly improve the written content.

GENIUS AT WORK LUKE STEPSYS, Magill Estate Restaurant**INSPIRATION :**

Like all young chefs my inspiration comes from the constant evolution of European restaurants such as

Noma, El Bulli and the **Fat Duck**. I closely follow **WD-50**, the **French Laundry** and **Alinea** in America, **Saint Pierre** in Singapore, **Cy-an** in Bangkok and obviously our own **Rockpool, Vue De Monde, Royal Mail Hotel** and **Attica**. All of these restaurants have unique food styles, some produce driven, and others technique driven but ultimately the creativity of the chef, and the uniqueness of the restaurant is unique and inspirational. To have the futuristic vision of Ferran Adria, the inquisitive nature of Heston Blumenthal, the understanding of local produce that Thomas Keller has, the respect of national heritage that Rene Redzepi has adopted and implemented at Noma, and the self taught 'invention' of Australian chefs such as Ben Shrewy, Dan Hunter and Shannon Bennett's continuous evolution drive me to work harder and to do better food and my hope is to keep to keep up!

My favourite book would have to be the El Bulli book 'Natura'. It simply blows my mind and gives me an insight into 'food art' and plate presentation and the importance of eating with your mind! The endless creativity of the El Bulli team inspires us all.

The Thomas Keller cook book 'sous vide' gives me an insight into the perfectionist that Thomas is and the book helps explain the benefit of the sometimes misunderstood method of sous vide cookery and the value that it can add to your kitchen.

WEB SITE : www.penfolds.com **EMAIL :** [email reservations](mailto:email@penfolds.com)

CHEF PROFILE : LUKE STEPSYS, Magill Estate Restaurant



SOUTHERN ROCKLOBSTER, BRUSSELS SPROUTS, PARMESAN CREAM, OLIVE OIL, LEMON AND ROSEMARY

Serves 4

Parmesan cream

Ingredients

50ml EV olive oil
 100g leek, white part only, finely chopped
 100g celery, chopped, finely chopped
 100g shallots, peeled weight, finely chopped
 30g garlic, peeled weighed, finely chopped
 2 bay leaves
 3 thyme sprigs
 5g whole white peppercorns
 100g white wine
 500g fish stock
 225g cream
 100g Parmigiano Reggiano rind
 300g Parmigiano Reggiano, finely grated
 8g sea salt, this may vary according to the type of sea salt you use

Method

Heat oil in a heavy based saucepan and sauté leek, celery, shallots and garlic without colouring for 5 minutes. Add the bay leaves, thyme sprigs, peppercorns and parmesan rind then deglaze with the white wine. Reduce until almost dry, then add the fish stock and simmer for 15 minutes. Remove from the heat and strain through a fine sieve into a clean pot and bring back to the boil. Add the cream and simmer for 5 minutes then stir in the finely grated parmesan. Adjust seasoning to taste and strain hot mixture into a cream siphon and charge with 2 gas bulbs. Refrigerate for several hours until the canister is cold and smooth, stable foam is formed.

Parmesan Crisps

Ingredients

125g Parmigiano Reggiano, finely grated
 70g egg white at room temperature or warmed over hot water

Method

Place parmesan and egg white in a large bowl and combine. Cover and refrigerate overnight. Place the mixture between two greased Silpat mats and roll out until thin, then gently peel away the top mat. Place onto a tray and cook in a 150°C oven until evenly browned and crisp. Remove from the oven and allow to cool before breaking into small pieces.

Brussels Sprout Puree

Ingredients

50g butter
 25g shallot, peeled weight, finely chopped
 20g garlic, peeled weight, finely chopped
 400g small young Brussels sprouts, finely chopped
 1 bay leaf
 1 thyme sprig
 300g chicken stock
 sea salt
 freshly ground white pepper
 10g watercress puree to add colour

Method

In a heavy based pan gently melt the butter and sauté the shallot and garlic without colour for 5 minutes. Add the Brussels sprouts and sauté for another 5 minutes then add the thyme, bay leaf and chicken stock and bring to the simmer. Cook for 20 minutes then remove from the heat and strain, separating the Brussels sprouts from the liquid, but reserving both. Place the Brussels sprouts into a blender and add enough of the poaching liquid to blend and form a smooth puree. Add the watercress puree and adjust the seasoning to taste before passing through a fine sieve. If you are using a Thermomix it may not be necessary to pass it through a fine sieve.

Butter poached Southern Rocklobster

Ingredients

300g cold unsalted butter, cubed
 60g water
 green rocklobster tail from 1 x 2kg plus Southern Rocklobster – refer to [green meat extraction](#)
 2g Sea salt, or to taste

Method

In a small saucepan bring the water to the boil then immediately add the cubes of butter, one at a time and whisk over a low flame until all of the butter has emulsified.



De-vein the tail and divide the green meat into 150g main course portions and put into individual bags with some of the butter emulsion and a pinch of salt, cryovac on high and immediately refrigerate. The Southern Rocklobster is cooked to order.

Brussels Sprouts

Ingredients 12 small Brussels sprouts

300g Southern Rocklobster tail meat, chilled

140ml cream, chilled

1 lemon rind, finely grated

salt and white pepper

Method

Peel away outer layers of Brussels sprouts and use to form the outer casing to hold the Southern Rocklobster mousse. Chill the bowl of a blender and add the Southern Rocklobster and blend quickly until a smooth puree has formed, then add the cream and grated lemon rind and place into a piping bag fitted with a round nozzle. Meanwhile pair up Brussels sprout leaves in 3's and begin to form, leaving a small gap to pipe in the Southern Rocklobster mousse. When they are full, wrap each one in a small roll of plastic wrap and twist tight on each end. Steam for 5 minutes then unwrap and toss in lemon juice and olive oil, seasoning well.

Lemon jelly

Ingredients 100g strained lemon juice

300g clarified fish stock

4g agar agar

Method

Combine lemon juice with fish stock and agar agar and bring to the boil. Strain and pour into a shallow tray and refrigerate until set. Remove and cut into 4mm squares.

Brussels sprout and parmesan salad

Ingredients

100g Parmigiano Reggiano, finely grated

100g tiny Brussels sprouts, outer leaves removed and finely sliced

strained lemon juice, to taste

EV olive oil

sea salt

Method

Combine the Reggiano and Brussels sprouts and make a simple vinaigrette to taste with the lemon juice, olive oil and salt.

To assemble dish

other ingredients per serve rosemary flowers

1 de-stemmed Cavalo nero leaf, softened in EV olive oil

Heat a water bath to 59.5°C and poach a lobster portion for 15 minutes, and rest in a warm place.

Heat up a portion of Brussels sprout puree and spread onto a warm plate. Make a small pile of salad on the puree and place a portion of Rocklobster on top. On each side of the Southern Rocklobster, place a poached Brussels sprout.

Discharge the parmesan foam in two piles and top with crumbled parmesan wafers. Garnish the dish with some cubes of lemon jelly, rosemary flowers, fried Cavalo Nero leaves and give it all a good dash of extra virgin olive oil and some freshly ground black pepper.

The wine match for this dish chosen by Penfolds Magill Estate's sommelier Remon Van de Kerkhof, 2003 Yattarna

[click here](#) to go to the tasting notes



NEXT ISSUE



With the imminent start of the Australian rocklobster season we'll be looking to add a raft of new recipes we have been working on cooking the lobster in stock and butter.

We do think there are many advantages with bag storage techniques and we will be exploring that further, but, cooked out of the bag is delivering exceptional results.

As a chef with 32 years in the industry I understand the enormous benefits of knowledge sharing. It is one of the reasons that each year I make a point of going and working with another chef in another kitchen as their apprentice (yes the oldest on earth). One of the reasons cooking has held my attention for so many years is, you can never, never know enough. At each corner there is something new to learn. It takes an observant eye, a sensitive palate and a skilled hand to perfectly execute any complex dish. We invite you to share your rocklobster knowledge base by emailing [Ann Oliver](#)

All contributions to our knowledge base will be acknowledged with name of chef and restaurant and links to biographies and restaurant web sites.

THIS MONTH'S RECIPE VANILLA COLD ROLL WITH SOUTHERN ROCKLOBSTER AND PORCINI SALAD



Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

This is a modern twist on an old French classic, Southern Rocklobster with vanilla. The subtle vanilla flavour and the sweetness of the Southern Rocklobster is a gorgeous foil for the rest of the ingredients.

Ingredients

for the vanilla cold roll

Makes 8

250g clarified snapper (or similar white fish) stock

1g sea salt

2 vanilla beans, split and scraped, seeds only

1g agar agar

.5g gelatine

essential equipment

2 30cm x 40cm smooth surfaced trays

salad ingredients

Makes 1

20g porcini, fried in lobster oil and seasoned with fine sea salt

40g cooked chilled Southern Rocklobster leg meat

pinch sea salt

white pepper

30g soft skinned black grapes, cut into quarters

5g shallot, peeled weight finely julienned

watercress sprigs

wild fennel sprigs

½ lime, freshly squeezed juice

10g watercress oil – [click here](#) for the recipe

Method

for the vanilla cold roll

Put the stock, salt and vanilla seeds into a sauteuse and bring to the boil and when it is almost to the boil whisk in the agar agar. Quickly soften the gelatine in cold water, turn off the heat and whisk in the gelatine. Divide the liquid between the two trays, spreading it evenly on the tray to form a very thin sheet.

assembling the roll – this is absolutely a la minute

The wrappers are very fragile and it is more manageable to work on the tray and use a fine bowl scraper. We love the fine scrapers from the French company [Dehillerin](#). Slice the porcini lengthwise and reserve five pieces, a few pieces of grape, watercress and fennel and three pieces of Southern Rocklobster. Put the remaining ingredients into a bowl, season, squeeze the lime juice over and mix together. Cut one sheet into four and using the straight edge of the bowl scraper slide the bowl scraper under a portion about 5mm and lay the ingredients across the sheet and then working carefully with the bowl scraper roll it up and gently making a few little frills and folds on the top and lift it into the centre of the plate. Arrange the other ingredients on the plate, drip with the watercress oil and serve immediately.

If you like this recipe/technique you might be interested in another less formal cold roll recipe (pictured left) using Southern Rocklobster consommé – [click here](#) to go to the recipe

recipes for Southern Rocklobster Limited are developed by our food editor Ann Oliver

WINE RECOMMENDATIONS

Given that the South Australian Penfolds Grange, the iconic Australian Shiraz is rated in the top 10 wines of the world it is small wonder that the Penfolds group have long been working towards a white wine to equal its acclaim. With access to grapes from some on the oldest vines in the world and a broad selection of premium vineyards to select the very best of a vintage there have been high expectations of Yattarna. Since the first release in 98 Yattarna has received something of a mixed reception until the current 06 vintage which is receiving accolades from even the toughest and least supportive of Australian wine reviewers. Released in May 09 the 06 Yattarna is exhibiting a striking elegance, persistent restrained palate and a surprising long finish, that whilst drinking well now is clearly in the infancy of its possible development.

The first release of Penfolds Yattarna was 98 and all vintages have shown excellent bottle development with cellaring but there is something to celebrate with this latest vintage that holds close more promise of improvement with cellaring than any previous vintage and is drinking seductively well right now.

Penfolds Yattarna Chardonnay 2006

is only available from Penfolds Cellar Doors – www.penfolds.com

[click here](#) for 03 Penfolds Yattarna

[click here](#) for 06 Penfolds Yattarna tasting notes



above - new life heralding spring in South Australia's Barossa Valley where Penfolds Kalimna vineyard is believed to be the oldest in the valley and possibly the world.

right - old vines looking from a distance more like a low slung old orchard.



Penfolds Yattarna is a pet project of Penfolds chief winemaker Peter Gago, his summary shows the passion and close personal connection with its development.

"The 2006 Yattarna holds true to its Aboriginal name (meaning *little by little*), gradually & impressively opening up in the glass, maturing with time in the cellar - with patience. Balance is the key to Yattarna, spending nine months in 45% new and 55% seasoned French oak barriques, so the oak to fruit ratio is spot on. Enticing bakery notes of oven-fresh almond biscotti, lemon crème brûlée and lemon curd are apparent, with some white peach and unobtrusive struck match flintiness lingering amongst gently integrated toasty oak.

A tight and restrained palate suggests time will see this wine evolve. Citrus fruits to the fore, yet there are complexities that can be coaxed out of the glass, courting admirable finesse and elegance. Integrated French oak is creamy and not at all overt, with structural components in balance. The finish is long with lovely mouth watering acidity, providing texture and drinking satisfaction," *Chief Winemaker Penfolds, Peter Gago.*

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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767
USA 323 371 6115

There's plenty more on our web site - visit us at www.southernrocklobster.com

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Southern Rocklobster Limited

number eight November 2009

FOOD EDITOR [ANN OLIVER](#)



- **IN THIS ISSUE** we've been going Chinese with three fab new recipes [read on](#)
- **GENIUS AT WORK - CHEF PROFILE** David Thompson global master of Thai food in Australia to launch his new book Thai Street Food orchestrates an amazing dinner in Adelaide sponsored by Southern Rocklobster Limited at Jolleys Boathouse Restaurant
- David Thompson is the undisputed master of Thai food and his restaurant Nahm in London is the only Thai restaurant to ever gain a Michelin star. Thompson is obsessed with the cuisine of Thailand and is regarded for his documentation of what was basically an oral culinary history into the written word not just for the West, but for young Thais who have grown up without their culinary heritage [read on](#)
- Read more about David Thompson's new book Thai Street Food and his first book Thai Food, the bible of Thai cuisine for chefs throughout the world! [read on](#)

From the Executive Officer's Desk:

Seasons greetings to all our good customers and supporters.

With the South Rocklobster season in full swing, we are seeing mixed results with catches so far. The catch rate in several key areas has been poor with others up on last season, and industry and managers are monitoring the situation closely as we move into the traditionally higher catch rate summer months. The concerns about the catches has been responded to with reductions in catch quotas in each of the three producing States of Victoria, Tasmania and South Australia, moves which will ensure long term sustainability of the Southern rocklobster stocks. On the upside, the slow start has been offset by strong prices once again and we can expect prices to firm further in the lead up to Christmas and the Chinese New Year.

I am pleased to report that the 6th National Rocklobster Congress held in Adelaide recently was a great success with 160 in attendance at the various sessions over the 3 days. The topics about alternative fuels and climate change drew considerable interest and there was lively debate about markets and market development. The segment on opportunities as China continues to grow was especially well received.

Importantly Southern Rocklobster won the highly coveted Australian species of Year award, with a recipe from our CHEF NEWS Editor and advisor Ann Oliver. Celebrity Master Chef Andre Ursini and Dr Pat Hone Executive Director from the Fisheries Research and Development Corporation along with Ann formed the taste off panel.

Thank you to all who contributed and attended. The next Congress is set for New Zealand in August 2012 and this will be an opportunity not to be missed. Start planning your trip now. Good news for our market development program in the USA with funding through the Australian Seafood Cooperative Research Centre extended until June 2011. In addition the Southern Rocklobster Limited Board has reconfirmed its commitment to the USA for a further 5 years. These moves will give our team, Matt and Hamish, confidence for the longer term and our customers can take comfort that access to supply of Southern Rocklobster is set to continue.

Development work with our value added range is ongoing and labelling to meet the USFDA requirements for our retail Ravioli and Bisque packs is expected to be completed by Christmas. We are really excited about these products, which are microwavable and absolutely delicious.



Rocklobster and celery spring roll with kumquat and chilli sauce

Steamed buns filled with Rocklobster and fresh and dried mushrooms

[Click on the image to find the recipe on our web site](#)

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[NEWSLETTER ONE NOVEMBER 07](#)

In closing on behalf of the Australian South Rocklobster industry I wish you all a Christmas and a prosperous 2010.

I would also like to personally thank all our fisher members, customers and the Southern Rocklobster Limited Board for their tremendous support since I commenced in this position in 2004. I will hand over the rudder on the 18th January after six very exciting years which, for the first time, brought the Southern Rocklobster Industry together with a whole of species focus. Thank you for the opportunity and all the best for the future.

Roger Edwards
 President Southern Rocklobster Limited



CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



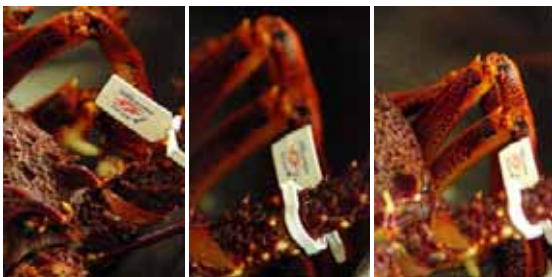
Clean Green Program Update – Certified Sustainable Wild Caught

The start of the season always brings pessimistic press about low catches, climate change and poor yields, but as any old-timer in the Southern Rocklobster industry will scornfully tell you, "the start to the season is always slow!" The determination of Southern Rocklobster Limited fishers to stay *CLEAN AND GREEN* and support sustainability in what is a generational business with a huge capital investment simply makes good sense. Our Rocklobster fishers mostly inherited their businesses from their fathers and grandfathers, and want to deliver a buoyant and prosperous industry to their children and their children's children.

Best practice is nothing new to the fishers of Southern Rocklobster Limited who have voluntarily imposed catch limits on themselves for many years. Certified *CLEAN AND GREEN* Southern Rocklobster is way ahead of its time and our uniquely transparent tagging system allows the chef to track their Southern Rocklobsters from the moment they are caught.

Unlike so many of the fishing processes of today, Southern Rocklobster fishers do not stay at sea for days at a time and Southern Rocklobsters are not held for long periods in ice slurry. The fishing period is very rarely more than eight hours, and the Southern Rocklobsters, when caught, are stored in open seawater tanks until the fish are loaded on shore. They are minimally held in seawater tanks and they are dispatched to their final destinations within a matter of hours. Add to this Southern Rocklobster Limited fishers fish in some of the few remaining pristine fishing grounds in the world today.

WILD CAUGHT and *CLEAN AND GREEN* says it all!



Clean Green Australian Southern Rocklobster - the finest in the world



FISHERMAN OR PORT PROFILE PORTLAND VICTORIA

The rugged Portland coastline runs along one of Australia's most scenic ocean roads, The Great Ocean Road, and is one of the most trecherous coastlines in Australia. The tantalising knowledge that so many ships lie close to shore, run aground in the difficult to navigate coastal waters has made the region a haunt for divers in search of treasure. Its wildly beautiful coastline has made the region into a major tourist attraction. Happily this popularity has had very little impact on the surrounding unspoiled environment. The skill of the Southern Rocklobster fishers working out of this port should not be under estimated. Portland remains one of the most dangerous fishing areas along the Australian coastline today, however it is an area that with careful management over many years continues to deliver high yields of premium quality wild caught Australian rocklobsters.

Images courtesy Tourism Victoria



Looking to escape, despite the level of popularity the Portland region remains unspoiled isolated and magical a fabulous place to leave the world behind in absolute isolated privacy in some brilliant world-class

Supported by:



Australian Government
Department of Agriculture, Fisheries and Forestry

Our land. Our Plan. Our Future

www.visitvictoria.com
photographer Rob Blackburn

accommodation.

■TECHNIQUE MORE GREEN MEAT EXTRACTION

Two years on from the first time we started to use the ice slurry green meat extraction method, we have made a few improvements to the original highly experimental technique. Any task done on a regular basis undergoes some tweaking. The section of our food service manual has been updated with the method and timings, both of which we have now been using for almost a year. Basically we have pretty much got the green meat extraction down to a fine art and during the season can attain the speed and efficiency that is only gained with repeating and repeating a process in the kitchen. The raft of recipes that the green meat has opened has been tremendous and the gelatinous nature of the green meat means that it bonds easily to form a single mass.

To read the revised ice slurry green meat extraction method [click here](#)

[READ OUR COMPLETE TECHNIQUE ADVICE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER](#)



JUDGING THE SPECIES TASTE OFF AT OUR 6TH NATIONAL CONFERENCE IN ADELAIDE, OCTOBER 2009



from the left – Channel 10 Master Chef finalist Andre Ursini and Dr Pat Hone Executive Director from the Fisheries Research and Development Corporation, right the winning dish a combination of steamed leg meat with glacé radish and radish caviar and rocklobster sashimi with wasabi mayonnaise and flying fish roe



from the left emcee Catherine Barnett, Barnett Marketing, and the species dish judging panel Dr Pat Hone, Ann Oliver and Andre Ursini

IDEAS AND TRICKS AND BOOKS THAI STREET FOOD

DAVID THOMPSON

Thai Street Food

David Thompson

Photography by Earl Carter

Published by Lantern, H/B \$100

Thompson unraveled the intricacies of Thai food for millions of devoted cooks with his first book *Thai Food*. He could have easily banged out any number of books between its release in 2002 and now, but has chosen instead to work steadfastly towards another book of epic proportions, further explaining the cuisine to which he is so intrinsically entwined, and taken on the street food of Thailand.

Thompson never allows for *dumbing down* and dedicated cooks and professional chefs will most likely find themselves looking for ingredients they have never heard of, and most likely never seen or tasted. For most of us this second epic book will be another journey into the Thai kitchen. Street food, particularly in Asia and China, comes in waves according to the time of day, and Thompson has cleverly captured the ebb and flow of the street life that goes with that food - that single spot that will rotate three, perhaps four times during the hours of a day, shared by different stall holders and totally different food. Add to the wonderful text and recipes, the beautiful images of Thompson's long-term photographer and friend Earl Carter. This new book is another fine example of Thompson's uncompromising style. Carter's images add a charm to the book, but also drive a longing to travel again and wander the streets, to eat things never before tasted, to risk a little. If you are a traveller and have never had the courage to enjoy the soul of a cuisine, the food of the people Thompson's absolutely brilliant book may inspire you!

GENIUS AT WORK [DAVID THOMPSON](#), [Nahm](#), London

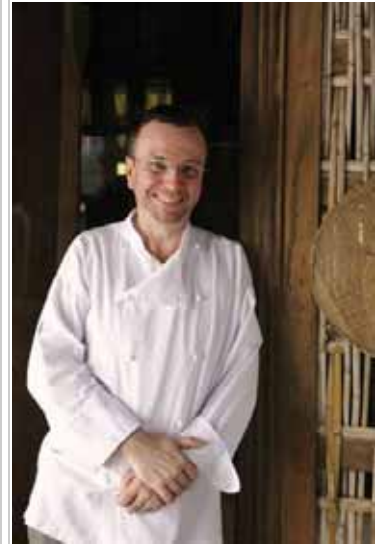
INSPIRATION : The Thai culture, the Thai kitchen the stunning and fascinating combination of ingredients that make the sum of Thai food!

WEB SITE : [Nahm, London](#) **EMAIL :** [reservations](#)

CHEF PROFILE : David Thompson

David Thompson is widely recognised as the only respected authority on Thai food culture. Through his first book, *Thai Food*, and his acclaimed restaurant in London (nahm was the first Thai restaurant to be awarded a Michelin star), David has increased the awareness and appreciation of authentic Thai cooking worldwide. David lives in Bangkok and London with his partner Tanongsak Yordwa, and they have both been travelling in Australia orchestrating amazing complex dinners as part of the Australian launch of his new book, *THAI STREET FOOD*. Undertaking a punishing schedule, Thompson and Tanongsak have inspired chefs and diners across Australia with their obsession for Thai food and their determination, against all the odds, to be authentic and to inspire not just the chefs and chef volunteers that they have worked with, but the dining public, who might be daring enough to attempt to recreate what they have eaten. At a time when most guest chefs rarely appear in the kitchen, preferring to swan around the restaurant floor pretending they have had something to do with the pleasure the diner has received, Thompson and Tanongsak were ever present. "It's all about the food. Even a fleeting visit to Thailand can leave you in no doubt that the Thais are obsessed by food, talking and thinking about it, then ordering and eating it. Streets often seem more like busy restaurant corridors than major thoroughfares for traffic."

Thompson is regarded as being more knowledgeable about Thai food than any other chef on the planet and has been an inspiring guide to the authentic vibrant world of Thai food. Thompson has unravelled the mysteries of Thai food without ever succumbing to 'dumbing down' their cuisine. You can take what he offers or leave it! There is never a second's compromise and for this reason Thompson has become respected throughout the world of haute cuisine. He is obsessed and the rest of us are all the better for his obsession!



David Thompson, image courtesy Earl Carter

If you are going to London make a reservation for David Thompson's restaurant nahm the only Thai restaurant ever to have gained a Michelin star [click here](#)

MIANG OF SOUTHERN ROCK LOBSTER

Serves 100

Miang of Southern Rocklobster and Green Mango

miang som oo

canapé for 100 pax

for the sauce

2kg palm sugar, shaved

375g water

1 quantity miang paste – see below

250g Megachef fish sauce – see note

250g tamarind water

Method

In a small pot heat the sugar with the water. When dissolved, add the miang paste and simmer for several minutes until the syrup is quite thick. Pour in the fish sauce and continue to simmer for a few minutes then add the tamarind water. Do not simmer for too long after this as the tamarind will become scorched and taste bitter. Allow to cool. Once cooled, it should be quite thick as it acts to bind the other ingredients together.

for the miang paste

100g galangal, peeled weight, sliced

10g salt

20g shrimp paste

6 scuds, roughly chopped

60g small dried shrimp (prawns)

90g grated coconut, roasted

60g peanuts, roasted

Method

Adding them one by one, gradually pound the ingredients together in a mortar and pestle until you have a smooth paste.

for the filling

100 betel leaves

450g roasted grated fresh coconut meat

300g green ginger, peeled weight, cut into 3mm cubes

350g red shallots, peeled weight, cut into 3mm cubes

4 -6 limes, finely cubed - the rind is used in the miang paste

10-20 scuds, finely sliced

3 green mangoes, shredded

2 x 2.5kg Southern Rocklobsters, green meat extracted, [click here](#) for technical information

4 bunches of coriander, washed and leafed

handy



6 pieces of 15mm diameter doweling about 15cm long

Method

Carefully wash and dry the betel leaves. Spread plastic wrap and cover with paper towel. Overlapping them slightly, and lining them up from left to right with the stalk end on your left, lay out about 15 betel leaves in a neat line and then gently wrap them around the dowel and seal with the plastic. Repeat the process until all of the leaves have been rolled. Refrigerate until ready to use.

Steam the green Southern Rocklobster tail, leg and knuckle meat, chill and shred the large pieces.

to serve

Combine all the remaining ingredients in a bowl and dress with the cooled sauce. Serve on the curled betel leaves, sprinkled with coriander leaves.



NEXT ISSUE



Vac packed green lobster tail, green leg and knuckle meat, crushed Southern Rocklobster shell and tomalley delivered to your restaurant door.....now we think that is just fantastic! No labour, premium green Australian Southern Rocklobster meat, great product information and add to that the guarantee of **SUSTAINABLE WILD CAUGHT** and **CLEAN AND GREEN**.....what's not to like?

Production will begin as the season strengthens and we expect our new product lines to be available at the latest by the start of January, 2010. If you would like to be notified as soon as they are available please [email us](#)

THIS MONTH'S RECIPE CREAMY COCONUT SOUTHERN ROCKLOBSTER SOUP WITH MUSHROOMS AND GREEN ALMONDS



Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

Makes 3 portions

for the soup base

1L dirty Southern Rocklobster stock, seasoned to taste with sea salt and white pepper

200g fresh coconut meat, cleaned weight, finely chopped in a Thermomix or Mycook

Method Bring the stock to the boil, mix in the coconut with a stab mixer. Allow to cool sufficiently to be handled and then drain the stock into a sieve that is covered with a double layer of muslin. Squeeze out the coconut meat and refrigerate the infused stock until ready to use.

for the soup

50g diced Chinese turnip, peeled weight

20g fresh shitake mushrooms, finely sliced

3 medium oyster mushrooms, shredded

30g enoki mushrooms, rough chopped

dill sprigs

3 x 30g slices of green Southern Rocklobster tail meat

3 garlic flowers

6 green almonds, finely sliced

other

3 egg yolks

Method

Before finishing the soup, divide everything between the three warmed bowls to allow it to come to room temperature. Whisk the coconut infused stock together and take out a small amount and mix the egg yolks into it. Heat the stock mass, and as soon as it comes to the boil, whisk in the egg yolks then immediately remove from the heat. Whisk the soup to get a good froth.

Pour over the other ingredients at the table.

tip – you can buy frozen, cleaned and grated young coconut meat at some Asian grocers, but it is not as good as fresh.



notes – Megachef fish and oyster sauce are superior products made by traditional methods. Neither have that very unpleasant searing salt and MSG flavour of most other brands. They are expensive but the rewards are immediately evident.

The Yamato Japanese seasoning soy is considered the 'Rolls Royce' of the soy and has an exquisitely balanced flavour.

■ WINE RECOMMENDATIONS

Rose comes in many guises but there is universal opinion in the world of wine and food matching that it is an excellent match for the feisty chilli and acid, sweet, sour, salty of South East Asian cuisines, in particular Thai food.

Many will insist that the ubiquitous Sauvignon Blanc is the perfect match but we think that these two excellent Australian Roses prove them wrong.



two fine examples of Australian Rose perfect with feisty flavours!

Rockford Wines Alicante Bouchet is one of Australia's most popular roses. Popular can mean a lot of things, price point, approachability, good marketing in other words a lot of external factors that have very little to do with the quality of the wine. In the instance of Rockford Alicante Bouchet the popularity of this wine is because of its excellence and consistency. It is the darling of restaurants and rarely missed from good Australian lists and just as equally walks out the door of wine shops as a preferred hot climate home aperitif and party wine. Rockford Alicante Bouchet is so embedded in the relaxed Australian outdoor entertaining psyche that it is rare not to see it served at any outdoor event, be it a private or public one. The 09 Rockford Wines Alicante Bouchet has a real elegance, just the right amount of residual sugar to take on the fiercest and most pungent of flavours without being dominated by them. It has an impressive long finish and well chilled, cooling mouth properties to soothe and charm the back palate whilst taming the fiercest of flavours. Based in South Australia's Barossa Valley, Robert O'Callaghan and his team only make exceptional wines and we like the fact that their wine range sits as well at a casual barbecue as it does at the formal state dinner. Rockford wines are now also available in China via Summergate Wines www.summergate.com Serve chilled. www.rockfordwines.com.au AO

Stephen Pannell is considered something of a wunderkind in the Australian wine industry. He launched his profile from Constellation and in a natural progression moved several years ago into his own business. A member of the Qantas wine selection panel his winemaking skills and opinions are widely sought after. The S.C. Pannell McLaren Vale 09 Grenache Rose is mild on the nose, bone dry at first taste it was possible to wonder just how well this complex and savoury wine would team with chilli, but in fact it is a marriage made in heaven. Pannell's 09 Grenache Rose is just feisty enough to take on the chilli but not demolish the clean taste of lime juice and raw shallot or the crunch and oil of crispy fried shallot. It has a long dry finish without any residual sweetness but there is a beautiful elegant mild rose petal nose and flavour that lingers long and clean and works well with South East Asian and Chinese food and is also makes an excellent aperitif. Serve chilled. AO

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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767
USA 323 371 6115

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Southern Rocklobster Limited

number nine march 2010

FOOD EDITOR **ANN OLIVER**



- **IN THIS ISSUE** food editor Ann Oliver teams up with her former apprentice, Justin Miles, now multi-award winning chef to deliver some stunning sous-vide dishes [read on](#)
- **GENIUS AT WORK - CHEF PROFILE** Justin Miles, executive chef and owner Windy Point Restaurant, Belair South Australia back in Adelaide for less than 18 months he has transposed his award winning run at the Queensland Noosa Springs Relish Restaurant to Windy Point Restaurant. Recently one of only three restaurants in South Australia to achieve a three hat rating in the 2010 Advertiser Good Food Guide [read on](#)
- Justin Miles gives us a brilliant dish using Australian Southern Rocklobster tail and exquisite combination of butter poached sous-vide tail that sits on a velvety, silken duck liver parfait enriched with rocklobster stock and held together by a restrained kumquat jus... it's sublime! [go to the recipe](#)
- Read more about bag cooking and explore the excellent results that can be achieved in the final product and most especially shelf life and eliminating waste [read on](#)

From the Executive Officer's Desk:

The current memorandum of understanding (MoU) between Southern Rocklobster Limited (SRL) and the Australian Government's Fisheries Research & Development Corporation (FRDC) concludes at the end of this financial year.

SRL is currently in the process of negotiating a new funding model, the Industry Partnership Agreement, which is intended to take effect for the next five years. Discussions are progressing and with all intentions for the new Industry Partnership Agreement to take effect from July 1, 210 and remain in place until June 30th 2015.

SRL and the Seafood Cooperative Research Centre (CRC) are in the development stage of a consultation project regarding SRL's current market development activities. Highly regarded and successful Market Development consultant, John Allen, has been engaged to commence and facilitate discussions with fishers, processors and exporters concerning current and future market development needs.

This work will feed into providing any future direction and structure for possible new market development activities post 31 December 2010, when funding for the current market development program ceases. John Allen will be operating within the regions commencing April 2010 to begin the necessary face-to-face discussions. If you would like to speak to John please [email](#) or telephone me on +61 400 281 904 for further details.

All other SRL projects and platforms are being monitored up until June 30, 2010 to ensure that milestones are delivered and funding agency requirements are met as we approach the conclusion of the current funding arrangement with the FRDC.

CLEAN GREEN

A decision will be made at the end of March 2010 regarding surveillance audits for CLEAN GREEN member vessels for 2009/2010. Affected fishers will be notified in the coming weeks should audits proceed prior to June 30, 2010.

Kindest Regards,
Justin Phillips



Salad of Southern Rocklobster Tail with Mushrooms, Grapes and Celery



Rocklobster Blancmanger, Jelly and Poached Tail with Fresh and Pickled Watermelon Rose Petal Infused Rocklobster Consommé

Click on the image to find the recipe on our web site

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Stunning new revolutionary green Australian Rocklobster products from South Rocklobster Limited – sashimi quality vac

Executive Officer SRL
 email justin@jp-consulting.com.au
 Telephone +61 400 281 904

packed, fresh or frozen tail or leg and knuckle or crushed shell with some tomalley. These products are taking Australia by storm and will shortly be available in the USA for more information contact [Matthew Muggleton](#)

CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



Clean Green Program Update – Certified Sustainable Wild Caught

At Southern Rocklobster Limited we are constantly working to stay abreast of the most innovative scientific developments. This interest in science is not just about sustainability by preserving our generational fishing industry with careful observance of quotas and ensuring that we have something to pass to our children. State-of-the art green meat extraction on a commercial scale and packaging has been our focus for some time now and the recent release in Australia of our revolutionary **CLEAN GREEN** fresh and frozen green rocklobster products has rapidly found a place in the market.



Clean Green Australian Southern Rocklobster - the finest in the world

Supported by:



Our land. Our Plan. Our Future



Rocklobster Stock Using Crushed Shell and Tomalley makes approximately 2.5L

- 200g onion, peeled weight, finely diced
- 150g carrot, peeled weight, finely chopped
- 100g unsalted butter
- 75g celery, finely diced
- 1kg Southern Rocklobster Limited crushed shell and tomalley
- 600g very ripe heritage tomato, peeled with a tomato peeler and

FISHERMAN OR PORT PROFILE TASMANIA

It is hard to imagine a more pristine environment than Tasmania and this tiny isolated island is rapidly becoming a sought after high-end international tourist destination. The Tasmanians themselves are totally switched on to tourism, whether it be tiny eateries in isolated locations, stunning eco friendly architecturally designed B&B accommodation hugging the rugged coastline or in the city of Hobart were luxury heritage hotels and fine restaurants abound. The island is noted for its brilliant seafood, notably Australian Southern Rocklobster (*Jasus edwardsii*) and Tasmania is home to a good proportion of Southern Rocklobster Limited's member fishers. The fishers contribution to Tasmania is in keeping with the entire Island philosophy; sustainable, **CLEAN AND GREEN**. Tasmania has a lot to offer, from some of the finest and freshest seafood in Australia, stunning cool climate wines, especially Pinot Noir and méthode Champenoise traditionally made sparkling wines, to a wild and superbly preserved natural environment. It is also the home to tiny utterly unique micro businesses, like for instance Phoenix Seeds in the picturesque tiny township of Snug. At Phoenix Seeds it is possible to buy just about any type of seed secure in the knowledge that none are genetically modified and that all are true heritage seeds. They have an excellent simple world-wide distribution, but do not have a web site!

Food writer Matthew Evans has recently done much to draw attention to Tasmania with his excellent television program **Gourmet Chef** and his just released book **The Real Food Companion**. Both the television program and his book draw attention to the lifestyle and general philosophy of the island.



Peppers Seaport Hotel, Launceston this group also has another superb property Peppers Calstock Deloraine Tasmania



The Pieman River in Tasmania's Western wilderness



Chef and food writer Matthew Evans relishes the Tasmanian lifestyle and has done a tremendous job promoting the island's food and wine



Sleepy Bay located just North East of Hobart



There's plenty of opportunity in the luxury well appointed B&B options in Tasmania in the season to buy from local Southern Rocklobster fishers and cook for yourself. From water to table about eight hours...pretty hard to beat we know!

chopped
 4L cold water
 10g whole white pepper
 2 fresh bay leaves
 ½ bunch parsley
 ½ bunch oregano

Method

Sauté the onion and carrot in the butter until it is caramelised, then add the celery and cook until it is just softened. Stir through the crushed shell and tomalley and when it appears to be cooked, add the tomato. Add the water, pepper, bay leaves and herbs and set the heat to the lowest point. Allow to come to a simmer and immediately set a timer for 30 minutes. The shell and tomalley will crust at the top. When the timer goes turn off the heat and set a timer for 1 hour. Taking great care not to stir the stock, skim the crushed shell from the top and filter.

[click here](#) for print friendly version

You might like to try cycling from one end of the island to the other, enjoying along the way regional specialties and genuine hospitality or try the isolated luxury and privacy of [The Winged House](#) and enjoy cooking some of the splendid product yourselves. Highly recommended is a night or two in Hobart staying at the luxurious historical [Islington Hotel](#) and explore the diversity of the city's dining and wining experiences. To watch episodes of Gourmet Farmer [click here](#)



You might like to try cycling from one end of the island to the other, enjoying along the way regional specialties and genuine hospitality or try the isolated luxury and privacy of [The Winged House](#) and enjoy cooking some of the splendid product yourselves. Highly recommended is a night or two in Hobart staying at the luxurious historical [Islington Hotel](#) and explore the diversity of the city's dining and wining experiences.

images courtesy [Tourism Tasmania](#)

■TECHNIQUE MORE SOUS-VIDE

Vacuum packing and sous-vide cooking is the safest way to ensure not just maximum shelf life, but also that the product is kept in premium condition without flavour contamination. We hold leg and knuckle sashimi packs for two days and cook them whilst they are still in perfect condition, to use in salads or move them through as a galette, usually topped with finely sliced scallops and simply served with a lime beurre blanc and some salmon caviar. We recently used the sashimi packs (on the end of the second day) as meat for a fabulous Southern Rocklobster Tom Yum, which out sold the sashimi on the menu three to one. The Tom Yum, inspired after working with chef David Thompson (Nahm, London), was made with crushed shell and tomalley and delivered absolutely brilliant flavours. The importance of proper chilling cannot be emphasised strongly enough. Service fridge drawers should not be used to store more than what will be sold in a single night, and bulk prep should be held in the chiller/cool room where temperatures do not exceed 3°C/37.4°F and are preferably mostly maintained at about 1°C/33.8°F. When cooking at 60°C the balance is fine and each kitchen should determine their cooking time accurately as it can vary depending on the core temperature of the pack.



Wrapping with EV olive oil or butter with seasonings delivers some excellent results. We cannot sufficiently stress the benefits of wearing food service gloves during the production process. Structured testing in our own kitchen delivered almost double the shelf life with green rocklobster handled with food service gloves. The evidence is too conclusive to ignore!

Rapid chilling, dating are mandatory in our kitchen and we have totally eliminated waste from our production process and manage to consistently deliver absolutely brilliant food costs. In fact we achieve far better food costs with Rocklobster than we do with beef because of the public perfection of Rocklobster being a luxury item they are willing to pay more.



[READ OUR COMPLETE TECHNIQUE ADVICE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER](#)

IDEAS AND TRICKS AND BOOKS THE REAL FOOD COMPANION, Matthew Evans



The Real Food Companion

Matthew Evans

Photography Alan Benson

Published by Murdoch Books, H/B \$80 AUD,

approx \$115.95 USD on Amazon

It's not often that we have such a great Australian cookbook to review. Evan's cookbook *The Real Food Companion* is money well spent. A gorgeous publication superbly embellished with the stunning photography of Alan Benson, *The Real Food Companion* is a book to treasure for its reality check. This book is a reminder of what food and cooking is really about. Evans might live an idyllic lifestyle in a unique area, the Huon Valley in Tasmania, and sure his lifestyle is something that we city slickers cannot accurately recreate, but what it does do is drive cooks and chefs to good city and nearby farmers' markets. Great chefs have always had a close association with the people who grow the food they cook. They want to know how it is grown, how it is killed and how long it takes from the time it is 'wild caught' till it lands at their kitchen door. This book is a proper reminder of the fundamental principles of good food production that ultimately equates on the restaurant and domestic plate. Know your growers and producers, be prepared to put your money on the table to buy decent food grown naturally without chemicals, and if even then you don't get it, go buy hydroponic dill at your nearest supermarket and then go buy the same at your local organic store. The supermarket purchase will be eight bucks wasted, but not really because you will be utterly convinced as to why the extra 50 cents at your local organic is worth it.

GENIUS AT WORK [JUSTIN MILES](#)

INSPIRATION : “Marco Pierre White’s book *white heat* because he said so many truths, especially about there being nothing really new!” and if you could choose to eat anywhere in the world, where would it be? “Without hesitation, Prune, New York, that Gabrielle Hamilton must be my soul sister she doesn’t serve butter with her bread, she serves bone marrow!”

To read a review for Prune [click here](#)

WEB SITE : www.windypoint.com.au **EMAIL** : info@windypoint.com.au

CHEF PROFILE : Justin Miles, executive chef and owner Windy Point Restaurant, Adelaide South Australia

Justin Miles is one of those rare chefs who manages to keep a balance between life and cooking. He continued to rise and rise in the cooking world, until his recent ‘three hats’ in the 2010 Adelaide Advertiser Good Food Guide, where his restaurant was one of only three restaurants to receive that coveted accolade. Given that there are some 5,500 restaurants in Adelaide this gives an indication of just how important that accolade is to his reputation and that of his restaurant.

Miles has maintained the elements drummed into him as an apprentice in *Mistress Augustine’s Restaurant* and the three Michelin-starred London *Bibendum*, where he worked for six months. On his return to Adelaide, in his own kitchen for the first time, he immediately made his mark on the local dining scene, whilst at the same time building on his overall experience, including running a very busy hotel restaurant and functions facility. From 1994 the accolades started to flow and continue to do so.

The rounding of his cooking and management skills came when he moved to Noosa (Queensland) in 2000 and after two years of high acclaim at *Ricky Ricardo’s*, he took on the dual role of Executive Chef and F&B Director at the *Noosa Springs Resort*. Their premium restaurant Relish drew further acclaim and the whole complex won many awards under his directorship.

Miles returned to Adelaide 18 months ago and, shortly afterwards, joined the Sparr Group as Executive Chef at *Windy Point Restaurant*. Mid-2009 he took on a partnership in the restaurant. The obvious benefits of chef owner have taken this superbly located and appointed restaurant to heights it had previously been unable to achieve. With a strong and dedicated kitchen team, Miles now sometimes works the floor where customers have the benefit of his excellent product knowledge and endless passion for local seasonal produce and great wine.



Butter Poached Southern Rocklobster Tail, Duck Liver Parfait, Kumquat Essence

Serves 10

for the Rocklobster

1 x 750g green Southern Rocklobster tail – single portions 75g
sea salt
white pepper
150g unsalted butter, melted but not hot
1 lime, finely grated rind, finely sliced peeled lime

Method

pre heat the sous-vide bath to 60 °C

Butterfly the tail end of the Rocklobster tail so that it has an even thickness. Season it and place it in a vac bag. Add the butter, lime rind and lime slices and vacuum seal the bag.

cooking times vary

from the service fridge: 4-12 hours refrigeration – 25 minutes

from live, prepped and cooked: (meaning no prolonged refrigeration) – 16 minutes

tips – You can portion this dish individually using buttered stainless rings, which delivers the obvious portion control advantages.

Duck Liver Parfait

makes 10 portions to go with butter poached Rocklobster

500g cleaned weight, fresh duck liver
500g unsalted butter, melted to approximately 50 °C
175g brown onion, peeled weight, finely chopped
8g organic garlic, macerated to a paste
25g Madeira
25g Cognac
25g red wine
25g Muscat
1 x 61g whole free range egg
5g sea salt
2.5g black pepper

Method



pre heat oven to 120°C

Blend duck liver in Thermomix or MyCook until smooth. In a separate pot add onion, garlic & liquors, reduce until halved, strain. Add butter to liver slowly whilst blending, trying to create a smooth combined emulsion, then add liquor, then the egg and seasonings.

Pour into a plastic lined terrine mould and cover with plastic food wrap. Place in a water bath and cook for 25-30 minutes. The degree of cooking is assessed with the feel of an underdone cake, still slightly wobbly in the centre and it should be taken into account that the butter will further set the parfait.

Kumquat Essence

makes about 300g

250g kumquat

125g soft brown sugar

1 vanilla pod, split and scraped

125g fresh strained orange juice

125g water

Method

Halve the kumquats and remove the seeds. Bring to boil water, juice, scraped vanilla bean & sugar, then add kumquats and continue to boil for 7 minutes. Turn down to the lowest possible point and allow to tick over for 20 minutes.

tip – if kumquats are not available mandarins are a good substitute.

[click here](#) for a print friendly version

**NEXT ISSUE****next issue**

In our next issue we will be discussing the new science and changes in attitude to frozen product. Rapid freezing in conjunction with highly regulated thawing is delivering some undeniably exceptional results (even to skeptics like myself). The obvious benefits are having no waste and absolutely maximising the quality of the product at the same time. We will be offering technical advice and linking chefs with plenty of scientific evidence in the form of published papers to digest. Southern Rocklobster Limited and member fishers have worked closely with SARDI (South Australian Research and Development Institute) Aquatic Sciences division, who has been vital in determining the self-imposed catch quotas, storage and handling. Other papers will come from the internationally regarded, Australian Government-funded scientific research institute, the CSIRO (Commonwealth Scientific and Industrial Research Organisation).

At Southern Rocklobster Limited we are determined to keep chefs using our products and our member fishers up to date with the latest research and scientific developments.

THIS MONTH'S RECIPE Salad of Southern Rocklobster Leg and Knuckle Meat, Pancetta, Carrot and Black Lentils



Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

main course serves 4, entrée 6

300g Southern Rocklobster leg and knuckle meat, or for individual serves divided into 4 x 75g portions
sea salt

white pepper, freshly ground

50g mild flavoured EV olive oil without residual bitterness or pungency

100g black lentils, soaked for 2 hours in cold water, drained, rinsed and cooked in 300g seasoned Rocklobster stock until just tender

other ingredients

50g shallot, peeled weight, mixed with 25g strained fresh lemon juice

100g shallots, peeled weight, finely sliced and crisped in clean corn oil

sea salt

white pepper, freshly ground

12 slices of flat fatty pancetta, crisped in a slow oven

60g blanched and peeled pistachios, roughly chopped

20g citron, diced

chervil sprigs

Method

pre heat sous-vide bath to 60°C/140°F

Wearing food service gloves, season the leg and knuckle meat and put it into a vac bag or individually pack the portions. Add the oil vac and seal. straight from fridge – 6 minutes; killed, prepared and cooked – 5 minutes. Rest for 10 minutes to allow to moisture to be reabsorbed, then rapidly chill in ice.



to serve

Roll the lentils in the shallot and lemon juice and season if required. Assemble the salad, finishing it with the pancetta, diced citron, pistachios and chervil sprigs and a tiny drizzle of your favourite EV olive oil or Rocklobster oil.

[click here](#) for a print friendly version

■ WINE RECOMMENDATIONS

As a chef for and guest at many rare wine dinners, it has to be admitted that matching Champagne to food is probably the most difficult. Especially difficult because Champagne is so widely regarded as an aperitif rather than a food wine so the perception of the diner (and chef) is frequently less clear. Add to that, in the case of rare and expensive wines, the chef and sommelier usually devise the menu from tasting notes, which is obviously not ideal. If we are lucky we may have access to the company winemaker who is better able to explain the flavour profile of the wine and might have been lucky enough to taste the wine in question.

For some inexplicable reason chefs seem to shy away from adding butter to courses intended for Champagne. The NV Joseph Perrier is a stunning match for chef Justin Miles' Butter Poached Southern Rocklobster is Champagne. We have chosen three at very different price points that we feel are all equally brilliant matches for the Rocklobster dishes in Southern Rocklobster Limited Chef News Nine.



images courtesy the respective Champagne houses web sites

NV Joseph Perrier

This is an exquisitely savoury wine. The savoury aroma profile starts with the smoky toasty nose that is unmistakably French. A soft mousse and super fine bead the nose follows through onto the palate clean and savoury with the barest hint of honeysuckle and vanilla. The smooth voluptuous mouth feel is punctuated only by the tiny pinpricks of the bead, tiny flavour explosions that titillate even further. Comprised of 35% Chardonnay, 35% Pinot Noir and 30% Pinot Meunier painstakingly selected from 23 crus this finely orchestrated cuvée is aged for a minimum of 3 years. An exquisitely balanced savoury wine the NV Joseph Perrier is a brilliant match for Justin Miles' Butter Poached Southern Rocklobster Tail, chicken liver parfait and kumquat essence -

www.joseph-perrier.com

NV Lanson Black Label

One of the fabulous things about wine is the difference from grape to grape, winemaker to winemaker, company to company. These differences are never more obvious than between house Champagne styles. NV Lanson Black Label epitomises the greatest value for money and consistency of any of the NV French champagnes. With restrained elegance of a true French aristocrat, NV Lanson has a superbly lean fragrant nose that is confined to cold smoked bacon and orchard, a mix of pear and cooked quince. Finely beaded, the palate is savoury with lingering almost lean bacon and green pear flavours embellished with the floral notes of sugar and cinnamon poached quince, with and a length of finish that shows how easily this superbly consistent wine is to match with savoury food. Comprised of 35% Chardonnay, 50% Pinot Noir and 15% Pinot Meunier the grapes are sourced from 50 to 60 different crus and aged for a minimum of three years. This wine is a superb match for Salad of Southern Rocklobster Tail, with mushrooms, grapes and celery. NV Lanson Black Label just loves the balance of the dish and even if you use a little drizzle of chilli oil it laps the dish with a superb balance - www.lanson.fr

02 Roederer Cristal

Roederer is one of my favourite Champagne houses and in my long career of cooking for wine dinners I have been lucky enough to taste many vintages of Roederer Cristal, starting from 1979, up until and including their current vintage the 2002. The consistency of this extraordinary wine is ensured by the house quality control, which means that Cristal is not released unless they deem it to be of sufficiently high quality. Secondly, their ability to draw from dozens of back vintage spirits to blend to a consistent standard, has ensured the credibility of the high price point of this exceptional wine. It is mainly sold on consignment and is difficult to find in quantity from even the most salubrious wine merchants in the world today. The 2002 vintage of Roederer Cristal is evidence of the consistency of the Cristal style and the skill of their winemakers.

Comprised of 55% Pinot Noir and 45% Chardonnay, 20% of the wine is matured in oak casks with weekly batonnage. No malolactic fermentation. Cristal is produced using harvests from the finest vineyards of Montagne de Reims, the Vallée de la Marne and the Côte des Blancs. The wines undergo an average of 5 years maturation in cellars and rest 8 months after disgorgement to perfect its maturity. Dosage of between 8 and 10 g/l is adapted to each vintage. This is a wine in its youth to be followed through the long length of its expected life to enjoy each stage of this wonderful wine. The controlled elegance of this wine with its delicate floral notes and barest suggestion of smoky toffee in combination with the long balanced clean end palate make this stunning wine and brilliant match for the Rocklobster Blancmanger, Jelly and Poached Tail with Fresh and Pickled Watermelon, rose petal infused Rocklobster consommé

- www.champagne-roederer.com

to read more about this exceptional wine and the history behind it [click here](#)

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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767
USA 323 371 6115

There's plenty more on our web site - visit us at www.southernrocklobster.com

If you cannot see this email, please [click here](#)



Southern Rocklobster Limited

number ten

FOOD EDITOR **ANN OLIVER**



- **IN THIS ISSUE** of CHEF NEWS the recipes concentrate on leg and knuckle meat and show simple but delicious ways of cooking this mouth-watering Rocklobster meat. All of the recipes further explore the sous-vide cooking method, with the advantages of longer shelf life in better condition [read more](#)
- **GENIUS AT WORK - CHEF PROFILE** In this issue of CHEF NEWS we have replaced our normal **genius at work** segment with a science-based report on frozen product. There is substantial evidence that commercially frozen product, using the latest rapid freeze techniques, delivers a green product, that, when properly handled is such an excellent product, the differences between fresh, just killed and frozen are undetectable. [read more](#)
- We take a closer look at shrinking for sous-vide because it delivers better shelf life without any detectable difference in the prepared portion [click here](#)
- Read more about the benchmark book Ian Hemhill's spice bible, the newly released second edition of his life's work, **Spice Notes and Recipes** [click here](#)

From the Executive Officer's Desk:

Southern Rocklobster Limited (SRL) continues to operate within an ever changing and challenging environment, but one in which opportunity for the industry continues to present itself. As we draw toward the end of the financial year, SRL approaches the conclusion of its first long-term funding arrangement with the FRDC and faces all of the challenges in negotiating and finalising arrangements for the next five years.

With this comes a range of possibilities for strengthening existing relationships and building new ones with a range of stakeholders.

Strategic planning is the fundamental basis of all good businesses and we are constantly reviewing our progress. We remain determined to use the best science and brightest minds to help us better understand how to ensure a sustainable future for our member fishers.

Matthew Muggleton, a program service provider attending to our business in the US, has been driving the need to better service our major customers, the restaurant trade, with a more diverse value-added product range. Significant progress in the initial steps of developing this segment of the current market has already been made.

Our **CLEAN GREEN** program continues to ensure our customers of consistent quality Australian Rocklobster, fished and dispatched in the best possible manner.

Annual surveillance audits have been conducted this month and will again maintain certification status with both SAI Global and JAS-ANZ for another 12 months. SRL will now focus on ensuring the longevity of the program through secure funding streams and regenerating industry interest in, and need for, the program. State-based agencies are beginning to look closely at standards for onboard operational practices and safety systems under the National Standard for Commercial Vessels, and it seems that our **CLEAN GREEN** passes with flying colours. We are hoping that this approval will result in an expanded fisher membership, as more and more fishers understand the need for best practice to ensure the longevity of our Australian Rocklobster fishing industry.



A simple, but exquisite Rocklobster salad with Middle Eastern influences

A twist on the classic French lettuce wrapped Rocklobster using leg and knuckle meat

[Click on the image to find the recipe on our web site](#)

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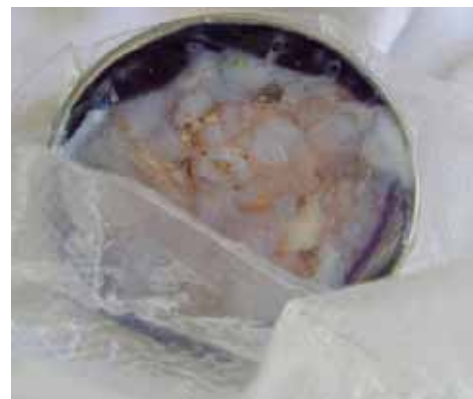
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Our commitment to our **CLEAN GREEN** program is undaunted and we remain totally dedicated to best practice science-based fishing. At a time when the fishing industry worldwide is facing much criticism we are proud of the fact that we have been early adopters and are now an example of world's best practice.

Yours sincerely,



Roger Cotton

Independent Chairman Southern Rocklobster Limited



top leg and knuckle meat after shrinking and rapid chilling showing the end product and bottom rapid chilling after shrinking

CLEAN AND GREEN.....the fundamental philosophy of our member fishermen and management

CLEAN AND GREEN

Is the industry commitment to see businesses continue to prosper with sustainable fishing in some of the world's most pristine waters.



Clean Green Program Update – Certified Sustainable Wild Caught

The generational nature of our member Rocklobster fishers has been a great driving factor in the early adoption of the Southern Rocklobster Limited member fishers **CLEAN GREEN** program. In our **CHEF NEWS TWO** in March 2008 we featured member fisher Mark Denton. Mark fishes out of the South Australian port of Robe in the South Eastern part of the state. Mark is typical of our member fishers, a third generation Rocklobster fisher who has been fishing for 27 years. A father of four, Mark is confident that at least one of his children will continue their family business. It is not hard to convince fishers like Mark of the benefits of **CLEAN GREEN** and sustainable fishing because good management represents the future for his kids and eventually, he hopes, their children. Our fishers are proud of their family history and protective of fly-by-nights entering the Rocklobster industry who may not share their ethical and moral values. All of this augers well for the long-term health of Southern Rocklobster Limited member fishers and the **CLEAN GREEN** program.



Clean Green Australian Southern Rocklobster - the finest in the world

Supported by:



Our land. Our Plan. Our Future

FISHERMAN OR PORT PROFILE CAPE JAFFA SOUTH AUSTRALIA

The port of Cape Jaffa is 15 kilometres off the main Southern Ports Highway between Kingston and Robe on the Limestone Coast of South Australia. The region is pristine. Exquisite wild beaches that are popular with surfers and one of South Australia's premium wine producing regions, the Limestone Coast is an exemplary example of a community in agreement about their environment, whether it be tourism, fishing or winemaking. It is a region that has long conducted best viticulture practice and its superb wild surf beaches remain an unspoiled South Australian tourist destination. It is a region that is a snug fit with the philosophy of Southern Rocklobster Limited member fishers **CLEAN GREEN** philosophy, and the region now has many wineries that are completely biodynamic. The Limestone Coast region is a great example of what a community can achieve if they manage to think as one, agree on their differences, but keep the focus on a single opinion with the single goal of preserving their amazing environment for future generations. Derek Hooper, owner and winemaker at **Cape Jaffa** wines, is an excellent example of symbiotic best practice and his winery is now totally biodynamic. This is a region that is determined to preserve its future with absolute best practice, whether it be wine making or fishing. The region's beaches are spectacular and fishing off shore can be dangerous, requiring a great deal of skill and local knowledge to survive.



Cape Jaffa fishers have a combined fishing experience of more than 110 years

- Kim Skeer fishes from his boat Nerissa Kim and is an accomplished and skilled Rocklobster fisherman who has had over 18 years experience in the industry.
- David Lawrie fishes from his vessel the Ayleska and has been an active member of the Rocklobster industry for a number of years.
- Tony Gardner's boat is called the Ayleska (the same as David Lawrie's boat?). Tony has been actively involved in the Rocklobster fishery industry for the past 34 years.
- Kevin Mules' boat is called the Southern Odyssey and Kevin has over 27 years experience in the Rocklobster fishing industry.
- Simon Peters fishes from Plain Jane II and has been actively involved in the Rocklobster industry for over 17 years.
- Peter Harding fishes from the Narissa J and has over 40 years experience fishing in the Rocklobster industry.

TECHNIQUE MORE and MORE SOUS-VIDE

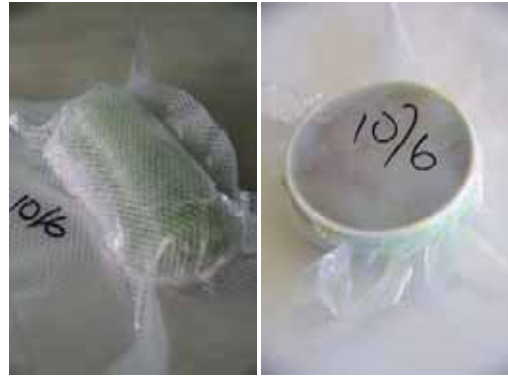
We reviewed the excellent [SOUS-VIDE CUISINE](#), written by Joan Roca and Salvador Brugués, in CHEF NEWS three in July 2008 and despite the fact that we have been working with sous-vide and vaccing since 1983 we had never really taken on board the shrinking mentioned in this book, or for that matter, seen it done in any of the kitchens we have worked in.

Recently we decided to do some experiments and have found the shelf-life results are slightly improved, the quick blanché does no damage to the portion, and there is no detectable difference in the outside cooked texture.

This is a book found in most commercial kitchens and yet, although I work in a number of kitchens each year, I have never seen the shrinking applied pre-cooking. We have started applying this technique to almost everything we do sous-vide.

both images are pre shrunk, click on the images to go to the recipes and see the portions after shrinking

[READ OUR COMPLETE TECHNIQUE ADVICE FOR AUSTRALIAN SOUTHERN ROCKLOBSTER](#)



NEW FREEZING TECHNOLOGY THAT EVEN THE MOST RESISTANT OF OLD SCHOOL CHEFS CANNOT DISPUTE THE SCIENCE

IDEAS AND TRICKS AND BOOKS Ian Hemphill's [SPICE NOTES AND RECIPES](#)



Liz and Ian Hemphill share a passion for spice and the adventures that come with the never ending search for better quality and better understanding of their life-long passion for spice

Spice Notes and Recipes

Ian Hemphill, with recipes by Kate Hemphill
H/B \$59.95 AUD, published by MacMillan

My copy of this second edition has a gift of much more than words. It must have sat in the spice grinding room at Herbie's because at the turn of each page wafts a mysterious fragrant spicy scent. The perfume is a combination of many spices that makes it impossible to identify each and everyone but there are overriding hints of pimento and allspice. The turn of each page brings memories of far-flung lands, the smell of spice grinders at work, of food cooking on the streets, the pounding of the mortar and pestle in the restaurants of the Middle East. Spice Notes is important for a number of reasons, not the least of which is that the erudite carefully crafted words have not been written by a ghost writer with little or no passion or knowledge of or for the topic, nor has it been carelessly spat out in minutes like many recent publications. This book is a life's work, an ocean of knowledge written by an expert in the field. It doesn't get much better than that! Whilst Western culture and modern medicine has mainly lost the importance of the herbalist, it is still possible to see how this time honoured profession continues in the East. We have spent days in Shanghai and Singapore investigating these amazing shops, with their floor to ceiling wooden drawers, old brass scales and weird smells. All manner of strange ingredients are weighed out, from dried mushrooms, to dried unidentifiable twigs, leaves and berries, to powdered dried sea horses, crushed in front of you and neatly wrapped in a paper parcel. It is a respected occupation in the east, but one where the knowledge has been almost lost to the west.

This aspect is not lost to Ian Hemphill and even if your interest is agricultural and historical, there is a wealth of information that is satisfying on all levels. Information is split into description, origin and history, processing, buying and storage, use and in many instances, recipes. Added to this is a list of possible uses, listed as 'complements', used in and combines with. Common and botanical names are listed, but especially useful if you shop with grocers and spice merchants of multiple racial origins, there is often a list of names in many languages.

Whilst recipes are mainly written for the domestic market, there is of course always something to learn. Having just completed a large bracket of recipes for smoking foods, the smokey clove scented beef (p168) is of particular interest because it doesn't start with the usual brown sugar, citrus rind and a mix of dried spices, but with two cups of raw rice. Recipes are not given to complication but they have interesting threads that will lead to other dishes like the crème of smoked Rocklobster soup we are working on.

This striking book was designed by Marylouise Brammer, who has perfectly caught the tone of the intelligence and passion of the text. Printed on dark cream paper with dark violet embellishments, especially sweet is the stenciled flowered edge on each and every page that changes with the start of the art of combining spices. These two significant sections are announced with dark violet facing pages patterned with a lighter violet tone. The final elegant touch is a secured satin ribbon bookmark in the palest shade of violet.

In the days of frugal book publications that lamentably sees the shocking pink Thai silk cover disappear from David Thompson's Thai Food, Spice Notes is a lavish production that

is not indicated by the small price of \$59.95 AUD. This is a book that sits on the shelves with Larousse, Thai Food, Mastering the Art of French Pastry and the Joy of Cooking. Chefs looking for indigenous Australian spices and herbs should know that Ian Hemphill has the crown of 'king of spice' for a reason and has an excellent spice shop with the capability to dispatch world-wide - www.herbies.com.au or email [Ian Hemphill](mailto:Ian.Hemphill@herbies.com.au)

GENIUS AT WORK TAKES A LOOK AT THE COLD CHAIN OF THE VERY NEAR FUTURE

INSPIRATION : the acknowledgement that we need to know more about the latest freezing techniques

WEB SITE : [click here](#) go to the reference papers **EMAIL :**

CHEF PROFILE : In the issue of CHEF NEWS we let scientists take this place in acknowledgement that as much as fishers rely on good science for the future of our industry, equally food and science are vital partners when it comes to best possible practice in the food chain. This research is essential for chefs wanting to better understand the process of lengthening shelf life whilst at the same time keeping the product in perfect condition and using best possible practice.

Fresh versus Frozen

Clever food industries have always worked closely with scientists and the Southern Rocklobster fishers have had a long and continuing association with science and innovation and preservation of the species *Jasus edwardsii*. The fact that our fishers are recognised as the world's best practitioners is the result of an on-going relationship with science that will benefit future generations of Australian Rocklobster fishers.

In recent years food scientists have made enormous advances in food preservation techniques and especially in the cold chain. Tetra pack alone has revolutionised the domestic market with pristine preservation techniques that do not require refrigeration. At a time when we are all trying to be "greener", it is a huge saving in electricity running costs for the wholesaler, retailer and end user.

Other small but important examples are high-pressure juice extraction and freezing techniques. Add to that rapid freezing techniques where it is impossible not to agree the end product, properly thawed, would be difficult to distinguish against just killed fresh Rocklobster straight from the ocean. Whilst high pressure freezing might in the end be the most revolutionary improvement, the capital costs required to set up the plants has stalled the technique becoming more widely used (or explored). There is a shining Australian example of high-pressure food technology with the Australian company Preshafruit. Their product acceptance is growing at such a rapid rate that they have already moved into an expanded operation and are planning further expansion.

As a chef with strong roots in hunting, fishing and growing, I have always thought the only purpose for a freezer was for some back up stocks and glazes for emergencies, ice cream and sorbets and if we are lucky maybe some excess wild summer berries that were later turned into ice cream. It has been difficult to accept that a rapid frozen product, properly thawed to scientific instructions, might be as good as a just killed and chilled Rocklobster and is definitely vastly better than the same product slow frozen in a restaurant walk-in freezer.

Recent experiments to freeze in a restaurant walk-in freezer and a domestic box freezer further reinforced that this is bad practice. It took more than 8 hours in the restaurant walk-in and 16 hours to achieve a core freezing in the domestic box freezer. These two samples plus a rapid freezer at point of catch were slow thawed at 2°C/35°F the truth of the science was easily seen in the rapid frozen product, which had not expelled moisture and had remained firm and translucent. The slow samples had both expelled moisture and the Rocklobster meat was no longer translucent.



When more than at any other time the profit margins in restaurant are under pressure chefs have the responsibility to maintain the quality on the plate whilst at the same time preserving margins that make profitable businesses. Best practice, back by best science is the way of the future.

Serves us all right if we don't stay abreast of the latest in food technology

"The tiny ice crystals achieved with rapid freezing are clearly illustrated by Figure 1-4. Effect of freezing rate on the location of ice crystals in post-rigor cod muscle. (a) Unfrozen, (b) Rapidly frozen, (c) Slowly frozen."

(from Love 1966) ... p7, ref: Planning for Seafood Freezing

Edward KOLBE Donald KRAMER

MAB-60 2007 where under the microscope is indisputable proof of the difference. 'Where does the water come from to grow these crystals? It is pulled out through the muscle cell walls, leaving the cells partially dehydrated. The micro-image of Love (1966) shows the results of this process in cod muscle, Figure 1-4.

This slow freezing and the resulting large extra-cellular ice crystals present a number of problems affecting the quality of this fish:

Dehydration

When the fish is later thawed, the melting large extra-cellular crystals (Figure 1-4) become free water, most of

References

- CSIRO press release Presha Fruit wins international food science award in Germany 2009 [click here](#)
- Planning for Seafood Freezing, Edward Kolbe and Donald Kramer MAB-60 2007 [click here](#)
Alaska Sea Grant College Program University of Alaska Fairbanks Fairbanks, Alaska 99775-5040 (888) 789-0090
Fax (907) 474-6285
www.alaskaseagrant.org
- Journal of Food Engineering 54 (2002) 175-182
Novel methods for rapid freezing and thawing of foods – a review Bing Li, Da-Wen Sun * [click here](#)
FRFCT Group, Department of Agricultural and Food

which we'd hope to see permeate back into the muscle cells where it came from. This doesn't happen. Instead, it becomes drip loss, leaving a drier, tougher, less-tasty fish muscle."

Journal of Food Engineering 54 (2002) 175-182

Novel methods for rapid freezing and thawing of foods — a review Bing Li, Da-Wen Sun * [click here](#)

FRCT Group, Department of Agricultural and Food Engineering, University College Dublin,

National University of Ireland, Earlsfort Terrace, Dublin 2, Ireland

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Certainly vaccing is nothing new, having been first started in the early 70's. It has improved restaurant handling but clearly we all need to move into the next phase and as unbelievable as the fact might be, buying a rapid frozen product and handling it correctly may in some instances be a good solution.

The ramifications are endless, especially for the domestic market. Good chefs will seek to follow the line of science and thaw to precise instructions, however a relatively uneducated domestic market, that may still microwave thaw and get a very bad result, will slow public acceptance. It will again fall to the chef and it will be the restaurant market that convinces educated diners to adopt this new technology and help them understand that taking home a chilled product and freezing it in their home freezer is basically a waste of their money.

Grateful thanks to Dr Andrew Barber for taking the time and trouble to provide and insight, that whilst much of it will not be fully understood by most of us, there is sufficient clear evidence to show that rapid freeze is the only way to go, until, of course, they come up with something better.

Dr Andrew Barber

Principal Scientist, Food Innovation and Value Chain

INNOVATIVE FOOD AND PLANTS

Phone: +61 8 8348 2488

Mobile: +61 407 793 872

Email: andrew.barber@sa.gov.au

Engineering, University College
Dublin,
National University of Ireland,
Earlsfort Terrace, Dublin 2,
Ireland

Received 10 August 2001;

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NEXT ISSUE



In our next CHEF NEWS we will be looking at the simplicity a truly exceptional product allows. A product that needs no more embellishment than salt/soy and pepper and perhaps a lemon or lime. We will be querying why as chefs we work something so hard when in fact the Australian Rocklobster product is so brilliant it needs little or no embellishment. We'll be exploring the courage of the chef to plate a portion without value adding! In fact we'll be celebrating the chef with the courage to *sketa, plain!!*

THIS MONTH'S RECIPE RED CABBAGE ROCKLOBSTER PARCEL



Author Ann Oliver, Food Editor Southern Rocklobster Limited www.annoliver.com

Red Cabbage Rocklobster Parcel

Sautéed Red Cabbage, Buttered Carrot, Splendor Prunes and Carrot Beurre Blanc

Serves 1

75g Rocklobster leg and knuckle meat, lightly seasoned with salt and pepper

6 x 8 cm disks of red cabbage

sea salt

EV olive oil

ice bath

other

25g smoked speck, very finely shredded

10g shallot, peeled weight, very finely sliced

40g red cabbage, very finely shredded

black pepper, freshly ground

sea salt

5g quality white wine vinegar

4 dried prune halves, softened with a little cold water (we use our house-made dried heritage prune from the Splendor prune)

6 x 12 cm fine slices of carrot

5g melted butter

parsley, finely chopped



for the carrot beurre blanc

125g fresh carrot juice

125g cold unsalted butter cut into cubes

Method

Blanche the cabbage disks in boiling salted water with a good splash of EV olive oil. Put another splash of EV olive oil into the ice bath. Cook cabbage disks until they are tender but not mushy and drop them into the ice bath to arrest the cooking.

Oil a mould, line with the cabbage and fill with the seasoned Rocklobster leg and knuckle meat. Vac and date, then shrink the vac pack by dropping it into boiling water for 3-4 seconds and then immediately dropping the pack into an ice bath.

Shelf life – clean spoons, tongs and food service gloves must be use to achieve this shelf life.

Live and just killed – shelf life at a consistent 2°C/35°F 5 days. **Commercially frozen and thawed at 2°C/35°F for 24 hours** – shelf life at a consistent 2°C/35°F 4 days.

to cook

Preheat sous-vide bath to 80°C/176°F

If packed in china cook for 25 minutes, stainless steel for 20 minutes, and allow to rest under heat lamps for 10 minutes.

other

Render the speck and remove the crisp speck onto paper towel and keep warm under heat lamps. Add the shallot and season with pepper and continue cooking until the shallot is lightly coloured, then add the cabbage, stir through the rendered pork fat and heat through. Add about 50ml cold water and the prunes and cook gently until the water has evaporated and the cabbage is cooked. Add salt if necessary, then add the vinegar and stir through - keep warm under the heat lamps.

Quickly blanch the carrot and run through melted butter with the parsley and keep warm.

for the carrot beurre blanc

Put the carrot juice into a sauteuse and bring it to the boil, then knock in the butter until you have a silken orange butter sauce. The sauce generally does not need additional seasoning but it is a good idea to taste and check.

In a service situation if it is a popular dish we thermos the sauce. Prolonged reheating dulls the sauce colour, so if we are using small amounts we vac in individual portions and re-warm them in the water bath. It also splits easily in the pan.



to plate

We have these marvelous purple soup plates but this dish looks equally as striking on a plain white plate. Drape the carrot in three rows going up the sides of the plate and arranging the prunes on the edge, put the cabbage in the centre. Take the lobster portion out of the bag and drain any seepage before sitting it on top of the cabbage. Pour the carrot beurre blanc around the edge, garnish with the speck and serve.

print friendly version [click here](#)

WINE RECOMMENDATIONS

Given how dry Australia is, it might seem astonishing that more Australian wine companies did not look to the dry grown Italian and Spanish varieties sooner. The companies who planted these varieties some 25 to 35 years ago are now reaping the benefits of a better-educated wine drinker in Australia finally willing to step past powerful, hot-climate Australian Shiraz and look for something a little different. Deliberately low yields, and minimal irrigation (if at all), these wines are food wines of the very best kind and most importantly their low water requirements are vital to the future of the wine industry in Australia.

Well made, these varieties have fabulous structure, and balanced fruit driven flavours, with powerfully long finishes. These are wines meant to be consumed with food, and of course friends. They love olive oil, salt, especially the traditional salt preserved fish and meats, and whilst bold and forthright they work brilliantly with combinations of delicate seafood and traditional salt cured meats. Introduce these elements into a Rocklobster course and Sangiovese offers an elegant fruit driven flavour profile that is light and bold at the same time, making a perfect match.

Whilst everything I initially learned about Sangiovese was learned from tasting the Italians, in particular the benchmark Antinori *Santa Cristina* in this issue of CHEF NEWS it is my favourite Australian Sangiovese that I have chosen to review. AO



Images courtesy respective wine companies web sites

2009 Coriole Sangiovese

McLaren Vale South Australia

Mark Lloyd has been a pioneer of Italian varieties in Australia with an established reputation for Sangiovese, Nebbiolo, Barbera, Fiano and most recently Sagrantino. Coriole were early adopters of the Stelvin closure and all of their wines deliver exceptional value for money. Crushed cherry and dark soft fruits, ripe figs the 09 Coriole Sangiovese is as luscious as a voluptuous full bodied Italian woman in her prime, eating a juice dripping fig warm and straight from the tree. Perfect with **Grilled Southern Rocklobster with Bone Marrow, Pancetta and Truffle** although we love to give this wine a double decant a couple of hours before we want to drink it. We also like to serve their Fiano with more delicate Rocklobster dishes, particularly European salad dressed with EV olive oil. www.coriole.com

2008 Pizzini Sangiovese

King Valley, Victoria, Australia

Tar and roses, rare saddle of hare with beetroot and juniper, the 08 Pizzini Sangiovese is a rock-and-roll wine with as much front and lasting power as Mick Jagger himself. Pizzini wines can be found in Australia's best Italian restaurants, and sit comfortably in a flight against the classic example, the Antinori Santa Cristina, and hold its own. This is a classic Australian Sangiovese with a very Italian twist and a reminder of just how much the Australia of 2010 has to thank for the migration that has shaped our land. This is a gorgeous wine made by a lovely family. Step outside of the conventional wine matches and try with www.pizzini.com.au

2008 Crittenden Estate Pinocchio Sangiovese

Mornington Peninsula, Victoria, Australia

I first met Garry Crittenden, the founder of this benchmark Australian company in the early 80's when he was personally touting his own wines and accidentally landed in my then restaurant, Mistress Augustine's, with an open bottle, possibly one of his very first vintages. It was a time when the Australian wine industry was blossoming and it is impossible not to remember the stumbling presentations of young winemakers who are now international wine superstars, with all the polish of carefully tutored performers.

Garry like all great chefs come from the sink, came from the land and was a renowned viticulturist. He played a vital role in the advancement of Italian varieties in Australia whilst at the same time building his own business into internationally respected specialists in Italian varieties. No surprise best vineyard practice leads to great wines. The Pinocchio Sangiovese is a meaty wine, but serve a lobster tail wrapped in fine Italian style fatty pancetta, and serve with a Beurre Rouge made with some of the same wine, and it is a perfect brief encounter - a memory that lingers for a lifetime. This is a perfect, and surprising match **Southern Rocklobster with Scallops, Crisp Pancetta, Lemon Beurre Blanc and Salmon Roe** and evidence that we should not get stuck in conventional concepts with it comes to food and wine matching. www.crittendenwines.com.au

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Southern Rocklobster Limited
Level 1/16 Unley Road, Unley, South Australia 5061
T +61 8 8357 7569 | F +61 8 8272 7767
USA 323 371 6115

There's plenty more on our web site - visit us at www.southernrocklobster.com



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Australian Southern Rocklobster Terrine with Scallop Mousse, Sea Urchin and Cavolo Nero Russian salad

Cold entrée/appetizer 12-15 portions

Ingredients

Terrina de Bogavante

1 live 1.5 - 2.5kg Australia Southern Rocklobster
 1L Rocklobster [stock](#)
 2 bunches of cavolo nero, washed and stalked and blanched in seasoned Rocklobster stock, briefly refreshed in an ice bath
 1 small pinch of saffron
 50ml cream
 1 egg white (30g)
 150g roe-on scallop meat
 salt and black pepper to taste
 100g sea urchin roe

Ensalada de Russa (Russian Salad)

Brunoise wax potatoes, cooked in seasoned rocklobster stock
 Brunoise carrots, cooked in seasoned rocklobster stock
 Fresh peas, cooked in seasoned rocklobster stock
 1 bunch of chives, finely chopped
 White anchovies
 50g pureed rocklobster coral
 100g aioli, recipe follows
 Red onion, brunoise

Aioli

3 egg yolks
 10g of smooth Dijon mustard
 60g white wine vinegar
 200ml olive oil
 200ml of vegetable oil
 Salt and pepper to taste
 30g rocklobster stock or 15g pureed rocklobster coral to flavour the aioli

Method

Euthenase the rocklobster humanely and remove the meat by your preferred method.

Lay out a double layer of cling film and sprinkle with EV olive oil, sea salt and black pepper. Place the rocklobster tail on the cling film with the inside of the tail facing up. With a very sharp knife, butterfly the rocklobster into into an evenly thick rectangle. Dry the cavolo nero and then, covering the rocklobster meat completely, layer the cavolo nero on top.

Infuse the saffron into the cream and chill the infusion. Keeping the scallops very cold, make the scallop mousse with the scallop meat, egg white and infused cream. Season to taste with sea salt and white pepper.

Leaving a 3cm working edge along one of the long edges or the roulade, spread the scallop mousse evenly over the cavolo nero.

Layer the sea urchin in an even row in the centre of the mousse.

Lift one end of the rocklobster with the cling film and roll creating a perfect cylinder. Twist each end of the cling film tightly to achieve a cylinder that is approximately 8cm diameter. Wrap a second time to secure the shape.

Pierce the roll with a few tiny pin-pricks and poach in the stock in a sous-vide bath for 12 minutes @ 90°C, or cook conventionally in the stock, sitting on a rack to avoid direct heat contact at 90°C for six minutes one side then turn and poach for a further six minutes the other side.

Carefully remove and cool in the chiller over night to firm the terrine.

To serve

Stir the rocklobster coral into the aioli - this is best done at each service. For each portion, dress the Russian

search



Salad components with aioli, taste and adjust the seasoning. Trim one end of the roll, and for each portion slice a 2cm thick round.

Place in the centre of the plate, garnish with more sea urchin roe and white anchovies, then sparingly sprinkle the terrine with the chardonnay vinegar, a touch of sea salt and a little freshly ground pepper. Serve immediately.



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Australian Southern Rocklobster with Shiso and Burdock

For the spheres

500g Water
 35g Shiso
 5g Jalapeno, thinly sliced
 30g Lemon Juice
 0.09g Sodium Hexamatephosphate, add this directly to the lemon juice before adding the lemon juice to the rest of the mixture
 5g reduced beet juice
 Salt and sugar to taste
 Sodium alginate, as needed

Prepare the infusion by mixing together all of the above, adding salt and pepper at the end to taste. Strain the infusion after about one hour. Weigh the result; multiply the weight of the mixture by 06%. This is the amount of sodium alginate you will need to add to the infusion. Add the alginate with the help of a bar blender.

For the calcium bath

20 g food grade calcium chloride
 1kg water

To make the spheres

Dip a tablespoon measure into the calcium bath, collect enough of the liquid to fill the spoon by 1/3 pour about 25g of the infusion into the spoon and then carefully deposit the sphere into the calcium bath. Allow the spheres to sit in the calcium bath for 2 minutes and then remove them with a slotted spoon. Rinse them in cold tap water before service. The spheres can sit in plain water for up to 2 hours before service, after which time they will no longer have a liquid center.

For the burdock

1kg fresh burdock root (peeled ends trimmed)
 2kg tap water
 200g fresh-squeezed lemon juice
 Salt, pepper, sugar to taste

Peel the burdock and hold it in acidulated water. Trim the ends of the burdock and prepare a cooking medium consisting the water, a pinch of salt, a pinch of sugar and the lemon juice. Cook the burdock in the acidulated water over a low flame. It will take at least one hour as burdock is a tough vegetable. Keep the mixture just below a boil and replenish the water as it evaporates away. When the burdock is tender, cool it in the water that it was cooked in. When the burdock is cool, cut it into 1.5" lengths and then cut it into julienne, store the julienne in the broth and hold both for service.

For the Southern Rocklobster

1 X 1kg Southern Rocklobster
 1 large sheet konbu to cure the tail meat
 Large pot of court bouillon

Remove the tail from the rocklobster. Remove the tail meat from the shell. Cook the head of the lobster in the court bouillon for six to eight minutes, ice the head. Remove the meat from the legs, antennas and the head itself. Soften the konbu in cold water. Dry the konbu with clean napkins. Wrap the tail meat in the konbu and refrigerate it for four hours before serving.

To serve

Make one sphere per plate and hold them in cold water. Drain the burdock julienne, reserve the juice. Place the julienne in a mixing bowl and season with a pinch of salt, pepper, a few drops of lemon juice and virgin olive oil. Chiffonade the shiso leaves and add them to the burdock. Place the burdock-shiso salad in the center of the soup bowls. Place a bouillon spoon in the center of the salad and rest the handle of the spoon on the rim of the bowl, place a sphere in each bouillon spoon. Remove the rocklobster tail meat from the konbu. Cut it into bite sized pieces. Place the raw meat in a mixing bowl season with salt pepper, a touch of lemon juice and virgin olive oil and in a separate bowl, season the cooked meat in the same manner. Place two pieces of raw meat and one piece of cooked meat in each bowl. Check the seasoning of the reserved burdock broth, adjust the seasoning if needed and place the broth in a sauce boat. Serve the dish to your guests and pour the broth into the bowls at the table.

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Basic Mayonnaise

Makes approximately 400g

10g smooth French mustard

1 whole COLD 61g egg

4g fine sea salt

2g black pepper, *finely and freshly ground*

½ lemon rind, *finely grated*

350ml extra virgin olive oil

30g lemon juice

Put everything but the oil and lemon juice into a food processor. With the motor running add the oil very slowly. When fully incorporated add the lemon juice and mix through. Store in an airtight container in the fridge.





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Butter Poached Southern Rocklobster Tail, Duck Liver Parfait, Kumquat Essence

makes 10 portions **for the Rocklobster**

1 x 750g green Southern Rocklobster tail — single portions 75g
 sea salt
 white pepper
 150g unsalted butter, melted but not hot
 1 lime, finely grated rind, finely sliced peeled lime

Method

pre heat the sous-vide bath to 60°C

Butterfly the tail end of the Rocklobster tail so that it has an even thickness. Season it and place it in a vac bag. Add the butter, lime rind and lime slices and vacuum seal the bag.

cooking times vary

from the service fridge: 4–12 hours refrigeration — 25 minutes

from live, prepped and cooked: (meaning no prolonged refrigeration) — 16 minutes

tips — You can portion this dish individually using buttered stainless rings, which delivers the obvious portion control advantages.

Duck Liver Parfait

makes 10 portions to go with butter poached Rocklobster

500g cleaned weight, fresh duck liver
 500g unsalted butter, melted to approximately 50°C
 175g brown onion, peeled weight, finely chopped
 8g organic garlic, macerated to a paste
 25g Madeira
 25g Cognac
 25g red wine
 25g Muscat
 1 x 61g whole free range egg
 5g sea salt
 2.5g black pepper

Method

pre heat oven to 120°C

Blend duck liver in Thermomix or MyCook until smooth. In a separate pot add onion, garlic & liquors, reduce until halved, strain. Add butter to liver slowly whilst blending, trying to create a smooth combined emulsion, then add liquor, then the egg and seasonings.

Pour into a plastic lined terrine mould and cover with plastic food wrap. Place in a water bath and cook for 25–30 minutes. The degree of cooking is assessed with the feel of an underdone cake, still slightly wobbly in the centre and it should be taken into account that the butter will further set the parfait.

Kumquat Essence

makes about 300g

250g kumquat
 125g soft brown sugar
 1 vanilla pod, split and scraped
 125g fresh strained orange juice
 125g water

Method

Halve the kumquats and remove the seeds. Bring to boil water, juice, scraped vanilla bean & sugar, then add kumquats and continue to boil for 7 minutes. Turn down to the lowest possible point and allow to tick over for 20 minutes.

tip — if kumquats are not available mandarins are a good substitute.





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Cajun Deep-Fried Southern Rocklobster Dumplings with Corn Bread and Cajun Sauce

Serves 1 - entrée/main

Ingredients

Sauce and garnish

200g Southern Rocklobster [stock](#)
 1 pinch saffron
 1 small jalapeño chilli, finely sliced
 1 green onion, finely sliced
 2 young sorrel leaves, deveined and very finely shredded
 1 x 2cm thick slice corn bread - see below

Southern Rocklobster/deep-frying

50g green leg, knuckle and horn meat, roughly chopped
 10g tapioca flour
 small pinch fine salt
 cajun dust (see below)
 2 parsley flowers
 30g tempura batter
 Clean oil for deep-frying

Cajun dust

makes about 300g

10g coarse sea salt
 3g whole white pepper
 1g dried thyme
 30g sweet paprika
 10g turmeric
 1g turmeric
 1g dried marjoram
 1g dried chilli
 250g plain flour

Put the sea salt, whole pepper and dried thyme into a spice grinder and mill it until it is fine. Mix everything together and store in an airtight container.

Method

Put the stock and saffron on high heat and reduce by half. Mix the rocklobster meat, tapioca and salt together. Cover and refrigerate for at least 30 minutes.

To serve

Divide the lobster meat into two equal halves. Drop them into the Cajun dust and using two forks roll the two portions through the dust. Drop them into hot oil and fry until they are browned and crisped. Coat the parsley flowers with tempura batter and deep-fry. Warm the stock reduction and stir through the jalapeño, green onion and sorrel. Warm the corn bread and place it on a plate. Put the dumplings and parsley flowers on top and, sauce to one side and serve.

Paul Prudhomme's Corn Bread

Bakes 3 small loaves - makes 24 x 2 cm thick slices

Tablespoon soft butter
 Tablespoon flour
 600g full cream milk
 300g unsalted butter, cut into small cubes
 350g cake flour
 180g corn meal
 190g caster sugar
 100g corn flour

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10g fine sea salt
20g cream of tartar
15g bicarbonate soda

Pre heat oven to 175°C - 345°F

Carefully butter and flour three loaf tins - we have been using silicon for years. Melt the butter, add the milk and warm it to blood temperature. Put all of the dry ingredients into an electric mixer and mix thoroughly. Slowly add the milk and butter and immediately divide between the three prepared tins.

Bake for 35 - 45 minutes and until golden and firm in the centers. Stand on a rack and set a timer for 10 minutes. When the timer goes drop the loaves from the forms and allow to cool completely. They are very fragile while they are hot. Slice and pack in individual serves in small take-away containers.

To serve

Lift an edge of the take-away container and steam for 4 minutes. Remove the lid, invert a warm plate over the top and then drop the corn bread onto the plate. Do not use implements as it will break into pieces.

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Chilled Southern Rocklobster and Almond Soup Spheres

Makes 17 portions

Ingredients

For the spheres

1g sea salt
 150g clarified Southern Rocklobster stock
 7g calcium lactate
 150g + 200g EcoMil Almond - see notes

For the alginate bath

1400g water
 65g caster sugar
 7g sodium alginate

Other ingredients

Crushed roasted blanched almonds
 Steamed seasoned Southern Rocklobster meat
 or
 Steamed Southern Rocklobster mousseline

Method

For the spheres

Put the sea salt and 150g rocklobster stock into a saucepan and whisk in the calcium lactate. Bring to the boil and whisk until the calcium lactate is dissolved - do not reduce. Remove from the heat, allow to cool slightly then whisk in the 150g EcoMil almond and blend thoroughly. Fill into 40mm half sphere silicon moulds and freeze.

When the sphere bases are completely frozen remove from the moulds and store in the freezer in airtight containers.

Put the water, sugar and sodium alginate into a pot and incorporate the alginate with a stab mixer/Bamix. Bring to the boil, turn the heat off, allow it to sit for 5 minutes, then process again to ensure the alginate is completely incorporated.

Bring to the boil again.

Drop the frozen spheres into the alginate a few at a time while keeping the alginate solution very hot. Take care that they do not touch each other. Allow to sit for 10 minutes.

Very carefully remove them from the bath and drop them into the remaining EcoMil Almond. Repeat the process until all of the spheres have been formed. Store tightly covered in the fridge.

To serve

Carefully place a sphere on chilled spoons, dust with the crushed almonds and serve.

Notes

Many years ago when I had my own restaurant we used to make two blancmanger dishes that had been very well described in renaissance manuscripts. Making the almond milk grinding them, steeping them, pounding them and finally squeezing out the milk took two people a huge amount of time. Recently in one of my local organic stores I noticed a whole range of nut milks, most of them certified gluten free. Several brands of almond milk have been tried but it is only the Spanish Nutriops EcoMil Almond that has the right taste. Many brands add soya oil or soy products, which totally change the taste and texture of the milk and also seem to cause it curdle if it is heated to high heat. We have not tried the other EcoMil flavours so cannot comment. www.ecomil.com

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Chilled Southern Rocklobster Consommé Spheres

Makes 17 portions

Ingredients

For the spheres

1g sea salt
 20g caster sugar
 300g clarified Southern Rocklobster stock
 7g calcium lactate
 30g peeled weight young green ginger, very finely sliced on a mandolin

For the alginate bath

1400g water
 65g caster sugar
 7g sodium alginate

Other ingredients

8 Thai chillies, seeded, scraped back
 Very finely julienned basil and mint leaves
 Julienned glacé ginger
 Approximately 20g ginger syrup

For the spheres

Put the sea salt, caster sugar and 300g Rocklobster stock into a saucepan and whisk in the calcium lactate. Bring to the boil and whisk until the calcium lactate is dissolved - do not reduce. Pour over the green ginger and allow to stand for 10 minutes.

Strain off and fill into 40mm half sphere silicon moulds and freeze.

When the sphere bases are completely frozen, remove from the moulds and store in the freezer in airtight containers.

Put the water sugar and sodium alginate into a pot and incorporate the alginate with a stab mixer/Bamix. Bring to the boil, turn the heat off, allow it to sit for 5 minutes, then process again to ensure the alginate is completely incorporated. Bring to the boil again.

Working a few at a time and keeping the alginate solution very hot, taking care that they do not touch each other, drop the frozen spheres into the alginate and allow to sit for 10 minutes. Very carefully remove them from the bath and drop them into the remaining EcoMil Almond. Repeat the process until all of the spheres have been formed. Store tightly covered in the fridge.

To serve

Carefully place a sphere on chilled spoons, divide the chilli, basil and mint on top of the spheres and then top with the glacé ginger and a drop of ginger syrup. Add a few mls of the stock and serve immediately.

Options

We also serve the spheres in hot clarified consommé, in chilled tomato essence with some cold rocklobster tail and mint chiffonnade and on spoons with many combinations.

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Creamy Coconut Southern Rocklobster Soup with Mushrooms and Green Almonds

Makes 3

for the soup base

1L dirty Southern Rocklobster stock, seasoned to taste with sea salt and white pepper
 200g fresh coconut meat, cleaned weight, finely chopped in a Thermomix or Mycook — see tip

Method

Bring the stock to the boil, mix in the coconut with a stab mixer. Allow to cool sufficiently to be handled and then drain the stock into a sieve that is covered with a double layer of muslin. Squeeze out the coconut meat and refrigerate the infused stock until ready to use.

for the soup

50g diced Chinese turnip, peeled weight
 20g fresh shitake mushrooms, finely sliced
 3 medium oyster mushrooms, shredded
 30g enoki mushrooms, rough chopped
 dill sprigs
 3 x 30g slices of green Southern Rocklobster tail meat
 3 garlic flowers
 6 green almonds, finely sliced

other

3 egg yolks

Method

Before finishing the soup, divide everything between the three warmed bowls to allow it to come to room temperature. Whisk the coconut infused stock together and take out a small amount and mix the egg yolks into it. Heat the stock mass, and as soon as it comes to the boil, whisk in the egg yolks then immediately remove from the heat. Whisk the soup to get a good froth.

Pour over the other ingredients at the table.

tip — you can buy frozen, cleaned and grated young coconut meat at some Asian grocers, but it is not as good as fresh.

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Crispy Southern Rocklobster, Mushroom and Tofu Parcels

Makes approximately 54 portions

Ingredients

- 100g cellophane noodles
- 20g shredded black wood fungus
- 10g dried, sliced shitake mushrooms
- 2 Southern Rocklobster tails finely sliced
- 10g spring onion cleaned and finely sliced
- 2 teaspoons light soy sauce
- 2 teaspoons fish sauce
- 400g fresh, soft tofu
- 1 1/2 tablespoons ginger/garlic finely minced
- 54 fresh bean curd sheets cut into rectangles 140mm x 120mm
- Wilted chives and small spring onions

Method

- Soak the cellophane noodles in hot water for 10 minutes and drain thoroughly.
- Soak the fungus and mushrooms until they are softened then drain well.
- Mix all ingredients together.

To Serve

- Wrap approximately 2 tablespoons of filling into a square of bean curd sheet and tie with a wilted chive. Lay on paper towel - deep fry in hot oil until crispy, and serve with an orange and chilli dipping sauce.

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Deep-Fried Mexican Southern Rocklobster, with Steamed Cactus, Chocolate Mole Sauce

Serves 4

Ingredients

4 x 100g green Southern Rocklobster tail portions
 1/3 batch Mexican Dust (approximately) - recipe follows
 Clean oil for deep-frying 4 x 2.5cm x 12 cm peeled cactus portions
 Pinch of salt
 1 quantity Southern Rocklobster chocolate mole sauce - recipe follows

Method

Use just enough of the Mexican Dust to coat the rocklobster portions (any dust not used must be discarded at the end of each service).
 Deep-fry in clean, hot oil until crisped on the edges. Drain on paper towel and rest under lights for 3 - 5 minutes.
 Drop the cactus into boiling salted water for a minute, then press the four slices together. Trim them perfectly and cut into four equal portions.

To serve

Slice each rocklobster portion in half. Place a portion of cactus on each plate, and arrange the rocklobster portions to expose the perfectly cooked centre with the black pencil edge and divide the sauce between the plates.

Mexican dust makes 75g

Ingredients

50g plain flour
 15g best quality cocoa powder
 10g fine salt
 3g fine white pepper
 1g dried chilli

Method

Mix everything together and store in an airtight container.

Southern Rocklobster chocolate mole sauce 4 servings

Ingredients

4g annatto buds
 50g water
 3g coarse salt
 10g garlic, peeled weight
 20g EV olive oil
 1g fennel
 1g cumin
 25g shallot, peeled weight, very finely sliced
 2 Thai chillies, finely sliced
 3 coriander roots, very finely chopped
 300g rocklobster stock
 1g dried thyme
 1g dried oregano
 20g just squeezed lime juice
 40g dark chocolate couverture (60%), finely chopped

Method

Soak the annatto buds in the water. Put a pan on medium heat, add the oil and fennel and cumin and cook shaking the pan until the seeds start to colour, add the shallot and chilli and cook until the shallot is lightly

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coloured and softened. Add the coriander roots and bring to a rapid boil. Add the thyme and oregano and reduce very slightly.

To serve

Re-warm the sauce, add the lime juice, mix through then add the chocolate stir through and remove the pan from the heat. Continue to stir until the chocolate is completely incorporated and glossy.

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Deep-Fried Zucchini Flowers Filled With Southern Rocklobster Mousseline

Makes 20 portions

Ingredients

For the Southern Rocklobster mousseline

290g roughly chopped green Southern Rocklobster meat (claw and head meat preferable)
 1.5g sea salt
 5g white pepper
 15g white wine vinegar
 75g Southern Rocklobster [stock](#)
 22g tapioca flour

For the tempura batter

20g double action baking powder
 100g plain/cake flour
 1g fine sea salt
 1 cardamom pod, husked and pulverised in a mortar and pestle
 Ice water

Other ingredients

20 male pumpkin or zucchini flowers
 Vegetable oil, or a mixture of quality EV olive oil and vegetable oil for deep frying.

Accompaniments

We love the flowers with our rocklobster oil [mayonnaise](#) but they are also gorgeous with a traditional tartare, basil and mint jelly with a good vinegar edge or a basil, dill and coriander mayonnaise.

Method

For the Southern Rocklobster filling

Chop the Southern Rocklobster meat on pulse then work in the other ingredients on pulse. Scrape into a container and refrigerate for at least 30 minutes before using.

For the tempura batter

Put all of the dry ingredients into a bowl and whisk together. Whilst whisking constantly, add sufficient ice water to form a medium batter.

Cover loosely with plastic wrap and leave to stand to start to work for 30 minutes. Once the batter is bubbling, sit it in a bowl of ice. Trim the stalk from the flowers, and using scissors, open them out.

Put 20g of the rocklobster filling into each flower, then carefully fold back the petals, pressing them together and twist the ends of the flower.

Gently place them on a tray, cover with plastic and refrigerate until ready to cook.

To finish

Carefully roll the flowers through the working batter, brushing away any excess against the sides of the batter bowl.

Fry until crispy and golden, drain on paper towel and serve immediately with your chosen accompaniment.

Gluten free version

For the tempura batter, substitute the flour for 50% certified pure rice flour and 50% certified pure corn flour and proceed as previously described.

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Fifteen Minute Southern Rocklobster Nage

Serves 2

Ingredients

50 ml (2 fl oz) extra-virgin olive oil
 1 x 800 g (1 lb 12 oz) crayfish/rocklobster, cooked and shelled, tail cut into medallions
 Sea salt
 500g (1 lb 2 oz) clams
 1 brown onion, finely diced
 2 garlic cloves, crushed
 6 baby carrots, peeled
 1 leek, finely sliced
 500 ml (1 pint) white wine
 Juice of half a lemon
 Pepper
 100 g (3½ oz) cultured butter
 2 tablespoons basil leaves
 1 tablespoon finely chopped tarragon
 8 tablespoons cooked macaroni (made from 4 tablespoons uncooked)

Method

Preheat a large pot over medium heat, add the olive oil. Once the oil is hot, add the rocklobster medallions and sauté for 1 minute, then season with sea salt.

Add the clams, followed by all the vegetables in quick succession. Sauté on high heat, stirring constantly. Add the white wine and place the lid on the pot. Cook on high for 4 minutes.

Season with the lemon juice and salt and pepper. Add the butter, and stir well. Once the butter is mixed into the bubbling juices, add the herbs and pasta, cook for 1 minute and serve.

Fifteen Minute Rocklobster Nage is a wonderful example of the simplicity of true French bistro cooking; a simplicity that in no way diminishes the excellence of the finished dish or the refined flavours it delivers.

Recipe adapted from Shannon Bennett's My French Vue, published by Simon and Schuster 2007, image copyright © Simon Griffiths

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Ice Slurry Extraction Method for Clean Green Australian Southern Rocklobster

Method 1 - sufficient for 1 x 2kg (4.5lb approx) or 2 x 1kg (2.2lb approx)

Using Ice and Salt

5kg (11lb) crushed ice
 1.750kg (3.9lb) water
 750g (26.5oz) flossy salt (next grade up from fine)

Kill the rocklobsters humanely and leave them in the chiller for 30-60 minutes. In a container large enough to hold the rocklobsters in a single layer, put half of the ice and salt into the bottom of the container and sit the rocklobsters on top. Cover with the remaining ice, sprinkle the salt on top and then add the water and put in a cool place in the kitchen or if your room temperature is high the walk-in.

Set a timer for;

- 2kg (4.5lb approx) - 30 minutes and when the timer goes turn the rocklobster and bury under the slurry again and set a time for another 10 minutes
- 1kg (2.2lb approx) - 20 minutes and when the timer goes turn the rocklobster and bury under the slurry again and set a time for another 10 minutes

Method 2 - sufficient for 1 x 2kg (4.5lb approx) or 2 x 1kg (2.2lb approx)

Using Ice, Salt and Dry Ice - This method is excellent for outside catering conditions where the external temperature might be very hot and no walk-in facilities available

5kg (11lb) crushed ice
 750g (26.5oz) flossy salt (next up from fine) 600g (21oz)
 2kg (4.5lb approx) dry ice broken into pieces
 water

Kill the rocklobsters humanely and leave them in the chiller for 30-60 minutes. In a container large enough to hold the rocklobsters in a single layer, put half of the dry ice, ice and salt into the bottom of the container and sit the rocklobsters on top (up to 6kg/13lb total weight). Cover with the remaining ice, then dry ice, sprinkle the salt on top and then cover with water.

Set a timer for;

- 2kg (4.5lb approx) - 25 minutes and when the timer goes turn the rocklobster and bury under the slurry again and set a time for another 10 minutes.
- 1kg (2.2lb approx) - 15 minutes and when the timer goes turn the rocklobster and bury under the slurry again and set a time for another 10 minutes

Meat Extraction - Same for Both Methods

Rinse the rocklobsters under cold water. Use poultry shears and work over a bowl. Without ripping into the meat, cut up from where the tail joins the head to the horn on both sides. Turn the rocklobster and repeat on both sides of the tail.

Use a small sharp knife, (some chefs use a butter knife) carefully release the tail from the head by snipping through the fine attaching membrane and gently pulling the tail away from the shell.

Harvest the tomalley and all of the dirty meat in the head, then pick the legs and top of the head - **see tips**.

Use the poultry shears cut the horns lengthwise on both sides, then pull the horn meat out; cut the knuckles in half and pull the meat away.

Tips

- Works best when animals are approximately the same size.
- Mesh gloves make very fast work and there is no risk of small cuts from the shell.
- Put enough staff on to the job to get the meat extracted within 30 minutes of removing from the slurry, after this point the method starts to be less effective. Marking and staggering the placement of the rocklobsters into the slurry is the other option. Working in teams we have been able to get the extraction per lobster down to not more

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than 15 minutes per.

- We are big on making tools that do the job and have had several different diameters of stainless steel rods cut to about chopstick length and use them to push the green meat out. However breaking the legs at the joints often pulls the meat straight out leaving the middle small leg knuckle to push out.



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Grilled Southern Rocklobster with Bone Marrow, Pancetta and Truffle

Main Course - serves 1

Ingredients

2 small Savoy cabbage leaves, blanched in boiling salted water with a little EV olive oil and refreshed
 75g firm mash potato
 EV olive oil
 3 pancetta slices crisped at low temperature
 50g green lobster medallion (ends are good for this dish)
 20g bone marrow pressed into 3cm ring

For the sauce (3 servings)

100ml Rocklobster stock
 50ml cream
 10g truffle paste or better yet, truffle crumbs and shavings
 50g COLD butter, cut into small pieces

Method

Line a 7cm ring with cabbage leaves, overlapping the edges with sufficient cabbage to cover the top. Fill with mash potato, pressing it firmly into the cabbage, then fold the leaves back over the top. Invert the parcel and brush lightly with EV olive oil. Put the parcel in a take away container, cover and refrigerate.

To serve

Pre heat oven to 200°C

In a commercial kitchen oven would be set to 220°C. Average temperature with boost would be around 200°C

Warm the potato parcel in a steamer with the lid of the container slightly ajar for approximately 10 minutes. This process can be sped up and the colour of the cabbage perfectly maintained by a 30 second burst in a microwave and then finishing in the steamer for 5 minutes.

Put the medallion and bone marrow in the oven for four minutes and the pancetta for 1 minute.

Put the stock, cream and truffle paste into a sauteuse pan and place on high heat. Bring to boil, shaking constantly and whisk the butter into the sauce. Taste and adjust the seasoning if required.

Slice the rocklobster in half horizontally. Put the parcel on the plate, arrange the pancetta on top, and then splay the rocklobster, topping with the bone marrow.

Spoon sauce around the edge and serve immediately.

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Miang of Southern Rocklobster and Green Mango

David Thompson, chef owner namh, London

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canapé for 100 pax

for the sauce

2kg palm sugar, shaved

375g water

750g miang paste - see below

250g Megachef fish sauce - see note

250g tamarind water

Method

In a small pot heat the sugar with the water. When dissolved, add the miang paste and simmer for several minutes until the syrup is quite thick. Pour in the fish sauce and continue to simmer for a few minutes then add the tamarind water. Do not simmer for too long after this as the tamarind will become scorched and taste bitter. Allow to cool. Once cooled, it should be quite thick as it acts to bind the other ingredients together.

for the miang paste

100g galangal, peeled weight, sliced

10g salt

20g shrimp paste

6 scuds, roughly chopped

60g small dried shrimp (prawns)

90g grated coconut, roasted

60g peanuts, roasted

Method

Adding them one by one, gradually pound the ingredients together in a mortar and pestle until you have a smooth paste.

for the filling

100 betel leaves

450g roasted grated fresh coconut meat

300g green ginger, peeled weight,, cut into 3mm cubes

350g red shallots, peeled weight, cut into 3mm cubes

4 -6 limes, finely cubed

10-20 scuds, finely sliced

3 green mangoes, shredded

2 x 2.5kg Southern Rocklobsters, green meat extracted, [click here for technical information](#)

4 bunches of coriander, washed and leafed

handy

6 pieces of 15mm diameter doweling about 15cm long

Method

Carefully wash and dry the betel leaves. Spread plastic wrap and cover with paper towel. Overlapping them slightly, and lining them up from left to right with the stalk end on your left, lay out about 15 betel leaves in a neat line and then gently wrap them around the dowel and seal with the plastic. Repeat the process until all of the leaves have been rolled. Refrigerate until ready to use.

Steam the green Southern Rocklobster tail, leg and knuckle meat, chill and shred the large pieces.

to serve

Combine all the remaining ingredients in a bowl and dress with the cooled sauce. Serve on the curled betel leaves, sprinkled with coriander leaves.





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Peanut, Sesame, Chilli Shrimp Relish

Makes approximately 600g

Ingredients

50g annatto, soaked in cold water and squeezed out
50g peeled weight green ginger, coarsely grated
50g garlic, peeled weight, finely chopped
50g dried shrimp crushed
200g Southern Rocklobster oil
10 cayenne tilar (dried broken chillies)
20g Sichuan pepper, roasted, cooled and crushed
5g rough powdered hot pepper (sometimes called Sichuan chilli flakes)
1 bunch coriander with roots, roots finely chopped, leaves used for another purpose
100g freshly roasted sesame seeds
100g roasted crushed raw peanuts

Method

On very low heat fry the garlic, chilli, dried shrimp, cayenne and Sichuan pepper until it is very dark and the oil very red. Add the powdered pepper and coriander roots cook and for a further couple of minutes then stir through the sesame seeds and peanuts. Keeps indefinitely and although it would probably keep well out of the fridge we keep the relish in the fridge.

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Poached Lettuce Wrapped Leg and Knuckle Meat Pea Sauce

serves 1

- 75g Rocklobster leg and knuckle meat, lightly seasoned with salt and pepper
- 2 large outer Iceberg lettuce leaves
- EV olive oil
- salt
- ice bath
- 10–15g salmon roe
- chervil sprigs

essential equipment
clean dry towels



prepared portion SHELF LIFE

clean spoons, tongs and food service gloves must be use to achieve this shelf life

Live and just killed — shelf life at a consistent 2 °C/35 °F 5 days.

Commercially frozen and thawed at 2 °C/35 °F for 24 hours — shelf life at a consistent 2 °C/35 °F 4 days.

note — it is a general rule that vegetable wrapped lessens the shelf life slightly usually 20%.





Method

Set up a water bath with plenty of salt and a generous amount of EV olive oil. Add a good splash of EV olive oil to the ice bath (are the ice bath and the water bath the same thing? If so you can delete the sentence 'Add a good splash...'). Spread a clean cloth on the bench. Drop the lettuce into the boiling water and blanch for about 1 minute or until the lettuce goes limp. Immediately drain it and drop it into the ice bath to arrest the cooking. Working carefully so as not to tear the lettuce, remove it from the ice bath and spread it out on a dry towel. Cover with another dry towel and apply gentle pressure to dry it as much as possible. Leaving it attached to the roll, pull out a generous amount of plastic food wrap and fold it back on itself before detaching it from the roll. Spread the blanched lettuce onto the plastic. Roll the meat up in the lettuce, making a tight roll with the plastic food wrap. Vac and date, then shrink the vac pack by dropping it into boiling water for 3-4 seconds and then immediately dropping the pack into an ice bath.



to cook

preheat sous-vide bath to 80 °C/176 °F

Cook for 15 minutes, and allow to rest under heat lamps for 10 minutes.

to serve

Remove the roll from the vac bag and without removing the plastic food wrap, carefully trim the ends and then cut the roll into three. Garnish the top of the roll with the chervil and salmon roe and serve with the pea sauce (recipe follows).

Pea Sauce

500g fresh peas, shelled
125ml spring water
2 pinches of Maldon sea salt
freshly ground white pepper
125g unsalted butter, cut into cubes
5 large mint leaves

This sauce can be made entirely in a Thermomix or MyCook

Put all of the ingredients into a pan, Thermomix or MyCook and place on high heat. As soon as it comes to a simmer, control the heat and simmer gently for three minutes, puree then pass through a medium sieve. The pea skins need not be wasted and are delicious mixed through mashed potato.

In a service situation, if it is a popular dish we thermos the sauce. Prolonged reheating dulls the sauce colour, so if we are using small amounts we vac in individual portions and re-warm them in the water bath.

tip — Frozen peas do not cut it for this sauce, or for that matter any pea dish, as there is a noticeable taste difference between fresh and frozen product.

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Red Cabbage Rocklobster Parcel Sautéed Red Cabbage, Buttered Carrot, Splendor Prunes and Carrot Beurre Blanc



Serves 1

- 75g Rocklobster leg and knuckle meat, lightly seasoned with salt and pepper
- 6 x 8 cm disks of red cabbage
- sea salt
- EV olive oil
- ice bath

prepared portion SHELF LIFE

clean spoons, tongs and food service gloves must be use to achieve this shelf life

Live and just killed — shelf life at a consistent 2 °C/35 °F 5 days.

Commercially frozen and thawed at 2 °C/35 °F for 24 hours — shelf life at a consistent 2 °C/35 °F 4 days.

note — it is a general rule that vegetable wrapped lessens the shelf life slightly usually 20%.

Method

Blanche the cabbage disks in boiling salted water with a good splash of EV olive oil. Put another splash of EV olive oil into the ice bath. Cook cabbage disks until they are tender but not mushy and drop them into the ice bath to arrest the cooking.

Oil a mould, line with the cabbage and fill with the seasoned Rocklobster leg and knuckle meat. Vac and date, then shrink the vac pack by dropping it into boiling water for 3–4 seconds and then immediately dropping the pack into an ice bath.



other

25g smoked speck, very finely shredded
 10g shallot, peeled weight, very finely sliced
 40g red cabbage, very finely shredded
 black pepper, freshly ground
 sea salt
 5g quality white wine vinegar
 4 dried prune halves, softened with a little cold water (we use our house-made dried heritage prune from the Splendor prune)
 6 x 12 cm fine slices of carrot
 5g melted butter
 parsley, finely chopped

for the carrot beurre blanc

125g fresh carrot juice
 125g cold unsalted butter cut into cubes

**to cook****Preheat sous-vide bath to 80°C/176°F**

If packed in china cook for 25 minutes, stainless steel for 20 minutes, and allow to rest under heat lamps for 10 minutes.

other

Render the speck and remove the crisp speck onto paper towel and keep warm under heat lamps. Add the shallot and season with pepper and continue cooking until the shallot is lightly coloured, then add the cabbage, stir through the rendered pork fat and heat through. Add about 50ml cold water and the prunes and cook gently until the water has evaporated and the cabbage is cooked. Add salt if necessary, then add the vinegar and stir through – keep warm under the heat lamps.

Quickly blanch the carrot and run through melted butter with the parsley and keep warm.

for the carrot beurre blanc

Put the carrot juice into a sauteuse and bring it to the boil, then knock in the butter until you have a silken orange butter sauce. The sauce generally does not need additional seasoning but it is a good idea to taste and check.

In a service situation if it is a popular dish we thermos the sauce. Prolonged reheating dulls the sauce colour, so if we are using small amounts we vac in individual portions and re-warm them in the water bath. It also splits easily in the pan.

to plate

We have these marvelous purple soup plates but this dish looks equally as striking on a plain white plate. Drape the carrot in three rows going up the sides of the plate and arranging the prunes on the edge, put the cabbage in the centre. Take the lobster portion out of the bag and drain any seepage before sitting it on top of the cabbage. Pour the carrot beurre blanc around the edge, garnish with the speck and serve.

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Rocklobster salad with Middle Eastern influences

serves 1

- 75g Rocklobster leg and knuckle meat
- 1g Maldon sea salt
- white pepper, freshly ground
- 20g EV olive oil

for the salad

- 40g very finely julienned zucchini, sweat for 30 second in EV olive oil
- 2-3 radish or rocket leaves
- ½ an orange, segmented, squeezed out strained juice
- 40g very ripe pomegranate seeds
- ½ pickled lime, pulp discarded, rind very finely julienned
- 10g red onion, very finely sliced
- 10g EV olive oil
- 2 sprigs each of mint, flat leaf parsley, and chervil, stalked and coarsely chopped
- a few chives finely sliced
- white pepper, freshly ground
- sea salt



Method

Lightly oil a mould for the Rocklobster. Roll the leg and knuckle meat through the EV olive oil and seasonings and pack it into the prepared mould, vac it and date it. Shrink the vac pack by dropping it into boiling water for 3-4 seconds and then immediately dropping the pack into an ice bath.

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prepared portion SHELF LIFE

clean spoons, tongs and food service gloves must be use to achieve this shelf life

Live and just killed — shelf life at a consistent 2 °C/35 °F 5 days.

Commercially frozen and thawed at 2 °C/35 °F for 24 hours — shelf life at a consistent 2 °C/35 °F 4 days.

note — it is a general rule that vegetable wrap lessens the shelf life slightly usually 20%.

to cook

pre heat sous-vide bath to 80 °C/176 °F

If packed in china, cook for 25 minutes, stainless steel for 20 minutes, and allow to rest under heat lamps for 10 minutes.

to serve

Put the leaves on the plate. Lightly season the zucchini and make a nest to hold the lobster. Mix the salad ingredients together, season and arrange on the plate. Open the Rocklobster portion, drain and transfer to the centre of the zucchini nest and serve.

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Salad of Southern Rocklobster with Sweet Pickled Ginger, Watermelon, Green Mango and Herbs

Serves 3

For the Southern Rocklobster portion

3 x 75g green leg and knuckle rocklobster portions
 6g fresh strained lime juice
 6g sweet pickled ginger juice
 9 coriander stems chopped

Mix everything together and divide between three moulds that have been lightly oiled. Bag, date and refrigerate. We used China teacups which produce a nice round shape, but they do make the cooking time longer.

For the salad

Serves 1

15g pickled green ginger - approx 10g julienned and 5g syrup - see below
 1/2 lime, freshly squeezed and strained juice
 Pinch Nigella seeds (onion seeds)
 2 drops of sesame oil
 10g very finely sliced shallot
 80g cubed ripe watermelon
 30g green mango julienne
 Mint leaves
 Chervil
 Garlic Chives with Flowers
 Coriander leaves

For the caviar

Sufficient for about 10 salads

30g Campari
 20g Grenadine or strained fresh pomegranate juice
 10g strained fresh lime juice
 200g water
 2g sodium alginate

For the bath

5g calcium chloride
 1L water

Method

Mix everything for the caviar together with a stick mixer and allow to stand for one hour. Prepare the bath. Using a small bucket punched with holes or a syringe drop the pearls into the bath and allow them to become spheres. Carefully remove them into cold water that has a couple of pinches of salt and add a splash of EV olive oil and keep refrigerated. The pearls will keep for three to four days.

To serve

Cook the rocklobster portion at around 170°C and allow to stand for 5-10 minutes. Prepare the salad component and gently toss everything together. Unmould the lobster into the centre of the plate and arrange the salad around the rocklobster meat, pouring the last of the juices over the meat. Using a slotted spoon, add some pearls to the dish and serve.

Pickled Green Ginger

Keeps indefinitely when refrigerated

1.5kg young green ginger - select large knobs
 1.5L white wine vinegar
 1.5kg sugar

Peel the ginger, keeping only the large pieces and reserving the scraps for minced fresh green ginger and garlic paste. Using a mandolin, slice it very finely and then julienne it. Put the julienne into a large bowl and cover generously with cold water, allow to stand for 10 minutes, then drain, rinse and repeat the process another three

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times.

Put the vinegar and sugar into a saucepan and place it on high heat and stir just long enough to dissolve the sugar. Add the ginger julienne, stir in and then turn the heat to the lowest possible point and continue cooking until the ginger is glacéd and the syrup has a good consistency.

As we seem to end up with an excess of syrup, we make a wonderful ginger and butter milk panna cotta infusing the cream with finely grated green ginger and a fruit accompaniment drenched in the ginger syrup.

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Sam Leong's Southern Rocklobster with Watermelon

Makes 50 hors d'oeuvres

Ingredients

5g leaf gelatine, softened in cold water
40g evaporated milk (hot)
150g whole egg mayonnaise, see [basic mayonnaise](#)
20g fresh strained lemon juice
10g wasabi powder
10g prepared wasabi
125g cooked Southern Rocklobster leg and knuckle meat, roughly chopped

Other Ingredients

50 watermelon cubes or cylinders
1 avocado, very finely sliced, depending on size
Leek top julienned, top part fried in oil at low temperature until crisp
Mint chiffonnade, cut to order

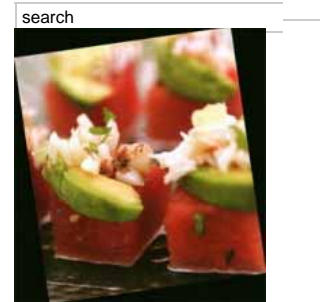
Method

Dissolve the gelatine in the hot evaporated milk.
Put the mayonnaise, lemon juice, wasabi powder and prepared wasabi into a food processor, mix together then with the motor running add the gelatine mixture.
When fully incorporated add the rocklobster and incorporate on pulse.

To Assemble

Place three slithers of avocado on top of each watermelon portion. Add 5g tiny loose quenelles to each portion. Tray up, then garnish with the leek and finally the wasabi roe. Best assembled close to the serving time.

Recipe courtesy chef Sam Leong, Tung Lok Group





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Sashimi of Australian Southern Rocklobster Tail with Cuttlefish Ink Mayonnaise and Pearls

Serves 10

Cuttlefish Ink Pearls

10g Riunione brand cuttlefish ink
 1g fine sea salt
 250g water
 2g sodium alginate
 1g Xanthan Gum
 EV olive oil

For the bath

1kg water
 5g calcium chloride

Cuttlefish Ink Mayonnaise

1 whole 61g egg
 50g Riunione brand cuttlefish ink
 5g fine sea salt
 5g wasabi powder
 1 lime, finely grated rind
 250ml EV olive oil, approximately
 20g fresh strained limejuice
 10g white wine vinegar

Sashimi portion

10 x 50g green Rocklobster tail meat

Other ingredients

limes, peeled and sliced vertically, done to order
 S&B brand prepared wasabi
 small parchment piping bags

For the cuttlefish ink pearls

In a blender or with a stick mixer/stab mix everything but the olive oil and allow to stand for at least one hour. Mix the water and calcium chloride together and put to one side. Drop the ink mix into the bath and allow them to sit for 20-30 minutes or until they have taken on a firm spherical shape. Drain and carefully rinse them under cold running water then put them into approximately 125ml of EV olive oil. Keep in a sealed container in the fridge taking out small amounts before service to liquefy the EV olive oil.

For the mayonnaise

Put the egg, cuttlefish ink, salt, wasabi and rind into a container. Using a stick mixer/stab mix them then slowly add the oil until it is very thick and emulsified. Add the limejuice and vinegar and mix well. Keep refrigerated in an airtight container. For service put into small parchment piping bags and cut a fine nozzle.

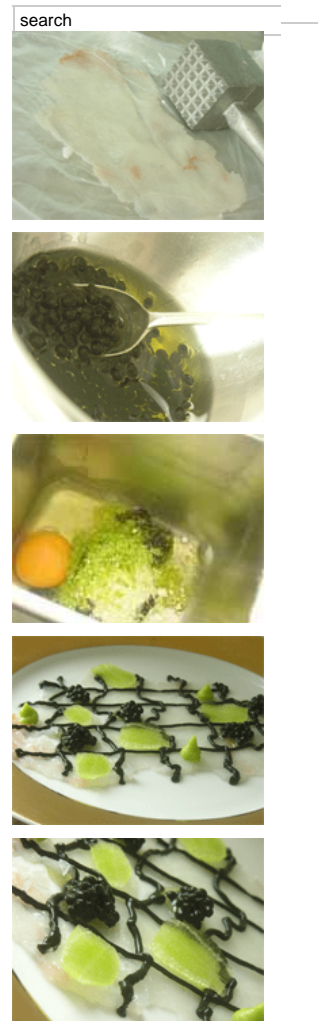
For the sashimi

Put the weighed portion in the centre of a sheet of "in-between" plastic, cover with another sheet and flatten it out slightly with the palm of your hand, then using the flat side of a mallet gently flatten out the portion to your desired shape. Refrigerate in a food service box with a lid well away from the chiller fan.

To serve

Carefully peel back the top sheet of plastic and press the meat against the serving plate, smoothing the edges so ensure they are stuck to the plate, then peel back the second sheet of plastic. Decorate the sashimi with the cuttlefish ink mayonnaise, lime slices, cuttlefish ink pearls and three tiny dots of wasabi and serve.

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Sashimi of Australian Southern Rocklobster Tail with Pomegranate

Serves 5

Pomegranate jelly

200g fresh pomegranate juice
 10g Grenadine
 10g white wine vinegar
 3g agar agar

Sashimi portion

10 x 25g green Rocklobster tail meat

Other ingredients

S&B prepared wasabi
 5 sheets edible pure silver
 pomegranate seeds
 dill sprigs
 EV olive oil
 balsamic vinegar
 limes, peeled and sliced vertically, done to order

For the pomegranate jelly

Weigh the juice, Grenadine and balsamic into a sauteuse and bring to the boil. Whisk in the agar agar and boil whisking for 2-3 minutes until the drips will hold firm on the whisk when it is lifted above the pot. Tip onto a 30cm/12" x 45cm/18" tray and tilt it backwards and forward to spread the jelly evenly. Allow to set. Then working from one end of the tray as economically as possible cut out 15 x 8cm/3" disks. Roll up the trim and then slice it finely.

For the sashimi

Put the weighed portion in the centre of a sheet of "in-between" plastic, place the 8cm/3" cutter/ring on top, cover with another sheet and using a stamp or flat bottomed mould, flatten the Rocklobster to the edges of the cutter/ring. Refrigerate in a food service box with a lid well away from the chiller fan.

Service

Using a crank handle spatula lift a disk of jelly into the centre of a plate. Take a sashimi portion, carefully peel back the top sheet of plastic and press the meat against the jelly, smoothing the edges to ensure they are stuck to the jelly then peel back the second sheet of plastic. Put a small dab of wasabi on the rocklobster and spread it evenly. Repeat the process and then cover the lobster with a final disk of jelly. Decorate the top jelly with some silver. Put three or four paper-thin lime slices around the jelly, and then a very small amount of the fine jelly strings. Put three dots of wasabi and scatter some pomegranate seeds and small dill sprigs. Drizzle some EV olive oil over the garnish and then add 2-3 drops of balsamic immediately before sending the dish.

TIPS

The stacks of jelly and lobster sashimi will hold for up to an hour, meaning it can be a fabulous show-off function dish.

Just in case you are wondering why the pomegranate seeds don't have a deep ripe colour. We are cursed with possums that adore pomegranates and as a consequence growers who will not net their trees, pick them green and whilst they ripen slightly and the flavour is quite good they never develop the colour we want. With 48 different cultures and cuisines in our local market we have been able to negotiate with our Lebanese market to net their trees, but the pic was taken just short of them being perfect. We freeze the seeds on open trays and bag them loose, using them whenever we need them.

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Sashimi of Australian Southern Rocklobster Tail with Wasabi Mayonnaise and Wasabi Flying Fish Roe

Serves 10

Wasabi Mayonnaise

1 whole 61g egg, room temperature
 1g spinach powder (available from good health food shops)
 40g S & B brand prepared wasabi, or equivalent powder wasabi mixed with sugar and water
 3g fine sea salt
 2 medium limes, finely grated rind and strained juice
 125ml EV olive oil
 125ml vegetable oil
 10g white wine vinegar

Sashimi portion and accompaniments

10 x 50g green Rocklobster tail meat
 Tobiko brand wasabi flying fish roe
 S & B brand prepared wasabi
 Japanese seasoning soy, optional
 5 limes, peeled and sliced vertically, done to order

For the mayonnaise

Put the egg, spinach powder, wasabi, salt and lime rind into a container. Using a stick mixer/stab, slowly add the oil until it is very thick and emulsified. Some vegetable oils, depending on their quality, may take a little more. Add the lime juice and vinegar and mix well. Keep refrigerated in an airtight container.

For the sashimi

Put the weighed portion in the centre of a sheet of "go between" plastic wrap, cover with another sheet and flatten it out slightly with the palm of your hand, then using the flat side of a mallet gently flatten out the portion to your desired shape. Refrigerate in a food service box with a lid well away from the chiller fan and odorous foodstuffs.

To serve

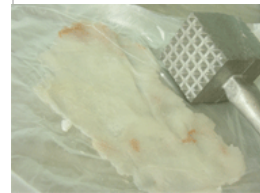
Carefully peel back the top sheet of plastic and press the meat against the serving plate, smoothing the edges so ensure they are stuck to the plate. Carefully peel back the second sheet of plastic. Decorate the sashimi with the mayonnaise and generous amounts of the wasabi flying fish roe (15-20g - 3/4oz) and just sliced lime. Place an extra dab of wasabi on the plate and serve. We prefer this dish without soy but customers do ask for it so you might like to serve with a condiment tray with soy, dipping bowl, chop sticks and additional lime.

Tips

The gelatinous properties of green Australian Southern Rocklobster mean that it will stick together under gentle pressure, so it doesn't matter if the pieces seem a bit ragged as they will come together. We had a carpenter make us a round stamp for galettes and have him on the job to make us a square one that will fit exactly into a square form.

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Sichuan Salad of Southern Rocklobster with Preserved Duck Egg, Green Ginger and Black Vinegar

Makes 1 entrée salad

Ingredients

- 20g peeled weight young ginger, very finely julienned and soaked in multiple changes of cold water until it has lost most of its heat
- 20g dried sliced shitake mushrooms, reconstituted in cold water and squeezed out
- 40g cooked Southern Rocklobster leg and knuckle meat
- 10g shallot, very finely sliced
- Coriander leaves
- 20g Sichuan [relish](#)
- 6 dried chillies, fried until dark in Southern Rocklobster oil
- 2 drops sesame oil
- 40g Chinese black vinegar (approximately 2 tablespoons)
- 1 preserved duck egg, washed off and shelled

Method

Put everything except the green ginger, vinegar and egg into a bowl and gently mix together and pile into the centre of a plate. Cut the preserved egg in half, place it on the plate and divide the black vinegar over the eggs. Pile the green ginger next to the eggs and serve.

Wait staff should explain that the dried fried chillies are only to be eaten if you love really hot food.

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Southern Rocklobster with Oysters and Somen Noodle Salad

Serves 4

Ingredients

100g (3 1/2oz) somen noodles
2 x 850g (2lb) Southern Rocklobsters
12 freshly shucked oysters
1 granny smith apple, peeled and finely diced
Juice and segments of 2 limes
1/2 cup baby watercress
4 tbsp extra virgin olive oil
Sea salt and cracked black pepper

Instructions

Cook somen noodles in boiling salted water for 4 minutes and refresh in iced water and drain.

Place rocklobsters in freezer for 20 minutes to send them to sleep before cooking. Cook lobsters in a large saucepan of boiling salted water for 7 minutes. Refresh in iced water. Remove meat from shell and slice each lobster into six even medallions.

To serve

Place three rocklobster medallions on each serving plate and top each medallion with a stack of somen noodles. Place an oyster on each noodle stack and garnish with a little diced apple. Garnish plate with lime segments, remaining diced apple and watercress. Dress plate with extra virgin olive oil, lime juice and salt and pepper.

Recipe courtesy of Hiroyuki Sakai





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Southern Rocklobster and Truffle Ravioli, Rocklobster Sauce, Passionfruit Vinaigrette and Caviar

To start with we need 1kg Rocklobster stock made using the Thermomix method as seen [here](#)

Reduce by half, weigh to ensure you have it exactly right.

Top to 500g with good spring water, taste and season the reduced stock - we find that shells from ice slurry extraction don't need salt and only occasionally pepper for the pasta dough.

Australia is blessed with some of the best flour in the world. It is no coincidence that the bakers of Iraq, some of the most talented and least celebrated bakers in the world today, fought over the limited Australian flour coming into Iraq at the height of the recent conflicts.

Much of my cooking comes from old people (older than me) who have fearlessly taken me to one side and told me "you've got it wrong!" We used to make pasta dough with strong flour until our friend Lucia, one of my city's finest traditional Italian cooks pointed out the error of our ways.

We have used soft flour or cake flour for years and the result is wonderful. Tender, but al dente, exquisite!

We also make our dough once a week and vac it; it saves time but it also seems to improve the pasta dough. It's also very easy to take out what you need and reseal. Our lovely egg man, John Morby runs free range and supplies stunning, big, delicious and super fresh eggs. Fresh, as we know is the real taste test.

We have foxes on the mainland and the John protects his chickens with lamas. They are so sweet looking yet they are fearless when it comes to protecting their charges.

Ingredients

1.8kg cake flour
 30g fine sea salt
 50g EV olive oil
 17 x 61g COLD whole eggs
 8 COLD egg yolks from 61g eggs

Method

Mix the flour, salt and oil together. Add the eggs and work the dough to a smooth well kneaded dough.

Vac and refrigerate for at least 3 hours before using the dough. We never freeze pasta dough, believing it is an altered state.

For the ravioli spheres

Makes 45 (9 appetiser/entrée serves or 5 ravioli per portion)

Equipment - half sphere silicon sheets 4cm diameter

Ingredients

315g green rocklobster meat, roughly chopped - we love leg and knuckle meat the best
 90g quality Italian or French truffle paste
 500g of the reduced Rocklobster stock, prepared as previously described
 3g agar agar

Method

Put 7g of the green rocklobster meat into each form and then 2g of truffle paste on top.

Put the stock onto the stove, bring to the boil and then whisk in the agar agar and continue whisking until drops form on the whisk when it is held above the pot - 2-3 minutes maximum.

Using a bulb baster fill the moulds and allow them to set.

To assemble the ravioli

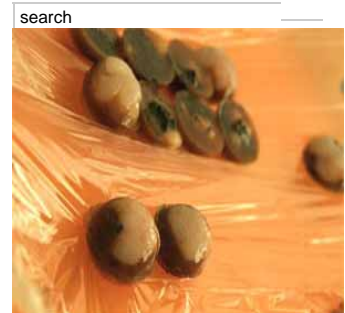
Roll the pasta to the finest notch and make the ravioli using as little additional flour as possible.

For the jellied rocklobster consommé

Make another batch of the agar agar consommé and set in a form that will mean it is not more than 5 mm deep.

For the passionfruit caviar - make the base 24 hours before you want to use it

100g fresh strained passionfruit juice (reserve a few seeds for the single seed garnish)
 150g spring water
 2g sodium alginate



Mix everything together in the Thermomix or blender. Let stand for 30 minutes, then blend again.
Refrigerate for 24 hours.

To finish and store the passionfruit caviar for the bath

5g calcium chloride
1kg water

Mix together then drop the passionfruit caviar mix into the solution and leave it there until it becomes spherical - approximately 10 minutes.

Rinse under cold water and store in 50:50 fresh strained passionfruit juice and water solution in the fridge.

For the glacé chilli strands

Very finely julienne large sweet chillies. Cook them without movement in a syrup made from equal quantities of caster sugar and quality white wine vinegar until they are translucent light emitting strips like skinny rubies.

For the passionfruit vinaigrette

The selection of the EV olive oil is critical to the success of this vinaigrette; it should be fresh and sprightly, new, but with fantastic tropical overtones, one of those rare oils with banana and pineapple notes, but with fabulous complexity and a little bitterness on the end palate.

20g roasted pureed organic garlic
240g EV Olive Oil
120g fresh strained passionfruit juice - tropical passionfruit is too sweet
Black pepper, freshly and coarsely ground
Black sea salt

Emulsify the garlic, olive oil, passionfruit and pepper. Stir the salt through so the grains of black remain apparent.

To serve

Place some fine strips of the jellied consommé on a warm plate.

Cook the ravioli, drain them and place them on the consommé.

Drizzle the passionfruit vinaigrette over the top

Garnish with the glace chilli.

Scatter the passionfruit caviar over the top.

Add a single passionfruit seed into the passionfruit vinaigrette and serve immediately

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Southern Rocklobster Blancmanger

Makes 15 portions

Ingredients

For the Southern Rocklobster mousseline - fine

290g roughly cut Southern Rocklobster meat, claws and head
 1.5g sea salt
 .5g white pepper
 15g white wine vinegar
 75g Southern Rocklobster [stock](#)
 22g tapioca flour

For the Southern Rocklobster blancmanger

220g EcoMil Almond
 5g gelatine OR if you are going to make hundreds and they might need to stand for 10-15 minutes before serving, 7g gelatine
 1g fine sea salt
 .25g fresh fine white pepper
 220g green Rocklobster meat, can be any quality, head is good enough

Almond oil for the moulds
 Silicon sheet moulds rectangular shape 50mm x 25mm
 Perfect small mint leaves
 Crushed roasted blanched almonds

Method

For the Rocklobster mousseline - fine

Place the ingredients in a Thermomix and process on high, scraping the sides down until incorporated and smooth.
 Scrape into a container and refrigerate for at least 30 minutes before using.
 Using plastic wrap or tubes, form a cylinder, steam, rapid chill and keep refrigerated.
 Best cooked and used the same day.
 Mix can be vacced and used as required over 3-4 days.

For the Rocklobster blancmanger

In a Thermomix heat the almond milk to 60°C. Turn the heat off. Soften the gelatine in cold water, add it to the almond milk and blitz to dissolve, then add the other ingredients and puree until very smooth and fluffy, divide between the moulds, contact, cover and refrigerate.

To serve

Carefully unmold the blancmangers, place on a fork, scatter with crushed almonds, top with a slice of the mousseline and a mint leaf. Serve immediately

Note - depending on budget, steamed rocklobster legs can replace the mousseline.

Additional notes

Many years ago when I had my own restaurant we used to make two blancmanger dishes that had been very well described in renaissance manuscripts. Making the almond milk grinding them, steeping them, pounding them and finally squeezing out the milk took two people a huge amount of time. Recently in one of my local organic stores I noticed a whole range of nut milks, most of them certified gluten free. Several brands of almond milk have been tried but it is only the Spanish Nutriops EcoMil Almond that has the right taste. Many brands add soya oil or products, which totally change the taste and texture of the milk and also seem to cause it curdle if it is heated to high heat. We have not tried the other EcoMil flavours so cannot comment. www.ecomil.com

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Southern Rocklobster Consommé Cold Roll

Makes 10-12 Serves

For the cold roll wrappers

1kg seasoned Southern Rocklobster consommé
5g agar agar

Once ready, you need to work quickly, so lay out four trays 28cm/11" x 40cm/16" and one about half that size. Put the consommé on high heat and when it is boiling whisk in the agar agar and continue whisking and boiling for a couple of minutes. It is easy with agar agar to tell when it is ready because if you hold the whisk out of the pot, drops will immediately set on the whisk.

Working one tray at a time, make a layer of not more than 1mm thickness, tipping and turning the tray to even it out. Repeat the process with the remaining three large trays then put anything remaining into the smaller tray - 3-4mm thickness is perfect for the tagliatelle.

For the wrappers we cut four to a tray, cover the trays with plastic food wrap and refrigerate. To remove them from the trays very carefully ease up an edge and peel it away. Once cut, they can be stored between plastic sheets the same way as prepared sashimi portions.

For the tagliatelle, lift an edge and roll it into a flat loose roll. Put on a chopping board and cut into strips. Stored in air-tight containers in the fridge.

For the cold roll filling - per each, must be assembled to order

1 rocklobster consommé wrapper
 50g rocklobster consommé tagliatelle
 Take the wrapper and tagliatelle out of the fridge before you start assembling the salad to give it time to warm up
 30g cooked Rocklobster leg and knuckle meat
 Coriander/cilantro leaves
 Thai basil leaves
 Mint
 1 Thai chilli, very finely sliced
 20g zucchini, julienned
 5g long stemmed radish sprouts
 1 lemon grass stem, peeled back to the soft part, finely sliced
 5g pickled ginger
 10ml pickled ginger syrup
 5ml fish sauce
 1/2 lime, strained juice - to order
 15g crispy fried shallots - **SEE TIP**

Gently mix everything together and keeping a small garnish and roll it up in a consommé wrapper.

To serve

Serve with a condiment tray with finely chopped Thai chilli, a dish of each of the dipping sauces (see below) and half a freshly cut lime. A cold towel is a nice touch.

Tip

Crispy fried shallots are best made by slow frying them in clean oil. This extracts the moisture and they become deliciously crunchy.

Palm sugar chilli dipping sauce

100g palm sugar, the darker the better, finely shaved
 6 lemon grass stems, peeled back to the soft part and finely chopped
 15g peeled weight garlic, finely chopped
 15g peeled weight young ginger, finely chopped
 6 Kaffir lime leaves, stripped of veins and chopped to pinhead size
 30g (approx 1 bunch) coriander roots, washed and very finely chopped
 2 drops sesame oil
 10g roasted sesame seeds
 50g light soy
 100ml fresh strained limejuice

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Mix everything together - keep refrigerated.

Chilli and lime sauce

2 limes
500g sugar
500ml white wine vinegar
2 Thai chillies, very finely chopped

Using a vegetable peeler, peel the limes in strips and then julienne the peel finely. Put a small pan of hot water onto the stove on high heat. When the water boils add the lime rind and cook just long enough to bring it to the boil again. Tip the lime rind into a sieve and refresh it under cold running water. Repeat the process another two times. Put the sugar and vinegar into a saucepan and place it on high heat. Sit a sieve over the saucepan and strain the juice of the limes into the pot. Stir just long enough to lift the sugar from the bottom and bring to the boil. Add the chilli, simmer for a minute, then add the lime rind and continue cooking gently until the rind goes translucent. Store in an airtight container in the fridge.

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Southern Rocklobster Cougeres

Makes 40 canapé sized portions

Ingredients

200g whole milk
Pinch of Iranian saffron
100g peeled weight red onion, sliced
1 fresh bay leaf
25g Southern Rocklobster [tomalley](#)
1g smoked bitter-sweet Spanish paprika
1g fine white pepper
2g fine sea salt
1g freshly grated nutmeg
50g strong flour
50g unsalted butter
15g finely grated Parmesan Reggiano
3 x 61g eggs, room temperature and whisked together

Method

Put the milk, saffron, onion, bay leaf and tomalley into a saucepan and place on low heat. Bring to a simmer, stirring a couple of times. Boil and then turn the heat off. Allow to stand for 10 minutes then strain off the infused milk.

Weigh out the paprika, pepper, salt nutmeg and flour; Melt the butter and when it foams whisk in the flour and cook, stirring constantly for a couple of minutes, then whisk in the milk and continue whisking until it is thick and comes cleanly away from the bottom of the pan. Stir through the Parmesan.

Turn off the heat and then without delay add the egg a little at a time until it is completely incorporated.

Pre-heat oven to 200°C/400°F

Pipe the cougeres and bake for approximately 15-20 minutes until well risen.

Serve immediately.

TIP: We love serving the cougeres with a truffled rocklobster soup - food costs next to nothing!

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Southern Rocklobster Croquette

Makes 27 Portions

Ingredients

For the béchamel base

200g whole milk
 Pinch of saffron
 200g Southern Rocklobster [stock](#)
 50g unsalted butter
 1g fennel seed, roasted and roughly ground
 50g strong flour
 1g sea salt
 .5g fresh coarsely ground black pepper

Other ingredients

250g green rocklobster meat, roughly chopped
 2 eggs, lightly seasoned and whisked together
 Flour
 Japanese breadcrumbs

Method

Heat the milk and infuse the saffron. Remove from the heat and add the Rocklobster stock. Proceed as with normal béchamel. Brown the butter and fennel, add the flour and seasonings, and then whisk in the milk and stock. Cover with cling wrap and pierce a couple of pinprick holes in the top to allow the steam to escape. Allow to cool, then stir through the rocklobster meat.

Divide the mixture into 40mm silicone canapé moulds and freeze. When completely frozen unmould into airtight containers and return to the freezer.

As you need to use them

Flour egg and crumb, then egg and crumb. Allow to sit for 15 minutes and then fry in hot clean oil.

Tip - the centers are pretty much liquid and rocklobster so they need to be wisely handled/served.

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Southern Rocklobster Custards with Chilli Oil & Spicy Flying Fish Roe

Makes 50 portions

Ingredients

50 x 14g pressed Southern Rocklobster [medallions](#) - 35mm cutter lightly brushed with vegetable oil and seasoned with sea salt and white pepper - refrigerated for 4 hours

1L of Southern Rocklobster [stock](#)

2 1/2 teaspoon fish sauce

2 1/2 teaspoon light soy sauce

400g egg yolks

Chilli oil - mild

Flying fish roe - spicy

Watercress for the garnish

Method

Heat up a steamer and have shot glasses ready for serving.

Bring the stock, soy and fish sauce to the boil, whisk into the egg yolk and strain through a fine sieve. Without delay, divide into shot glasses, cover with baking paper and steam for 4-5minutes or until just set. Turn the heat off and let stand for another minute, then allow to cool.

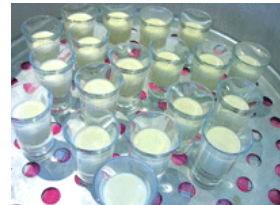
Just before cooking, using a spatula, slide a rocklobster medallion on top of the custards. Cover with baking paper and steam for 4-5 minutes, until the rocklobster is just cooked and the custard is warm.

To Serve

Garnish with a tiny amount of chilli oil, spicy fish roe and a watercress sprig - Serve with a teaspoon in a glass.

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Southern Rocklobster Empanadas

Makes 27 Empanadas

Ingredients for the empanada pastry

5g double action baking powder, available from most Asian/Chinese grocers
 270g strong flour + little extra for rolling
 5g fine sea salt
 100g lard, cold and cut into pieces
 50g white wine, cold
 50g fino sherry, cold

Ingredients for the Southern Rocklobster filling - see note

135g green Southern Rocklobster meat (leg and head meat is fine)
 0.5g fine sea salt
 .25g white pepper
 6g white wine vinegar
 30g Rocklobster stock, can be dirty stock
 10g tapioca flour

Other Ingredients

Roasted and peeled red capsicums/bell peppers, marinated in EV olive, seasoned with sea salt, black pepper and finely Minced organic garlic
 Roasted and smoked eggplant
 Chopped pumpkin or zucchini flowers
 1 egg yolk
 Vegetable oil, or a mixture of EV olive oil and Vegetable oil for deep-frying

Other materials

90mm pastry cutter
 1cm chisel sable paintbrush

Method

For the empanada pastry

In a Thermomix or food processor, mix the baking powder, flour and salt. Add the lard and work in very quickly and then add the liquid, working just long enough to bring it together.
 Tip the mixture onto your pastry slab, knead together, wrap in plastic food wrap and rest for 30 minutes (overworking ruins the texture of this pastry)

For the Southern Rocklobster filling

Chop the rocklobster meat on pulse then work in the other ingredients also on pulse. Scrape into a container and refrigerate for at least 30 minutes before using.

Using as little flour as possible, roll the pastry out thinly and cut disks.

Add 6g of the rocklobster filling per empanada and a little of the other ingredients. Brush one half of each disk with egg yolk, push them together and pleat the tops. Keep covered with plastic food wrap while completing the full batch of dough.

Provided you are sparing with the additional rolling flour, it is possible to knead the dough together and roll again without any noticeable stretchiness or real change in the texture of the pastry.

Keep chilled until ready to serve. Fry into hot oil until golden, drain on paper towel. These empanadas are great by themselves but also terrific with Southern Rocklobster Oil Mayonnaise

Note

This recipe stretches the rocklobster a long way. If your budget allows, chunks of green leg meat that have been seasoned with sea salt and white pepper are really terrific. It is especially good rolled through a little EV olive oil and some finely minced ginger and garlic.

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Southern Rocklobster Oil Mayonnaise

Makes approximately 500g

Ingredients

10g wholegrain Dijon mustard
2 egg yolks, room temperature
1 whole egg, room temperature
5g fine sea salt
1g freshly and finely ground white pepper
2 limes, finely grated rind and strained juice
300g EV Southern Rocklobster Oil
100g EV olive oil
50g quality white wine vinegar

Method

Standard mayonnaise [method](#).

Put the mustard, egg yolks, whole egg, salt, pepper and grated lime rind into a bowl, food processor or Thermomix.

With the motor running, slowly add the oil, and when fully incorporated and emulsified, work in the strained lime juice and the white wine vinegar.

Tip - we like to make mayonnaise regularly, but this mayonnaise tastes better when made at least a day in advance to allow the lime rind to infuse.

Spice it up! - Add a few drops of Tabasco.

Calm it down - Reverse the oils.



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Southern Rocklobster Sashimi - Sugar Salt Method

We use a 50:50 sea salt and sugar mix to heighten flavour and firm texture with a number of foods including pigeon, duck and fish skin where we want to achieve a crackling effect. After watching the results achieved by Adelaide chef Kenji Ito when preparing traditional Japanese sashimi, we decided to experiment and achieved unbelievably good flavour profiles as a result.

Ingredients

- Salt and sugar mixture - made with equal proportions of medium salt and caster sugar - we use a medium Greek sea salt (Glaros brand) which is quite inexpensive but tastes very good
- Quality white wine vinegar or fresh strained lime juice
- Green Rocklobster meat - we particularly love the leg and knuckle meat because it has such beautiful shapes and colours

Method

If you are using tail meat, slice the green tail in less than 1 cm thick slices. Sprinkle a tray with a thin layer of the salt and sugar mixture and lay the green Rocklobster meat on top and sprinkle more of the mixture over the top, cover and refrigerate and set a time for 15 minutes. Gently rinse the lobster and pat it dry. Put the Rocklobster in a single layer on a metal tray, and sparingly sprinkle with the salt and sugar mix. Torch half of the lobster very quickly just achieving a few spots of caramelisation and torch the other half until it is almost set. Turn that half over and torch again.

Sprinkle both methods with a few drops of white wine vinegar or lime juice and plate the Rocklobster in two separate piles and serve with appropriate accompaniments.





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Southern Rocklobster Soufflé

Makes 7 serves

Ingredients

For the soufflé base

200g whole cream milk
 1 fresh bay leaf
 1 pinch Iranian saffron
 100g peeled weight red onion, finely sliced
 25g [tomalley](#)
 2g white pepper, freshly and coarsely ground
 50g unsalted butter
 50g strong flour
 1/2 small nutmeg, freshly grated
 15g freshly and finely grated Parmesan Reggiano
 130g egg yolk

Other ingredients

Soft butter for buttering the soufflé dishes
 Approx 350g plus egg white at room temperature, preferably out of the shell for at least 3 days
 Cream of tartar or freshly juiced, strained lemon juice
 7 x 50g green Southern Rocklobster leg and knuckle meat
 Finely grated Parmesan Reggiano

Method

For the soufflé base

Put the milk, saffron, onion, bay leaf and tomalley into a saucepan and place on low heat. Bring to the simmer, stirring a couple of times, boil and then turn the heat off. Allow to stand for 10 minutes then strain off the infused milk. Weigh out the paprika, pepper, salt, nutmeg and flour; Melt the butter and when it foams, whisk in the flour and cook, stirring constantly for a couple of minutes. Then whisk in the milk and continue whisking until it is thick and comes cleanly away from the bottom of the pan. Stir through the Parmesan and without delay whisk in the egg yolk. Turn the heat off and keep stirring over for a couple of minutes to finish cooking the egg and then scrape it into a bowl. Cover tightly with plastic food wrap and pierce a couple of pin-prick holes in the top to allow the steam to escape.

To serve

Set oven temp to 180°C/350°F
 Soufflé dishes carefully buttered before service (and collared if that is how you do it.)
 We make soufflés by sight but it is approximately 50g egg white per soufflé.
 Put 50g base, 1 portion of rocklobster meat into a bowl and gently mix them together. In a clean bowl with a clean whisk add some egg white and a small pinch of cream or tartar or 5g lemon juice and whisk until the form soft smooth peaks.
 If you over beat the egg white, clean the bowl and start again soufflés do not rise or have the right texture when made with dry split egg white.
 Mix a heaped kitchen spoon of egg white into the base, and when fully incorporated very gently add another two. Spoon into a prepared soufflé dish, sprinkle the top with Parmesan and put in the oven. They take approximately 20 minutes, centre should be ever so slightly gooey.

Tips - This soufflé CAN be double cooked. Allow them to deflate gently, pushing the tops into the dishes as they deflate so they do not get caught on the top edges of the dishes. While they are still warm (but not hot because they will break) carefully release them from the dishes and place them on trays covered with silicon or baking parchment. Allow them to cool completely and turn the tops up. They will puff again 10-15 minutes in a 200°C/400°F oven.

Anyone can make a high soufflé, that's easy! The hard part is making it taste amazing without tasting eggy or being so full of egg white there is no taste at all. Infusing the rocklobster tomalley into the milk adds the most stunning but subtle rocklobster flavour with none of the bitterness that sometimes accompanies soufflé bases

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made with bisque stocks.

We put the dishes on small pizza trays just slightly larger than our soufflé dishes and rotate them in order. With care they can be pulled forward rotating them as you go.

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Southern Rocklobster Sushi

Makes approximately 40 pieces

Ingredients

- 500g sushi rice washed several times in cold water, placed in cold water for 5 minutes and then drained well
- 640g cold water
- 50g sugar
- 2 drops sesame oil
- 40g vegetable oil
- 40g shallots - finely chopped
- 16g finely chopped ginger and garlic
- 2 sashimi grade Southern Rocklobster tails very thinly sliced
- 8g salt
- 2 sheets nori - roasted and finely shaved
- Roasted sesame seeds
- 250ml lime and chilli dipping sauce

Method

Put the sushi rice in the water, cover tightly with two layers of plastic and put on low heat. When it starts to cook turn the heat to the lowest point.

Mix together the mirin and sugar and set aside.

Saute the shallots and ginger/garlic in the vegetable and sesame oil.

When the rice is cooked, stir in the sugar/mirin, then stir through the rocklobster, shallot and nori (the heat of the saucepan will just cook the rocklobster). Cover with plastic and allow to cool completely - (avoid refrigeration if possible)

Portion into 40g lots, shape into balls and roll through roasted sesame seeds.

Serve with a lime and chilli dipping sauce.

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Southern Rocklobster with Eggplant, Pea Eggplant Curry Sauce, Coconut Milk Rice

Makes 3 servings

Ingredients

For curry base

12g garlic, peeled weight
 12g green ginger, peeled weight
 3g fresh turmeric, peeled weight, very finely shaved
 splash of vegetable oil
 3 drops of sesame oil
 1 Thai chilli, very finely chopped
 3 coriander roots, very finely chopped
 1g black mustard seeds
 1g fenugreek seeds
 3g salt
 50g pea eggplants, stripped weight
 30g shallot, finely sliced, peeled weight
 9g fish curry powder
 180ml Asian rocklobster [stock](#) (refer to our recipe using appropriate ingredients)
 1/2 a lime

Method

Sauté the garlic, ginger and turmeric, then remove 1/3 of the garlic/ginger/turmeric to a bowl and allow to cool. Add the chilli, coriander roots, mustard seeds, fenugreek, salt and pea eggplants and continue cooking very slowly for 5 minutes, then stir through the curry powder and continue cooking for another few minutes.

Slowly add the stock allowing the sauce to reduce slightly before each addition. The sauce should be glossy and emulsified. Finely grate the lime rind and add it to the sauce, then strain the limejuice into the sauce.

Ingredients

For the Southern Rocklobster portions

The reserved garlic/ginger
 10g vegetable oil
 1 drop sesame oil
 Salt and white pepper
 Roughly chopped coriander leaves
 225g green rocklobster knuckle and leg meat
 Wearing gloves, mix everything together and divide between 3 x 8 cm rings and vac.

To Serve (1 portion)

1 x 75g bagged portion leg and knuckle meat
 55g portion of coconut milk rice moulded in a shallow form
 1/3 curry sauce
 8 thin slices of eggplant that have been peeled, finely sliced, salted, rinsed and fried in hot clean oil
 1/3 small firm Lebanese cucumber, topped and tailed and finely sliced lengthwise on a mandolin
 leek julienned from the very white part
 5g vegetable oil
 1 drop sesame oil
 20g fresh strained lime juice
 Coriander/Cilantro leaves
 Cook the portion for 5 minutes at 76°C and rest. Without reducing it, warm the sauce. Toss the cucumber, leek, oils, lime juice and coriander/cilantro leaves together. Lay four slices of eggplant on a warm plate and un-mould the rice on to the plate, then place the rocklobster on top. Nap the sauce over and around the rocklobster and fold the salad and remaining eggplant onto the top.

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Southern Rocklobster with Scallops, Crisp Pancetta, Lemon Beurre Blanc and Salmon Roe

Makes 12 servings

Ingredients

12 x 80g Southern Rocklobster medallions pressed in an 80mm ring (960g sashimi tail)
Vegetable oil
Black sesame seeds
Roasted cumin seed
Salt
White pepper
24 scallops rolled through oil and seasoned lightly with salt and pepper
24 slices of fatty pancetta crisped in the oven, standing on a rack
60g large salmon roe moistened with 1 teaspoon mirin

Lemon Beurre Blanc

80g fresh strained lemon juice
80g white wine
360g COLD unsalted butter cut into small pieces
2 pinches salt
1 pinch white pepper

Method

Brush the rocklobster medallions with vegetable oil, season with salt and pepper and lightly scatter with black sesame seeds, roasted cumin and chill for at least 4 hours.

Put the lemon juice and white wine into a pan and place on high heat - whisk in the butter until the sauce is thick and glossy, season and keep warm.

Steam the rocklobster medallions for 4 - 6 minutes or until barely cooked. Using a little oil, sear the scallops.

To serve

Place the rocklobster medallion in the middle of a warm plate. Place a slice of warm pancetta on top and to one side. Put a scallop on top of each piece of pancetta. Spoon the sauce around the medallion and garnish with the salmon roe.

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Southern Rocklobster, Brussels Sprouts, Parmesan Cream, Olive Oil, Lemon and Rosemary

Main Course for 4

Parmesan cream

Ingredients

50ml EV olive oil
 100g leek, white part only, finely chopped
 100g celery, chopped, finely chopped
 100g shallots, peeled weight, finely chopped
 30g garlic, peeled weighed, finely chopped
 2 bay leaves
 3 thyme sprigs
 5g whole white peppercorns
 100g white wine
 500g fish stock
 225g cream
 100g Parmigiano Reggiano rind
 300g Parmigiano Reggiano, finely grated
 8g sea salt, this may vary according to the type of sea salt you use

Method

Heat oil in a heavy based saucepan and sauté leek, celery, shallots and garlic without colouring for 5 minutes. Add the bay leaves, thyme sprigs, peppercorns and parmesan rind then deglaze with the white wine. Reduce until almost dry, then add the fish stock and simmer for 15 minutes. Remove from the heat and strain through a fine sieve into a clean pot and bring back to the boil. Add the cream and simmer for 5 minutes then stir in the finely grated parmesan. Adjust seasoning to taste and strain hot mixture into a cream siphon and charge with 2 gas bulbs. Refrigerate for several hours until the canister is cold and smooth, stable foam is formed.

Parmesan Crisps

Ingredients

125g Parmigiano Reggiano, finely grated
 70g egg white at room temperature or warmed over hot water

Method

Place parmesan and egg white in a large bowl and combine. Cover and refrigerate overnight. Place the mixture between two greased Silpat mats and roll out until thin, then gently peel away the top mat. Place onto a tray and cook in a 150°C oven until evenly browned and crisp. Remove from the oven and allow to cool before breaking into small pieces.

Brussels Sprout Puree

Ingredients

50g butter
 25g shallot, peeled weight, finely chopped
 20g garlic, peeled weight, finely chopped
 400g small young Brussels sprouts, finely chopped
 1 bay leaf
 1 thyme sprig
 300g chicken stock
 sea salt
 freshly ground white pepper
 10g watercress puree to add colour

Method

In a heavy based pan gently melt the butter and sauté the shallot and garlic without colour for 5 minutes. Add the Brussels sprouts and sauté for another 5 minutes then add the thyme, bay leaf and chicken stock and bring to the simmer. Cook for 20 minutes then remove from the heat and strain, separating the Brussels sprouts from

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the liquid, but reserving both. Place the Brussels sprouts into a blender and add enough of the poaching liquid to blend and form a smooth puree. Add the watercress puree and adjust the seasoning to taste before passing through a fine sieve. If you are using a Thermomix it may not be necessary to pass it through a fine sieve.

Butter poached Southern Rocklobster

Ingredients

300g cold unsalted butter, cubed
60g water
Green rocklobster tail from 1 x 2kg plus Southern Rocklobster (see extraction method)
2g Sea salt, or to taste

Method

In a small saucepan bring the water to the boil then immediately add the cubes of butter, one at a time and whisk over a low flame until all of the butter has emulsified.
De-vein the tail and divide the green meat into 150g main course portions and put into individual bags with some of the butter emulsion and a pinch of salt, cryovac on high and immediately refrigerate.
The Southern Rocklobster is cooked to order.

Brussels Sprouts

Ingredients

12 small Brussels sprouts
300g Southern Rocklobster tail meat, chilled
140ml cream, chilled
1 lemon rind, finely grated
salt and white pepper

Method

Peel away outer layers of Brussels sprouts and use to form the outer casing to hold the Southern Rocklobster mousse.
Chill the bowl of a blender and add the Southern Rocklobster and blend quickly until a smooth puree has formed, then add the cream and grated lemon rind and place into a piping bag fitted with a round nozzle.
Meanwhile pair up Brussels sprout leaves in 3's and begin to form, leaving a small gap to pipe in the Southern Rocklobster mousse. When they are full, wrap each one in a small roll of plastic wrap and twist tight on each end. Steam for 5 minutes then unwrap and toss in lemon juice and olive oil, seasoning well.

Lemon jelly

Ingredients

100g strained lemon juice
300g clarified fish stock
4g agar agar

Method

Combine lemon juice with fish stock and agar agar and bring to the boil. Strain and pour into a shallow tray and refrigerate until set. Remove and cut into 4mm squares.

Brussels sprout and parmesan salad

Ingredients

100g Parmigiano Reggiano, finely grated
100g tiny Brussels sprouts, outer leaves removed and finely sliced
strained lemon juice, to taste
EV olive oil
Sea salt

Method

Combine the Reggiano and Brussels sprouts and make a simple vinaigrette to taste with the lemon juice, olive oil and salt.

To assemble dish

Other ingredients per serve

Rosemary flowers
1 de-stemmed Cavalo nero leaf, softened in EV olive oil
Heat a water bath to 59.5°C and poach a rocklobster portion for 15 minutes, and rest in a warm place.
Heat up a portion of Brussels sprout puree and spread onto a warm plate.
Make a small pile of salad on the puree and place a portion of Rocklobster on top.
On each side of the Southern Rocklobster, place a poached Brussels sprout.
Discharge the parmesan foam in two piles and top with crumbled parmesan wafers.
Garnish the dish with some cubes of lemon jelly, rosemary flowers, fried Cavalo Nero leaves and give it all a good dash of extra virgin olive oil and some freshly ground black pepper.

Recipe Courtesy of Luke Stepsys - 2009





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Southern Rocklobster, Celery and Herb Celery Spring Rolls

makes 16 large spring rolls, each of which can be cut into three canapés (total 48 canapés)

100g rice stick vermicelli, soaked in cold water until reconstituted, drained, dried and snipped into small pieces
 20g cleaned coriander root, finely chopped
 10g green ginger, peeled weight, finely grated on a Microplane
 30g green shallots, (not to be confused with green onions/spring onions they are young shallots) finely sliced
 20g leaf celery, leaves only, finely chopped
 100g celery, cleaned weight, fine dice
 10g Thai chilli with seeds, finely chopped
 5g sesame oil
 250g green Southern Rocklobster leg and knuckle meat
 15g Megachef fish sauce

other

1 egg yolk and 30g cold water mixed together for sealing the buns
 16 x 24cm square spring roll wrappers

Method

Mix everything together and roll into the wrappers, sealing them with the egg wash. Store in airtight containers separated with slap sheets. They will hold for several hours or can be snap frozen and used as required.

Kumquat and chilli sauce for the spring rolls

120g preserved kumquats and syrup – approximately 50:50 fruit and syrup
 20g palm sugar, finely grated
 5g Thai chilli with seeds, very finely chopped
 20g lemon grass, inner soft part only, very finely chopped

Method

In a blender, Mycook or Thermomix chop the kumquats in the syrup until it is very fine, then stir through the remaining ingredients.

To serve

Pre heat deep-fryer to 160°C

Deep-fry the spring rolls until they are golden. Insert a thermometer from one end into the middle to ensure that the centres are hot. Cut off the ends and cut into three rounds and place them cut side up on serving plates. Add a tiny dab to the top of each piece and serve.

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Standard Mayonnaise

Makes approximately 400g

- 10g smooth French mustard
- 1 whole COLD 61g egg
- 4g fine sea salt
- 2g black pepper, finely and freshly ground
- ½ lemon rind, finely grated
- 350ml extra virgin olive oil
- 30g lemon juice

Put everything but the oil and lemon juice into a food processor. With the motor running add the oil very slowly. When fully incorporated add the lemon juice and mix through. Store in an airtight container in the fridge.



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Steamed Chinese Buns Filled with Southern Rocklobster, fresh and dried mushrooms

makes approximately 30 canapé size buns

for the bun dough

250g full cream milk
 20g dried yeast
 30g caster sugar
 325g baker's flour
 65g rice flour
 20g double action baking powder, available from most Chinese grocers
 2g salt
 5g sesame oil

Method

Warm the milk to 38°C and whisk in the yeast and sugar. Weigh the flours into the bowl and start to work the dough with a dough hook. When the liquid has taken some of the flour, add the remaining ingredients and continue kneading until you have a smooth ball of dough.

Put the dough into an oiled bowl and cover with plastic or put the bowl in a freezer bag and allow it to double in size. Knock the dough down and use as required.

tip — if the buns are not being served immediately as soon as they are cooked put them into airtight containers and seal the lids. This keeps the bun dough moist and soft and they will re-warm excellently.

for the filling

200g shredded black fungus, soaked until reconstituted in cold water, drained and squeezed out
 20g sliced, dried shitake mushrooms, soaked until reconstituted in cold water, drained and squeezed out
 50g shallots, peeled weight, finely chopped
 40g fresh shitake, small dice
 10g garlic, peeled weight, finely grated on a Microplane
 10g green ginger, peeled weight, finely grated on a Microplane
 300g Southern Rocklobster green leg and knuckle meat
 2g sea salt
 200g Megachef Oyster sauce — see note
 20g white wine vinegar
 30g dill leaves, finely chopped

other

1 egg yolk and 30g cold water mixed together for sealing the buns
 small squares of baking parchment or rice paper to sit the buns on

Method

Mix everything together and fill the buns, sealing them with the egg and water. Allow them to prove again and steam for 5 to 8 minutes, depending on the size of your finished product.

Dipping sauce for the buns

40g shallots, peeled weight, very finely chopped
 60g Chinese black vinegar



20g Yamato soy sauce — see note

Method

Mix everything together and keep refrigerated in an airtight container until ready to use.

notes — Megachef fish and oyster sauce are superior products made by traditional methods. Neither have that very unpleasant searing salt and MSG flavour of most other brands. They are expensive but the rewards are immediately evident.

The Yamato Japanese seasoning soy is considered the 'Rolls Royce' of the soy and has an exquisitely balanced flavour.



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Thai Southern Rocklobster Oil Dressing with Lemon Grass and Chilli

Makes 10 portions

Ingredients

- 200g fresh strained lemon juice
 - 50g Southern Rocklobster oil
 - 70g shaved palm sugar
 - 50g lemon grass, very soft inner part, very finely chopped
 - 50g fish sauce, if using a very concentrated fish sauce use half water and half fish sauce
 - 50g garlic, peeled weight very finely grated
 - 50g Thai chillies with seeds, very finely chopped
- Mix everything together keep refrigerated.

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Thai Southern Rocklobster Salad with Tomato and Herbs

Serves 1

For the sauce - serves 5 (keeps indefinitely refrigerated)

100g Billinton's unrefined dark Muscovado cane sugar or dark palm sugar finely chopped
 150g white rice wine vinegar
 10g minced ginger/garlic
 10g inner lemon grass very finely chopped

For the salad - serves 1

50g Cooked Southern Rocklobster leg and knuckle meat
 1 large red mild chilli seeded, de-veined, finely julienned, curled in ice water and well drained
 1 large green chilli seeded, de-veined, finely julienned, curled in ice water and well drained
 10 coriander/cilantro leaves with stems
 10 laksa mint leaves (rau ram)
 10 mint leaves
 6 celery leaves
 2 ripe cherry tomatoes cored and quartered
 2 Kaffir lime leaves very finely julienned
 5g crispy shallot - see TIP below
 2g crisp fried julienne leek top
 1/2 a medium lime

For the sauce

Bring the sugar and rice wine vinegar to the boil, remove from the heat and stir until the sugar is dissolved. Add the remaining ingredients and stir through.

Ensure that the coriander/cilantro is very well washed. Put everything except half of the shallot and all of the leek and lime into a bowl and very gently combine. Pile onto the plate and segment the lime over the top before garnishing with the remaining shallot and leek. Carefully spoon 30ml of the sauce around the edges and serve.

Variation - chilli hot

Additional ingredients

30ml fresh lime juice
 20ml chilli and lime dipping sauce
 70g green papaya finely julienned
 1 Thai chilli finely chopped without deseeding
 1 small green chilli finely chopped without deseeding

Mix the lime juice and chilli and lime dipping sauce together. Reserving the same garnishes toss everything together with the mixed lime juice. Plate and finish as preciously described.

Tip

Crispy shallots are best made by deep frying low and slow at around 150°C to achieve a uniform golden colour and total crispness.

Hydroponic herbs and leaves - in our kitchen we never use hydroponic herbs, salad leaves or vegetables. For us it is a matter of maximum taste and we follow the policy if we cannot buy something soil grown and in season we do not use it.

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Tomalley and Duck Liver Pâté

Makes 10 serves

Ingredients

For tomalley and duck liver pâté

150g (approx) melted unsalted butter
 165g peeled weight red onion, finely chopped
 70g unsalted butter
 1g black pepper
 2g fine sea salt
 90g [tomalley](#)
 250g duck liver, cleaned weight
 85g pure cream
 75g egg yolk
 1/2 a small nutmeg, grated finely

For the beetroot jelly

265g beetroot juice - see tip
 7g sugar
 14g balsamic
 6g leaf gelatine

Roasted beetroot cubes

350g 1cm beetroot cubes, peeled weight
 Splash EV olive oil
 2g coarse freshly ground black pepper
 2g Maldon sea salt

Other ingredients

30g bag cooked, chilled lobster leg and knuckle meat
 Pomegranate seeds
 Dill or chervil sprigs or both
 1 peeled red fleshed fig like a Spanish dessert variety (per serve)
 Balsamic, not super aged but best quality

Method

For the tomalley and duck liver pâté

Generously butter 10 small smooth-sided moulds. Sauté the onion in the butter with the salt and pepper until it is caramelized; spread it on a tray and allow it to cool completely before proceeding. Puree all other ingredients in a blender and pass through a hair sieve - see note. Divide between the moulds and cover each portion with heat proof plastic food wrap.

Steam for approximately 10 minutes until the centres are barely set. Turn off the heat source and allow them to cool in the steamer. Date and refrigerate.

For the beetroot jelly

Bring half of the beetroot juice to the boil, add the pepper, sea salt and balsamic and taste, remembering that you still have to add beetroot juice to adjust as beetroots vary enormously. Soften the gelatine in cold water and add to the hot beetroot juice. When it is completely incorporated, mix in the remaining beetroot juice.

Pour into a plastic container keeping it about 1cm deep. Cover and refrigerate. Before service cut it into ribbons and 1cm cubes.

Roasted beetroot cubes

Pre heat oven to 200°C. Roll the beetroot through EV olive oil and season with salt and pepper. Cover a tray with a silicon sheet and spread the beetroot over the tray. Cook for 5-10 minutes just until it has lost its rawness but is not soft.

Other ingredients and serving

Un-mould the pâté into the centre of a plate and put the cooked rocklobster on top. Slice the peeled fig and

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place it on top. Garnish the plate with beetroot ribbons and cubes, roasted beetroot cubes and pomegranate seeds. Drizzle EV olive oil and a few drops of balsamic and scatter the herbs on top and serve.

Note - Passing the pâté through a hair sieve delivers a pâté with a very fine silken texture. Passing it through a fine sieve delivers a slightly less smooth texture.

Tip - We have been using a fruit and vegetable juicer for jellies for years and in an effort to make stunning food whilst keeping the food cost Nazis off of our 'you know what' we have learned to turn the waste in great dishes. The beetroot goes into chicken or fish stock makes the most incredible borscht consommé and we make eel piroshki, serve it with sour cream chopped onion and caviar. We add tomato waste to stocks, and cucumber waste makes a great chilled cucumber soup.

Australia does not have fresh foie gras (animal rights), however a thick slice of foie gras treated in exactly the same way, minus tomalley duck liver pâté, is absolutely stunning.

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Traditional Kyoto Style Southern Rocklobster Sashimi

Serves 4

Ingredients

1 x 2kg plus live Australian Southern Rocklobster
 White miso
 Soy
 Dashi
 Sea salt
 Sake
 Mirin
 Ice
 Wooden skewers

Garnishes and condiments

Shaved ice
 Bamboo leaves
 Sesame leaf
 Kara suma (preserved sea bream roe) finely julienned
 Limes
 Baby shiso
 Wasabi
 Shredded and crisped daikon
 Sushi mat folded in three
 Carrot and daikon curls, paper-thin carrot and daikon slices rolled around chopsticks and curled in ice water
 Seasoning soy, a combination of soy sauce, mirin and bonito then strained
 Sea salt
 Baby chives
 Baby shiso leaves
 Toasted nori to wrap
 4 paper-thin radish slices
 Paper-thin cucumber slices

Remove the rocklobster tail from the body and extract the [tomalley](#) - see [tip](#). Mix the tomalley with equal amounts of white miso, dashi and soy and set to one side. Remove the green tail and split it lengthwise and cut it into roughly 4 cm chunks and divide the green tail 60%-40%.

For the Yaki Shimo

Set up an ice bath. Lay the green rocklobster tail on a heat proof tray and sprinkle it generously with sea salt, then using a blowtorch, scorch the salt to infuse it into the rocklobster meat. Arrest the heat in the ice bath for a couple of seconds, then remove and drain.

For the Arai

Set up a bowl of ice with about 250ml (1 cup) of water and add 125ml (1/2 cup) sake. Add the remaining rocklobster and stir through for 30 seconds. Tip into a colander and run a rapid flow of cold water over the meat. You will see that it separates into attached filaments and takes on a chrysanthemum appearance.

Other

Blanche the fan tail in boiling water and refresh it in ice water. Insert the skewers into the horns to hold them upright.

To plate the sashimi

Fan the leaves to the edges of a large serving plate and make a bed of shaved ice and position the Rocklobster head at one end of the plate, then position the tail shell ready to take the sashimi. Lay a bed of radish and then place the Arai closest to the head and the Yaki Shimo next to it. Lay the sushi mat lengthwise along the body and continue to assemble the dish. In the three-section sauce dish put some of the seasoning soy, sea salt and tomalley mix and serve.

Tip

Kenji removes the green tail meat using scissors and a bread and butter knife. He pulls open the tail and cuts

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along both sides of the underside, then, scraping the green meat away from the shell with the bread and butter knife he gently pulls the meat out of the tail.

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Vanilla Cold Roll with Southern Rocklobster and Porcini Salad

Serves 8

This is a modern twist on an old French classic, Southern Rocklobster with vanilla. The subtle vanilla flavour and the sweetness of the Southern Rocklobster is a gorgeous foil for the rest of the ingredients.

Ingredients

For the vanilla cold roll

250g clarified snapper stock
 1g sea salt
 2 vanilla beans, split and scraped, seeds only
 1g agar agar
 .5g gelatine

Essential equipment

Two 30cm x 40cm smooth surfaced trays

Salad ingredients (per each)

20g porcini, fried in lobster oil and seasoned with fine sea salt
 40g cooked chilled Southern Rocklobster leg meat
 Pinch sea salt
 White pepper
 30g soft skinned black grapes, cut into quarters
 5g shallot, peeled weight finely julienned
 Watercress sprigs
 Wild fennel sprigs
 Half lime, freshly squeezed juice
 10g [watercress oil](#)



Method

For the vanilla cold roll

Put the stock, salt and vanilla seeds into a sauteuse and bring to the boil and when it is almost to the boil whisk in the agar agar. Quickly soften the gelatine in cold water, turn off the heat and whisk in the gelatine. Divide the liquid between the two trays, spreading it evenly on the tray to form a very thin sheet.

Assembling the roll - this is absolutely à la minute.

The wrappers are very fragile and it is more manageable to work on the tray and use a fine bowl scraper. We love the scrapers from the French company [Dehillerin](#).

Slice the porcini lengthwise and reserve five pieces, a few pieces of grape, watercress and fennel and three pieces of Southern Rocklobster. Put the remaining ingredients into a bowl, season, squeeze the lime juice over and mix together.

Cut one sheet into four and using the straight edge of the bowl scraper slide the bowl scraper under a portion about 5mm and lay the ingredients across the sheet and then working carefully with the bowl scraper roll it up and gently make a few little frills and folds on the top and lift it into the centre of the plate.

Arrange the other ingredients on the plate, drip with the watercress oil and serve immediately.

If you like this recipe you might be interested in another recipe using Southern Rocklobster Consommé - click [here](#) to go to the recipe.

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Warm Carpaccio of Southern Rocklobster, Young Ginger and Matsutake Mushroom Salad, Vanilla-Citrus Oil

Serves 4

Ingredients

Citrus-vanilla Oil

1/2 cup lemon oil
 1/2 cup EVO
 Zest of 1 grapefruit
 Zest of 1 lemon
 Zest of 1 lime
 1 vanilla bean, split and scraped

Combine all the ingredients and let sit in a warm place for 10 minutes.

Southern Rocklobster

5lb / 2.2kg Australian Southern Rocklobster
 sea salt

Bring a large pot of salted water to a boil

Cook the entire rocklobster for six minutes and remove from the water

Remove the tail from the body and set aside to cool

Return the body to the boiling water and continue to cook for 8 minutes; set aside to cool

When cool enough to handle, remove the lobster meat from the shell, keeping the tail intact as much as possible

Slice the lobster tail into 1/4 - inch thick slices and arrange in a single layer on a parchment lined sheet pan

Add the meat from the body to the pan in a single layer

Southern Rocklobster glaze

8 cups rocklobster stock, reduced to 1.5 cups

Fine sea salt

Piment d' Espelette

2 tablespoons butter

Transfer reduced rocklobster stock to small sauce pot, whisk in the butter and season with salt and Espelette

Matsutake salad

1 pound Matsutake mushrooms, peeled and sliced

1/2 cup pickled ginger, julienned

Cut chives

1/4 cup lemon oil

Juice of 2 lemons

Salt and black pepper

Toss all of the ingredients in a bowl

To serve

Preheat oven to 400° F

Season the slices of rocklobster with salt and Espelette and lightly brush with rocklobster glaze.

Gently warm the rocklobster in the oven for about 4 minutes, just until the rocklobster is warm but not cooked.

Arrange the slices of rocklobster tail in the center of a round plate and spoon some of the body meat in the middle.

Top with matsutake salad and drizzle with the vanilla-citrus oil and serve immediately.

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Watercress Oil

Makes approximately 130g

This is best made at least every second day in a restaurant

Ingredients

- 130g wild organic watercress
- 130g EV olive oil
- 2g sea salt

Method

Put everything into a Thermomix or blender and puree. Strain through a very fine sieve pressing hard against the cress to extract all of the oil.

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APPENDIX 15: SRL FOOD SERVICE MANUAL

Australian
Southern Rocklobster



The finest in the world

Enquiries

Australia:

Southern Rocklobster Limited
Level 1, 16 Unley Road
UNLEY South Australia 5061

Tel: 01161 8 8357 7569

Fax: 01161 8 8272 7767

Cell: 01161 417 012 872

United States of America:

Southern Rocklobster Limited USA
Cell: (323) 371 6115

Office location:

Santa Monica Seafood
18531 S. Broadwick Street
Rancho Dominguez CA 90220

Tel: (310) 886 7900

Fax: (310) 886 1055

Online:

info@southernrocklobster.com

www.southernrocklobster.com

The finest in the world.



Attributes

- **Wild caught** in the pristine cold Southern Oceans of Australia.
- With sweet and delicate, firm white flesh, the “Clean Green” Australian Southern Rocklobster has no market competitors, neither in taste nor in meat-to-shell ratio. Users of these Rocklobsters can expect to retain almost twice the amount of meat, pound for pound, than the American equivalent. There is absolutely no doubt that the Southern Rocklobster sits alongside the likes of Beluga caviar and Alba truffles as a premium luxury food.
- Delivers a **30% Grade 1 sashimi rocklobster tail** using our salt ice slurry extraction technique.
- Utilization of the complete animal results in extremely competitive food costs and Australian Southern Rocklobster is preparation and service friendly, compared to other crustaceans.
- No melanosis, therefore the flesh doesn't turn black.
- Harvested by one of the most advanced and innovative **sustainable wild fishing programs** in the world today. Southern Rocklobster Limited only supplies live, certified **Clean Green** Australian Southern Rocklobster that are **Traceable** back to their origin – quality and freshness is guaranteed.
- Each fisher retains ownership of the rocklobster through the supply chain to guarantee sustainability, supply and consistent quality.



Origin / Traceability

Origin – the Southern Ocean

- The Australian Southern Rocklobster (*Jasus edwardsii*) is native to the coastal waters of Southern Australia and regarded as the finest spiny rocklobster in the world.
- Caught **wild** from waters off Southern Australia, this exquisite species of rocklobster is revered for its sweet rich flesh, firm texture and size.
- This rugged coastal region is renowned for the quality of seafood it produces. Fed by the cold, nutrient rich waters uprising from Antarctica, Southern Rocklobster is a slow growing, selective feeder.

Is it Authentic – full traceability

- Every certified live **Clean Green** Australian Southern Rocklobster is immediately tagged with a barcode at the point of capture, and is fully traceable.
- The tag guarantees the authenticity and quality of every Southern Rocklobster.
- The tag allows restaurants and customers to track the history of their rocklobster online. Who caught it, and where. **www.southernrocklobster.com**



Meat-to-shell Ratio & Culinary Utilization

- Salt ice slurry extraction techniques have consistently achieved meat-to-shell ratios between **45% and 52%** with a consistent **30% of the total weight being Grade 1 sashimi.**
- Efficient use of the entire rocklobster can result in dishes with food costs as low as 20%.
- New dishes **loosely based on molecular cuisine techniques** using the head, shell and tomalley have taken rocklobster consommé to new heights. These can result in innovative dishes are fully explored on our website.
www.southernrocklobster.com
- Cooking green product rather than re-warming blanched or cooked product allows new culinary opportunities. Bag cooking improves shelf-life, preserves freshness, texture and flavour. Green leg, knuckle and horn meat, bagged into portions, once cooked can be served hot or cold.

Culinary uses for Australian Southern Rocklobster

- Southern Rocklobster Limited (SRL) constantly works with chefs, member fishermen, scientists and government officials to expand and improve information available to our customers.
- SRL's **CHEF NEWS** is instrumental in introducing culinary ideas from some of the world's finest chefs, using Australian Southern Rocklobster on their menus. In addition, our Australian research chefs have added technical information and are constantly adding recipes, using a variety of techniques, to our website.
www.southernrocklobster.com
- To receive SRL's **CHEF NEWS**, or to send us recipes for inclusion on our website, please email **Lucy Hinge** – lucy@corvel.com.au



Margins

- Australian Southern Rocklobster delivers a meat yield of between **45% and 52%** depending on the extraction method used, and the diligence of the preparer.
- When we consider cost per pound, Australian rocklobster compares very favorably to other rocklobsters.
- The recognized superiority of the **Clean Green** Australian Southern Rocklobster brand means that plate price can result in the highest profit margin.
- Southern Rocklobster Limited delivers 12 months of the year at a pre-negotiated and fixed price, subject to seasonal variation.

	AUSTRALIAN SOUTHERN ROCKLOBSTER			OTHER ROCKLOBSTER		
Cost/pound	\$30	\$33	\$36	\$12	\$15	\$18
Meat Recovery %	50%	50%	50%	24%	24%	24%
Cost/ounce (meat)	\$3.75	\$4.13	\$4.50	\$3.13	\$3.91	\$4.69



Sustainability

The Australian Southern Rocklobster fishery is one of the most visionary and carefully managed commercial **wild** fisheries in the world today.

The management of sustainability and quality is rigorously enforced by:

- Strict catch quota limits.
- Minimum legal size meaning undersized rocklobsters are returned to the ocean.
- Limited licenses, boat and pot numbers.
- Egg bearing females are also returned to the ocean and there are variant closed seasons and seasonal protection for females.
- Australian Southern Rocklobster Industry regularly funds compliance and research programs.
- Independent auditing of **Clean Green** environmental standards and certification which includes protection of the ocean environment and waste management, such as recycling oil, plastics and other waste.
- The Australian Government Department of the Environment conducts **environmental sustainability audits** every five years. In any instance of non-compliance export permits would be withdrawn.
- **Sustainability and environmental management** are our operating mandates for the future of Australian Southern Rocklobster.



Clean Green Program

- The **Clean Green** program is a product certification program, which incorporates environmental, work place and food safety, product quality and animal welfare standards for the Australian Southern Rocklobster industry.
- The **Clean Green** registered trademark guarantees an independent, internationally recognised audit of the certification process throughout the supply chain supporting the **Clean Green** program.
- This ensures best practice, and maintains Southern Rocklobster Limited's zero tolerance for non-compliance.
- Since its inception, Southern Rocklobster Limited's **Clean Green** Program has received many accolades for best practice. The most significant acknowledgements of our advanced practices include:
 - » The United Nations (Association of Australia) first place Business Enterprise Awards section for **Environmental Best Practice Program**, 2005 World Environment Day Award.
 - » National Safety Council of Australia's Awards of Excellence in **Occupational Health and Safety**.





Fisher Direct Supply Model

Member fishers of Southern Rocklobster Limited own the **Clean Green** rocklobster right to the customer - **Fisher Direct**.

The fishers own:

- Southern Rocklobster Limited (SRL), the trading company for Australian Southern Rocklobster.
- The **Clean Green** certification program and traceability system - the program that guarantees quality.
- **Clean Green** is a registered trademark owned by the fishermen of Southern Rocklobster Limited.
- Southern Rocklobster Limited merges independent Southern Rocklobster fishermen under one brand dedicated to absolute quality of product and environmental sustainability – **Clean Green Australian Southern Rocklobster**.
- The management of Southern Rocklobster Limited determines and facilitates supply and trade using carefully selected and qualified service providers.

Seasonality

- Managed fish sourcing from five zones across three states with overlapping seasons means Southern Rocklobster Limited can **guarantee quality, live fresh Australian Southern Rocklobster twelve months of the year***.
- Meeting quality specifications is the deciding factor as to which zones may be the supply point.

* In rare instances the supply of wild caught live product can be disrupted by bad weather.



Quality Assured

- Guaranteed **wild caught, world's best practice, sustainably fished live animals**, the Southern Rocklobster Limited **Clean Green** brand is the first choice of all great chefs.
- Southern Rocklobster Limited's rigorous standards preserve the quality of Rocklobsters through the **Clean Green** program. Every **Clean Green** certified skipper, deckhand, process worker and packer is committed to ensuring the best quality.
- Australian Southern Rocklobsters are caught in specially designed pots and great care is taken to ensure the limbs and antennae are protected at all times.
- Australian Southern Rocklobster fishermen **make short fishing trips**, further ensuring quality and freshness. Once pulled from the water the rocklobsters are quickly sorted on the boats, and to avoid sun and wind exposure are immediately placed live, in flow-through seawater tanks.
- Shore based activities are focused on minimizing stress and maximizing the quality.
- The rocklobsters are quickly and smoothly transferred from the boats by the port-based processors to land based temperature controlled circulating seawater tanks that slow the metabolism thus minimizing stress.
- Further chilling allows the rocklobsters to be transported across the globe via our specialized logistics networks.
- Minimal stress, maximum quality!

Storage and Handling

Certified Clean Green Australian Southern Rocklobster

Live Storage and Handling

Live — (tank storage)

To maintain live Australian Southern Rocklobster in tanks in premium condition they should not be held in tanks longer than one week. Tank conditions must be rigorously maintained.

Temperature: 11°C – 12°C or 51°F – 53°F

Oxygen: best maintained at 100% - minimum > 80% saturation

Ammonia: < 0.5 mg/l

Nitrite: < 1 mg/l

Nitrate: <50 mg/l

Alkalinity: 100 mg/l – 200 mg/l

pH: 7.8 – 8.2

Salinity: 35 – 36 ppt

Crear & Allen 2002

Live — (chiller/cool room)

Two to three days stored between 1°C and 3°C or ~34°F and ~37.5°F – best consumed at the earliest convenient time.

To store live Australian Southern Rocklobsters in the chiller/cool room without disturbing the animals, carefully remove the lid and punch numerous air holes in it. Replace the lid and store in their delivery packaging at the bottom of the chiller/cool room well away from the fan or door.



Live — (general information)

Live Australian Rocklobsters should not be stored if they are weak (limp legs and tail) OR recently moulted. If this is the case, the rocklobster should be immediately processed by your preferred method.

Australian
Southern Rocklobster



The finest in the world

Storage and Handling

Certified Clean Green Australian Southern Rocklobster

Processed Storage and Handling

Processed Blanched or Boiled

PROCESSED WHOLE — Tag each animal with the process date and store in a food service box with a lid. Store at the bottom of the chiller/cool room, well away from the fan or door. The rocklobsters will last 3 days maximum when stored between 1°C and 3°C or ~34°F and ~37.5°F.

PROCESSED HALF — Remove the stomach and digestive track and cover the meat with plastic food wrap. Tag each half with the processed date. Store in a food service box with a lid at the bottom of the chiller/cool room well away from the fan or door. The half rocklobster will last 3 - 4 days when stored between 1°C and 3°C or ~34°F and ~37.5°F and up to 6-7 days when bagged / cry-o-vac and stored well away from the door between 1°C and 3°C or ~34°F and ~37.5°F. **Care must be taken that the bags are not pierced by the horn or shell.**

PROCESSED BAGGED AND COOKED — Cooking must be rapidly arrested in an ice bath and date of process marked on the bag. The bagged rocklobster will last 6 days at the bottom of the chiller /cool room well away from the fan or door when stored between 1°C and 3°C or ~34°F and ~37.5°F.

Raw/Green

BAGGED — Optimum storage of raw/green meat is best achieved with bagging. Food service gloves must be worn when packing and bagging and a small amount of Extra Virgin olive oil or clarified butter (where appropriate) increases the shelf life. The rocklobster will last 4 - 6 days at the bottom of the chiller/cool room well away from the fan or door when stored between 1°C and 3°C or ~34°F and ~37.5°F.

TIGHTLY ROLLED IN PLASTIC FOOD WRAP — the rocklobster will last 2 to 3 days at the bottom of the chiller/cool room well away from the fan or door when stored between 1°C and 3°C or ~34°F and ~37.5°F

SASHIMI PORTIONS — For premium quality sashimi, use on the same day as processed. Otherwise the meat will keep for 2 – 3 days when stored in a food service box with a lid at the bottom of the chiller/cool room well away from the fan or door when stored between 1°C and 3°C or ~34°F and ~37.5°F. If the sashimi comes from raw/green meat that has been previously bagged **USE SAME DAY.**

Dating

Production dating throughout the storage and processing life of your Australian Southern Rocklobster ensures that quality and shelf life is maximized and waste is minimized.

Storage and Handling

Certified Clean Green Australian Southern Rocklobster

Cross Contamination

Australian Southern Rocklobster is easily contaminated with other food odors. Rigidly following Southern Rocklobster Limited's instructions for STORAGE & HANDLING will prevent cross contamination.



Humane Killing Method

Chill the rocklobster in the freezer between -8°C and -28°C or $\sim 17.6^{\circ}\text{F}$ and $\sim 18.4^{\circ}\text{F}$ for 30 minutes or until insensible¹. Holding the rocklobster across the back (refer to CORRECT HANDLING methods). Place the rocklobster on a chopping board and hold it across the back. Using a very sharp knife, pierce it between the eyes to ensure a quick and humane kill. Place the rocklobster in a food service box with a lid and put in the chiller/cool room for 30 minutes between 1°C and 3°C or $\sim 33.8^{\circ}\text{F}$ and $\sim 37.4^{\circ}\text{F}$.

Apart from showing respect to a living animal by killing it humanely, it has been scientifically proven that animals killed under stress show significant deterioration of their flesh.

Correct Handling



Correct handling including minimizing stress will ensure that your Australian Southern Rocklobsters are kept in premium condition.

Do not apply excessive force on the sides of the carapace as this leads to structural damage and bleeding of the gills.

Avoid opening the tail of cooked whole Rocklobsters as this can lead to structural damage.

¹ Insensibility — free manipulation or extension of the tail and movement of the outer parts, without resistance. Recommended humane killing method – RSPCA Australia.



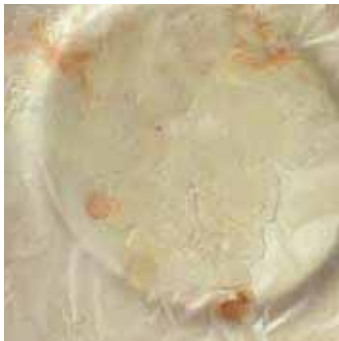
Sashimi & Green Meat



- Green, Grade 1 sashimi tail is easily extracted from Southern Rocklobster using our recommended ice slurry and salt extraction technique which is explained on our website – **www.southernrocklobster.com - TECHNIQUE – Green Meat Extraction.**
- Grade 1 sashimi tail and green meat extracted from live Australian Southern Rocklobster has no equal in the market place, neither in taste and texture, nor meat-to-shell ratio.
- Easy extraction of green meat and its naturally gelatinous nature enables even small pieces to be compacted in bags in neat and elegant portions to be cooked at a later stage.



Sashimi



1. Kill the animal humanely (refer to humane killing methods) and put in the chiller for 30 minutes.
2. Put the animal in salt and ice slurry (refer to www.southernrocklobster.com – **TECHNIQUE - Green Meat Extraction** section of recipes for full details).
3. Best prepared 30 minutes before using. Portion sashimi grade green tail (all **Clean Green** Australian Southern Rocklobster tail is sashimi grade) into 50g portions. Using the flat side of a mallet, gently flatten them out between two sheets of Freezer-go-Between.
4. Date the sashimi and refrigerate in a food storage box with lid and store between 1°C and 3°C or ~34°F and ~37.5°F. Green Australian Southern Rocklobster prepared in this way is sensitive to other fridge flavours and is easily spoiled when not stored properly.
5. For optimal quality use the same day, but rocklobster properly stored between 1°C and 3°C or ~34°F and ~37.5°F will last up to 2 days.
6. To serve — carefully peel back the top sheet of plastic and press the meat against the serving plate, smoothing the edges to ensure they are stuck to the plate. Carefully peel back the second sheet of plastic. Finish the sashimi dish and serve. Refer to our website for sashimi recipes and tips – www.southernrocklobster.com



Grilled

1. Kill the rocklobster humanely (refer to humane killing method).
2. Hold the rocklobster firmly and split it lengthwise with a very sharp knife.
3. Working over a bowl, remove the tomalley and stomach material. Vac and/or freeze this for another purpose. Rinse the rocklobster under cold water and pat dry with a clean towel.
4. Roll the rocklobster through molten herb butter or Extra Virgin olive oil, season generously with Maldon sea salt and freshly ground black pepper. Place in a box with lid and refrigerate away from the fan. Herbs such as mint, coriander and basil should be added after cooking, immediately prior to serving, as they will go black during the cooking process.
5. Place on grill, meat side up. When the degree of cook almost reaches the top of the rocklobster, brush butter or oil into the sides and crevices and place the rocklobster under a salamander for a couple of minutes to colour up. Brush flesh again and leave in a warm place for five minutes to finish cooking.
6. Serve with cut lime/lemon wedges, or if you like, a beautiful tarragon or herb mayonnaise that is complementary to your original baste. The tomalley sieved through a very fine sieve is stunning in a mayonnaise with a little chilli juice and Tabasco.



Sous Vide (Bag cooking)

Cooking

- Sous Vide (bag cooking) delivers brilliant consistency of product, especially when cooked using a digitally controlled immersion element like the Spanish Roner or adapting similar methods with a bain marie. The controlled temperature accuracy of digital immersion elements has vastly changed cooking techniques in the past five years.
- This method minimizes weight loss during cooking and lessens pan and oven work during service. Extensive information and recipes are available in the **RECIPE** section on our website. www.southernrocklobster.com
- Green product bagged under super hygienic conditions (food service gloves must be worn) and stored at constant temperature between 1°C and 3°C or ~34°F and ~37.5°F. With seasoning and extra virgin olive oil or butter consistently held sound for up to 9 days. We do not recommend such long storage, but 5-6 days under appropriate refrigeration between 1°C and 3°C or ~34°F and ~37.5°F. Keeping only service requirements in service fridges and the bulk portions in the chiller/cooler delivered an additional 3 days shelf life in perfect condition. This will **minimize waste and maximize flavour**. It also means that Southern Rocklobster can be processed more efficiently in larger numbers and there are fewer problems with incorrect storage and stock rotation.

Storage

- Southern Rocklobster Limited appreciate that all great chefs want to use the best possible product in their cooking and using the entire animal is critical to maintaining food costs. Our extensive shelf life testing of bagged product has resulted in increased shelf life with minimal quality deterioration.
- Failure to wear food service gloves when bagging the product showed a significant decrease in shelf life.



Steaming



Whole

Place the whole Southern Rocklobster in the steamer for 15 minutes at 100°C (212°F).

Half

Place both halves in the steamer for 13 -14 minutes at 100°C (212°F).



Individual portions

Individual portions maximize food costs. To preserve the delicate clean flavour of the Southern Rocklobster, roll the tail through extra virgin olive oil and sea salt and wrap it tightly in heat resistant plastic food wrap, twisting the ends back to make the roll as firm as possible. Refrigerate for 30 minutes to allow the roll to firm.

For service

Without removing the plastic, slice into 75g portions. Lay the bottom of individual steamers with the other components of your dish. Without removing the plastic place a portion cut side up on top. Put a few drops of oil or molten butter appropriate to your dish and season the top of the portion. Cover with a steamer lid and steam for 3-4 minutes (this time will be dependant on the temperature of your service fridge). Carefully remove the plastic, plate, garnish and serve.



Roasted

- Kill the animal humanely (refer to humane killing method) and harvest the tomalley. Split the rocklobster in half (lengthwise), rinse and pat dry.
- The best food costs are achieved by removing the head completely and extracting the green meat for other dishes. Use the head and shells for making stocks for another purpose.
- For French flavors, we recommend lime/lemon rind, tarragon or thyme.
- For Italian flavors, we recommend oregano, fresh peeled black figs and pancetta.
- For Spanish flavors, we recommend almonds, orange rind, smokey bitter-sweet paprika, anchovies and garlic.

Half

- Roll the rocklobster through Extra Virgin olive oil, molten butter or vegetable/peanut oil. Duck or goose fat is also excellent. Season the meat generously with salt and pepper.
- For Asian and Chinese flavours add a couple of drops of sesame oil, finely minced ginger/garlic and coriander root, chilli, lemon grass or any appropriate flavour for the particular Asian Chinese cuisine that does not go black during cooking.
- Sit the rocklobster flesh side up on a rack in an oven tray, using a foil wedge to hold it level, preventing juice runoff.
- Cook in a pre-heated 200°C/400°F (20% steam is also helpful) oven for 8-10 minutes (small) 12-15 minutes (large) rest in low resting oven for 5-10 minutes to finish the cooking.
- Serve as required making sure to pour any escaped juices over the rocklobster meat.



Rocklobster Steaks



This product is a taste sensation, portion controlled and simple to prepare and cook. Southern Rocklobster steaks make the perfect surf 'n' turf and are suited for banquet operations.

1. Thaw the rocklobster steaks overnight in a refrigerator or under cold running water.
2. Lightly knife cut the surface of the rocklobster steak on both sides.
3. Roll the rocklobster steak through extra virgin olive oil or clarified butter and season.

4. To cook:

Option 1: Steaming

Steam each rocklobster steak for 4 – 6 minutes.

Option 2: Poaching

Poach in a pan filled with 50:50 stock/fume: butter at 60°C/140°F for 4 – 6 minutes and rest, covered under lights for another 2 – 3 minutes.

Option 3: Pan Fry

Heat a pan to medium to hot and cook each rocklobster steak for approximately 1.5 – 2 minutes each side, rest covered under lights.

Option 4: Sous vide (bag cooking)

Bag the portions in a single layer, at 60°C/140°F for 6 – 8 minutes and rest under lights for another 5 minutes.

5. Plate, garnish and serve.



Ravioli



The Ravioli is made from 100% wild caught Australian Southern Rocklobster (*Jasus edwardsii*) hand picked leg and knuckle meat. Each ravioli is Individually Quick Frozen (IQF) as a 1 ounce portion and bagged in two 5lb bags within a 10lb case.

Australia Southern Rocklobster Ravioli

- Contains natural, unprocessed, hand picked wild caught Australian Southern Rocklobster meat
- Has no added preservatives
- Has no artificial flavours and colours
- Is sourced from certified sustainable fisheries

To cook:

1. Boil a pot of water, add salt to taste.
2. When water is boiling add the frozen or thawed Australia Southern Rocklobster Ravioli.
3. Once water has returned to boil, simmer for 3 – 5 minutes or until cooked
4. Plate, garnish and serve.

NOTE: Australian Southern Rocklobster Bisque is the ideal base for a sauce to accompany the Ravioli.



Bisque



This Bisque is prepared using wild caught Australian Southern Rocklobster raw / cooked bodies (Southern Rocklobster bodies yield 50% more meat than the traditional American rocklobster) and is prepared using French cooking techniques to enhance the unique taste of the rocklobster. Southern Rocklobster Bisque is frozen in 1 gallon bags and 4 bags are packed in a case. The bisque is easily thawed, heated and served with zero labor cost.

To cook:

1. Remove bisque from freezer and thaw overnight in a refrigerator.
2. Place contents of bisque in a large pot.
3. Heat gently until the desired temperature is reached.
4. Garnish and serve.

NOTE: Southern Rocklobster Bisque can be served alone or as a sauce to accompany our Ravioli or a variety of other dishes.



Fried Rocklobster

1. Fried rocklobster lends itself to many cuisine types including Cajun, Mexican, Japanese and especially Cantonese. rocklobster can be fried with or without the shell to equal acclaim. The Cantonese kitchen will cut the tail into sections, toss it through a very well seasoned mix of flour and corn flour, salt, pepper and finely chopped chilli, wok fry and serve with plenty of finely chopped chilli as a garnish. One of the reasons the Cantonese fried dishes are so fabulous is that they use clean oil for each dish. Clean oil is the key to great deep-fried dishes.
2. The frying process makes the rocklobster very rich, so portion size should be appropriate according to the other components included in the plated dish. We have found that a 100g (meat only) portion with embellishment is a perfect main course, assuming the customer will also order an appetizer and dessert. Fried rocklobster is best made with green rocklobster meat.
3. Leg, tail and horn meat is easily combined for use in dumplings with the addition of 10g of tapioca flour per 500g of meat. Use your hands (don't forget the food service gloves!) to combine the flour and meat and allow the mixture to stand in the fridge for at least half an hour before further preparation.
4. For tail portions, roll the rocklobster portions through Cajun or Mexican Chocolate dust or your preferred dust — refer to <http://www.southernrocklobster.com/about/recipes/hotdishes.aspx> for recipes. For the dumplings, drop your desired portion into the dust and flick it over with a fork to cover the other side. Alternatively you may want to make them canapé size and use a light, traditional Japanese tempura batter. If you want to make this dish suitable for coeliacs, certified maize (corn) flour can be used to replace the wheat flour.
5. Fry in clean, hot oil until coloured and crisped on the edges and drain on paper towels. Main course portions should be rested under heat lamps for 3-5 minutes to finish the cooking process; entrée and canapés can be served immediately.
6. Plate, garnish and serve!



Pan Fried



Pan fried is usually associated with cooking medallions and it requires accurate timing to prevent them drying out or over cooking.

1. Roll the portion through extra virgin olive oil or clarified butter and season.
2. Pan the portion quickly on both sides on high heat.
3. Remove from the pan to a seasoned small tray, cover with a lid and rest them in 100°C/200°F resting oven for 3-4 minutes to finish cooking.
4. Serve as required.

Top Image - Panned Southern Rocklobster Medallion, Rocklobster Ravioli, Rocklobster Bisque Sauce – d'Arny's Verandah Restaurant, McLaren Vale, South Australia



Stocks & Consommés

Stocks and Consommés are the basis of many dishes including sauces and molecular elements.

Break up all of the head and shell into smallish pieces and weigh it.

Prepare the mirepoix using the following formula for European stocks (**refer to [www.southernrocklobster.com/about/recipes – Hot Dishes - Stocks](http://www.southernrocklobster.com/about/recipes-Hot-Dishes-Stocks)**)

- 125g (4.4oz) unsalted butter
- 500g (17.6oz) onion, peeled weight, finely chopped
- 250g (8.8oz) carrot, peeled weight, finely chopped
- 125g (4.4oz) celery, cleaned weight, no leaves
- finely chopped
- 1kg (2.2lb) head and shell
- 500g (17.6oz) very ripe tomato, roughly chopped, optional
- 4L (1.05 gallons) cold water
- 10g (0.35oz) whole white pepper
- 2 fresh bay leaves
- sprigs of whole herbs such as parsley, tarragon, thyme and sorrel

Method:

1. Sauté the onion, carrot and celery until it is golden and caramelized. Add the rocklobster head and shell and continue cooking, stirring until it goes bright red. Add the water, pepper and herbs and very slowly bring to a simmer, constantly skimming any scum that comes to the surface.
2. Turn the heat down to the lowest point and cook, still skimming and cook for 45 minutes from it starting to simmer.
3. Turn the heat off and allow it to stand for 1 hour. As long as it is crystal clear without disturbing the bottom of the pot, strain the stock through a very fine chinois. Allow to cool, stand on a rack, then refrigerate. Strain the bottom dirty stock through a coarse sieve and use for less refined soups and sauces or rice.
4. When the consommé stock is completely cold, remove the set fat. Strain off again through a very fine chinois (you can use muslin as well) and stopping before the cloudy stock at the bottom. Add that bottom to the dirty stocks.



Molecular Elements



- The use of simple molecular techniques has produced a wide range of dishes that make better use of the head and shell. These dishes bring equilibrium to the usage of the entire animal.
- The originality of these dishes makes them enormously popular on menus.
- Very low food costs without losing any of the sense of luxury associated with rocklobster dishes.
- A totally no waste process - when the shells go into the bin there is nothing left to extract.
- Recipes include Australian Southern Rocklobster consommé cold roll wrappers, consommé tagliatelle that can be used in soups and salads, consommé caviar are just the start of the innovative components that can be made.
- Very small amounts of rocklobster meat embellish these dishes. The bulk of exceptional flavor comes from the molecular elements.



Tomalley



1. A small amount of tomalley (liver) adds intense rocklobster flavor.
2. Infused into the milk of soufflé bases, it delivers a subtle sweet fresh rocklobster flavour that is frequently missing with bisque style stocks and sauces.
3. Infused into cougeres and choux also delivers wonderful flavour results.
4. When added to pâtés, even using duck and chicken liver rather than the more expensive foie gras, the results are impressive.
5. Modestly embellished with as little as 30g (~1oz) of leg meat the food costs are exceptional and the excitement and flavour factor high.



Blanching and Boiling

- Set up ice baths to terminate the cooking process as quickly as possible after blanching or boiling. To maximize the flavor of the rocklobster the blanching/boiling water must be salted. Some chefs will acidulate the water with lemon or vinegar; others use court bouillon to retain the flavour of the rocklobster.
- To preserve the greatest degree of uncooked meat, put the rocklobsters into boiling salted water (or seasoned court bouillon) and bring them back up to the boil. Immediately after they turn bright red (2-3 minutes) remove them to an ice bath to arrest the cooking. Proceed with meat extraction when they are completely chilled.

Tips

- Blanching and boiling will achieve better results when Rocklobsters are in a single layer. Packing the pot with rocklobsters means uneven blanching/cooking and generally the Rocklobsters closest to the heat source will be blanched/cooked to a greater degree.

Blanching

- Blanching is a common method of extracting the meat from the shell, however the meat is not green. This method slightly cooks the external edges of the rocklobster and will generally fully cook the leg, knuckle and horn meat.

Boiling

1. Bring a large pot of salted water to the boil.
2. Add the Rocklobsters and when the water returns to the boil observe the cooking times.

Weight Range - Pounds	Weight Range - Grams	Cooking Time - Minutes
1.32 - 1.76	600 - 800	9 to 10 minutes
1.76 - 2.2	800 - 1000	11 to 12 minutes
for every 0.22 lb over 2.2 lb	for every 100 g over 1000 g	add another minute
4.4	2 kg plus	22 minutes
for every 0.22 lb over 4.4 lb	for every 100 g over 2 kg	add another 45 seconds



Enquiries

Australia:

Southern Rocklobster Limited
Level 1, 16 Unley Road
UNLEY South Australia 5061

Tel: 01161 8 8357 7569
Fax: 01161 8 8272 7767
Cell: 01161 417 012 872

United States of America:

Southern Rocklobster Limited USA
Cell: (323) 371 6115

Office location:

Santa Monica Seafood
18531 S. Broadwick Street
Rancho Dominguez CA 90220
Tel: (310) 886 7900
Fax: (310) 886 1055

Online:

info@southernrocklobster.com
www.southernrocklobster.com



APPENDIX 16: MARKET PENETRATION SURVEY

Date	
Restaurant	
Contact	
Quantity purchased since XXX	

IMPORTANT NOTE:

Clean Green Certification program:

Q1. Please describe what the Clean Green certification program means to you?

Product and logistics:

Q2. Please rate how satisfied you have been with the following?

(mark from 1, strongly dissatisfied to 5, strongly satisfied)

	1	2	3	4	5
a. Rocklobster taste					
b. Rocklobster freshness					
c. Rocklobster texture					
d. Rocklobster presentation (aesthetics)					
e. Rocklobster liveliness					
f. Customer service (orders)					
h. Delivery times					
e. Price					
h. Other:					

If strongly dissatisfied, please provide an explanation:

Communication

Q3. Please rank how effective you think the following promotional strategies would be to encourage customers to purchase this high-end item?

	1	2	3	4	5
a. Clean Green certification					
b. Origin (cold southern Australian waters)					
c. Wild caught					
d. Sustainability – quotas, size limits, protection of berried females)					
e. Traceability system (traceable back to individual fishers)					
f. Australian					
g. Premium quality – Waygu / Kobe beef of Seafood					
h. Fisher direct (from the sea to the plate)					
i. individual fisherman story					
j. Other					

Q4. Have you use these points of difference on your menu?

1. Yes, at least one (please circle the one that apply): a b c d e f g h I j
2. Yes, a few (please circle all that apply): a b c d e f g h I j
3. Yes, all of them
4. No, none of them
5. I don't know

If not, why not?

Q5. Would you use these points of difference when communicating with your clients (direct marketing or / and advertising)?

1. Yes, at least one (please circle the one that apply): a b c d e f g h I j
2. Yes, a few (please circle all that apply): a b c d e f g h I j
3. Yes, all of them
4. No, none of them
5. I don't know

Q6. Do you think a promotional strategy could be implemented to encourage customers to purchase this high-end item?

1. Yes
2. No
3. I don't know

Q7. Do you educate your wait staff about the products used on your menu?

1. Yes
2. **No (go directly to 11)**
3. I don't know

Q8. What have you done to educate your wait staff? (Tick any that apply)

- 1 Product tasting
- 2 Wait staff receives a description notice of all plates served on the menu
- 3 Wait staff are briefed by the chef for all plates on the menu
- 4 Wait staff are briefed by the chef for the main plates on the menu
- 5 Other:

Q9. To what extent is the wait staff knowledge passed / transferred to the consumer?

- 1 Not often
- 2 Only if requested by the client
- 3 Sometimes, when presenting the menu
- 4 At all time when presenting the menu
- 5 I'm not sure / I don't know

Q10. How do you know what knowledge is transferred to the customer?

Q11. Why don't you educate your wait staff about the products used on your menu?

- 1 We don't have the time
- 2 We don't think useful to do it
- 3 Too expensive
- 4 Other:

Q12. Please rank how effective each strategy below would be to increase sales?

(mark from 1, the least impact to 5, most impact)

	1	2	3	4	5
a. SRL Supplied of live holding tanks (display or back of house)					
b. Chef and wait staff incentive program (Chef or wait staff tour to Australia awarded to restaurants that achieve volumes targets)					
c. Fisher meet and greet – in the restaurant					
d. Restaurant promotion – branding e.g. menu / place mat, business cards, traceability cards, or table talker					
e. Volume rate to the restaurant – USA only					
f. Continual education of the wait staff on the program and product					
g. Customer incentives – lottery tags					

Sale trends:

Q13. Are there any particular times when you will require more Australian Southern Rocklobster between now and 30th June, 2008.(e.g. special times)

Document any important dates:

APPENDIX 17: SRL SHAREHOLDER AND OPTION AGREEMENTS

SHAREHOLDERS AGREEMENT

THIS AGREEMENT is made the 1st day of July 2010

BETWEEN: Muggleton & Associates Pty Ltd A.C.N. 137 944 382 of 255 Port Road, Hindmarsh SA 5007 (called "Muggleton") of the first part

AND Southern Rocklobster Limited A.C.N. 108 116 847 of 255 Port Road, Hindmarsh SA 5007 (called "Southern Rocklobster") of the second part

BACKGROUND

- A. The Parties are the holders of all of the issued shares in the capital of the Company in the following proportions:-
- (i) fifty(50) per centum
 - (ii) fifty (50) per centum;
- B. The Company has been established for the purposes and with the objectives described in this Agreement.
- C. The Parties to this Agreement wish to record the arrangements agreed between them for the operation of the Company.

NOW THIS AGREEMENT WITNESSETH as follows :-

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement and the Schedules and any other documents made pursuant to this Agreement unless there is something in the subject or context inconsistent the following words and expressions shall have the following meanings respectively :-

1.1.1 "Annual Plan" means the document so described in clause 18.2;

1.1.2 "Annual Budget" means the document so described in clause 18.3;

- 1.1.3 "Board" means the Board of Directors of the Company from time to time;
- 1.1.4 "Business" means the business of the Company described in clause 3 hereof;
- 1.1.5 "Business Day" means the day on which trading banks in Adelaide are open for business;
- 1.1.6 "Company" means SRL Marketing Pty Ltd A.C.N. 144 872 533 of 255 Port Road, Hindmarsh SA 5007;
- 1.1.7 "Corporations Act" means the law governing Company in Australia;
- 1.1.8 "Director" means a director of the Company and includes a director's alternate;
- 1.1.9 "Effective Date" means the date of this Agreement;
- 1.1.10 "Fiscal Year" means the period from 1st July in one year to 30th June in the next year;
- 1.1.11 "Insolvency Event" means in relation to a party the happening of any of the following events :-
- (i) A Court Order is made that the party be wound up;
 - (ii) A Court Order is made appointing a Liquidator or Provisional Liquidator in respect of the party or one of them is appointed whether or not under a Court Order;
 - (iii) A Receiver, Receiver and Manager, Administrator or Official Manager is appointed in respect of the party or all of the assets or undertaking of the party;
 - (iv) The party enters into or resolves to enter into a Scheme of Arrangement or composition with or assignment for the

benefit of all or any class of its creditors or it proposes a reorganisation, moratorium or other administration involving any of them;

- (v) The party resolved to wind itself up, or otherwise dissolve itself, or give notice of its intention to do so other than a voluntary winding up for the purposes of reconstruction;
- (vi) The party is or states that it is unable to pay its debts as and when they become due and payable;
- (vii) The party is deemed to be unable to pay its debts by operation of the provisions of the Corporations Act or any similar legislation.

1.1.12 "Notice" means notice in writing given in the manner provided for the service of notices in this Agreement;

1.1.13 "Parties" means the parties to this Agreement;

1.1.14 "Shares" means the shares of a Party in the Company;

1.2 Unless the contrary intention appears or the context otherwise requires or admits:-

1.2.1 Words importing the singular shall include the plural and words importing one gender shall include the other genders and vice versa respectively;

1.2.2 Headings are for convenience of reference only and shall not affect the construction or interpretation of the provisions of this Agreement;

1.2.3 A reference to a natural person includes the heirs administrators executors and permitted assigns of such person;

- 1.2.4 A reference to two (2) or more persons shall be deemed to be a reference to them jointly and severally and an agreement on the part of or in favour of two or more persons binds or is for the benefit of them jointly and severally;
- 1.2.5 A reference to a body corporate includes the successors and permitted assigns of such body corporate;
- 1.2.6 A reference to a statute shall include all amendments for the time being in force and any other statute enacted in substitution therefor and all regulations proclamations ordinances and by-laws for the time being under that statute and any notice demand order direction requirement or obligation under or pursuant to that statute or those regulations proclamations ordinances and by-laws and the expressions "statute", "Act" and "Act of Parliament" shall mean any State or Federal Statute and the regulations proclamations ordinances and by-laws for the time being in force thereunder and any notice demand order direction requirement or obligation issued made given or imposed under or pursuant to any statute regulation proclamation ordinance or by-law;
- 1.2.7 In the event of any inconsistency between the provisions of this Agreement and the provisions of any other document executed pursuant to this Agreement the provisions of this Agreement shall prevail;
- 1.2.8 Each and every provision of this Agreement and each and every part thereof shall unless the context otherwise necessarily requires be read and construed as a separate and severable provision and as separate

and severable parts thereof so that if any provision or part thereof shall be void or otherwise unenforceable for any reason whatsoever then such provision or part thereof as the case may be shall not only be severed by the remainder shall be read and construed as if the severed provision or part thereof was omitted therefrom;

1.2.9 Where the consent or approval of a party to this Agreement is required hereunder to any act matter or thing such requirement shall be in the absence of any express stipulation to the contrary herein mean the prior consent or approval (as the case may be) in writing in the reasonable discretion of such party.

2. ASSOCIATION

2.1 Nature

The parties agree to associate with each other as shareholders in the Company as and with effect from the Effective Date on the terms set out in this Agreement.

2.2 Interests

The parties shall have an interest in the Company in proportion to their shareholdings which are as follows :-

2.2.1 Fifty (50) per centum;

2.2.2 Fifty (50) per centum;

TO THE INTENT and with the effect that the parties shall respectively participate in the benefits of the Business (whether by way of income or capital) and shall contribute to the liabilities of the Business in such proportions.

2.3 Fiduciary Relationship

Each of the parties shall at all times use reasonable endeavours to ensure that the objects of the parties in operating the Company are achieved and shall act honestly and fairly in relation to each other concerning the affairs of the Company and otherwise the parties hereby expressly negative any fiduciary duties which might otherwise have been implied by reason of this Agreement.

2.4 Liability of parties

The Parties agree to be jointly and severally liable for any actions, suits, claims, liabilities, demands, notices, damages, losses, costs and expenses which may be made upon a director or shareholder of either of the Company in their capacity as director or shareholder in proportions equivalent to each party's respective shareholding in the Company in accordance with clause 2.2 hereof.

2.5 Competition

No party shall engage in the conduct of any competitive business or activity and shall ensure that any director appointed by it to the Board shall not engage in any activity in competition with the Company or the Business without the unanimous agreement of all parties.

3. BUSINESS PURPOSE

The principal business of the Company is trade of primary seafood products.

3. TERM

The term of this Agreement shall commence on the Effective Date and shall continue until terminated as hereinafter provided.

5. COMPANY

5.1 The Company is and shall remain principally domiciled in South Australia.

- 5.2 The Constitution of the Company shall be in the form contained in the records of the Company as at the date hereof, being the same as it was when the Company was incorporated.
- 5.3 In the event of any inconsistency between the provisions of this Agreement and the provisions of the Constitution of the Company, the provisions of this Agreement shall prevail to the extent of such inconsistency and in such case the Parties shall to the extent permissible at law do all acts, matters and things as may be necessary or desirable to give effect to the provisions of this clause.
- 5.4 For a period of 24 months the name of the Company shall remain unaltered until the Parties shall otherwise mutually agree and the business of the Company shall be conducted under such names.

6. CAPITAL

6.1 Structure

The rights powers and privileges attaching to each of the shares in the Company shall be the same in all respects and they shall rank equally without preference and no share in the capital of the Company shall be classified or reclassified or the rights attaching to any such share varied except by unanimous agreement between the Parties.

6.2 Further issued capital

No additional shares in the Company shall be issued nor shall the Company grant any right or option to subscribe for shares in the Company except by unanimous agreement between the parties or the issue of ordinary shares to the parties in the same proportions as set out in clause 2.2 hereof.

7. CORPORATE FINANCE

7.1 Shareholder Loans

The parties shall make such loans to the Company as mutually agreed and shall be in proportion to their shareholding.

7.2 External Funding

7.2.1 Only the Board shall have authority to negotiate and document borrowings and credit facilities on such terms and conditions as it considers appropriate.

7.2.2 Such external loans and credit facilities shall be secured on the best commercial terms and conditions obtainable by the Company from time to time.

8. BOARD OF DIRECTORS

8.1 Number

The initial number of Directors to comprise the Board of the Company shall be three (3)

8.2 Appointment

The Directors shall be nominated and appointed by the Parties as follows :-

8.2.1 One (1) Director shall be appointed by Muggleton;

8.2.2 One (1) Director shall be appointed by Southern Rocklobster and each of the Parties shall be entitled to appoint, remove and replace each Director appointed by it to the Board (including any alternate director) and each such appointment and removal shall be effected by instrument in writing served upon the Company.

8.2.3 One (1) director shall be appointed by mutual agreement to be the independent chairman

8.3 Initial Directors

The initial Directors of the Company shall be

8.3.1 Matthew Muggleton

8.3.2 Nominee of Southern Rocklobster

8.3.3 Independent Chairperson mutually agreed

8.4 Alternate Directors

A Director may appoint an alternate director with the consent of the party who appointed them and the majority of the Board.

8.5 Quorum

8.5.1 The quorum for a meeting of the Board shall be a minimum number of three (3) Directors with at least one each being an appointee of each of the parties or their alternate.

8.5.2 If not all of the members of the Board are present at a meeting of the Board then the Directors nominated by each of the parties who are present shall be entitled to cast the same number of votes as if all of the Directors nominated by that party were present at the meeting and in the absence of the Director appointed by each of the parties or by any duly appointed alternate for them the Director appointed by the other shall be deemed the alternate for the absent Director and entitled to exercise a vote on behalf of that Director in addition to their vote.

8.6 Meetings

8.6.1 Meetings of the Board shall be convened and held not less frequently than once every three months at the registered office of the Company or at such other time, date, or places as all of the Directors for the time being may from time to time agree.

- 8.6.2 The Board may conduct meetings wholly or partly by telephone, teleconference or video conference facility or other electronic device but all Directors present or otherwise attending must be in simultaneous contact or communication with one another.
- 8.6.3 A resolution of Directors may be in the form of a written resolution circulated to all Directors and signed by all of them and may consist of several documents in like form each signed by one or more Directors.
- 8.6.4 Unless approved by all members of the Board not less than seven (7) days prior notice in writing of a meeting of the Board shall be given to all Directors.
- 8.6.5 Each member of the Board may be accompanied at meetings by any observer or adviser to that member provided that prior notice in writing is given to the Board.
- 8.6.6 All costs incurred by a party or by a Director representing a party on the Board in connection with attendance at meetings shall be borne by the party.
- 8.6.7 The company shall bear the cost of the Independent Chairman.
- 8.6.8 Subject to the mandatory operation of any law a Director shall be entitled to pay and have special regard to the interests of the party by whom he was appointed in exercising his rights, powers and duties as a Director of the Company.
- 8.6.9 Any questions arising at a meeting of the Directors shall be determined by a majority of votes of the Directors present.

9. CHAIRMAN (Is this required)

9.1 Appointment

Subject to clause 9.2 hereof, the Directors shall be entitled at any time and from time to time to nominate the Chairman of the Company and may from time to time require removal of such Chairman, at all times at the mutual agreement and direction of the shareholders.

9.2 First Chairman

The First Chairman of the Board shall be

9.3 Absent Chairman

In the event that the Chairman of the Board is not present at a meeting of the Board then another Director previously nominated by the Chairman as Vice Chairman or if none has been so nominated, then another Director nominated by the same party who nominated the then current Chairman of the Board as a Director shall act as Chairman of the meeting.

9.4 Casting Vote

The Chairman of the Board shall not be entitled to a second or casting vote on any matter considered by the Board in respect of which equal votes are cast by Directors.

9.5 Shareholders Meeting

The Chairman of the Board shall act as Chairman of any general meeting of shareholders and shall not have a second or casting vote on any matter in respect of which equal votes are cast by the shareholder.

10. MANAGING DIRECTOR

10.1 Appointment

The Managing Director of the Company shall be appointed by the Board and shall be subject to removal by the Board.

10.2 First Managing Director

The First Managing Director of the Company shall be Matthew Muggleton.

10.3 Duties

The Managing Director shall be responsible for the day to day operation of the business of the Company including (but not limited to):-

10.3.1 Management of the Business;

10.3.2 Staff management;

10.3.3 The implementation of the resolutions of the Board;

10.3.4 Compiling statistical and financial information for circulation to the Board.

11. EMPLOYMENT OF DIRECTORS

11.1 The Company may employ any director on such salary or other terms and conditions as an ordinary employee of the Company.

11.2 Each Director employed by the Company shall be entitled to usual leave and other entitlements of ordinary employees employed in a business of a nature operated by the Company.

12. SHAREHOLDERS

12.1 Meetings

12.1.1 A quorum for a meeting of shareholders is two (2) comprising a representative of each of the parties.

12.1.2 Shareholders may conduct their meetings wholly or partly by telephone, teleconference or video conference facility or other electronic device but all such shareholders present or otherwise attending must be in simultaneous contact or communication with one another.

12.1.3 A resolution of shareholders may be in the form of a written resolution circulated to all shareholders and signed by all shareholders and may consist of several documents in like form each signed by one or more shareholders.

12.2 Exercise of Rights

Each of the parties agree with the other that :-

12.2.1 It shall exercise all voting rights and powers of control available to it in relation to the Company so as to give full effect to the terms and conditions of this Agreement including where appropriate, the carrying into effect of such terms as if they were embodied in the Constitution of the Company or other constitution documents;

12.2.2 It shall procure that the Director or Directors nominated by it and its other representatives will support and implement all reasonable proposals put forward at meetings of the Board and other meetings of the Company for the proper development and conduct of the Business as contemplated in this Agreement; and

12.2.3 It will generally use its best endeavours to promote the Business and the interests of the Company.

13. ADMINISTRATIVE MATTERS

13.1 Company Secretary

The Directors shall be entitled at any time and from time to time to nominate the secretary of the Company and may from time to time require removal of such secretary.

13.2 Auditors

The auditors of the Company shall be such qualified auditors as appointed by the Board or such other person or persons as may be approved by the parties and the Company in general meeting from time to time.

13.3 Principal place of business

The principal place of business of the Company in South Australia shall be at 255 Port Road, Hindmarsh SA 5007

13.4 Registered Office

The registered office of the Company in South Australia shall until otherwise determined by the Board be situated at 255 Port Road, Hindmarsh SA 5007.

13.5 Bank Accounts

13.5.1 The bankers for the Company shall be Westpac Banking Corporation or such other bankers as the Board may determine from time to time.

13.5.2 All directors shall be signatories on the bank account with authority to vest in any one director. Matthew Muggleton to be the principal signatory.

14. TRANSFER OF SHARES

14.1 Prohibition

Neither of the Parties may dispose of its shares in the Company either directly or indirectly except in accordance with this clause.

14.2 Transfer of whole interest

Any transfer by a party under this clause must be a transfer of all of the shares in the Company of the Party.

14.3 Transfer Notice

14.3.1 A Party who wishes to transfer its Shares ("the Transferor") must give written notice ("Transfer Notice") to the other Party ("Offeree").

14.3.2 The Transfer Notice must specify the price at which the Transferor wishes to sell the Shares.

14.4 Offer

14.4.1 The Transfer Notice shall constitute an offer by the Transferor to the Offeree to sell all of the Shares of the Transferor at the price specified in the Transfer Notice or at the option of the Offeree at the fair market value of the Shares determined as hereinafter provided ("Offer").

14.4.2 The Offeree must notify the Transferor within fourteen (14) days of the service of the Transfer Notice on the Offeree if the Offeree wishes the fair market value of the Shares to be determined for the purposes of clause 14.4.1 hereof and in that event the Parties shall cause the Company to cause the fair market value of the Shares to be determined as hereinafter provided and a copy thereof shall be delivered to each of the parties as soon as it is available.

14.4.3 Within fourteen (14) days after the later of the date of service of the Transfer Notice or a copy of the valuation under clause 14.4.2 hereof, the Offeree must give written notice to the Transferor whether the Offeree wishes to accept the offer ("Acceptance Notice").

14.4.4 If the Offeree fails to give notice within the said period the Offeree shall be taken to have declined to purchase the Shares.

14.5 Acceptance

14.5.1 If the Offeree accepts the offer then there shall be deemed to be a binding contract as and with effect from the date of service of the Acceptance Notice for the sale by the Transferor and the purchase by the Offeree of the Shares for the price nominated in the Transfer Notice or if the fair market value of the Shares has been determined, then the fair market value of the Shares so determined, but subject to the following terms and conditions:-

14.5.1.1 The Offeree in purchasing the Shares shall be deemed to have full knowledge of all of the assets and liabilities of the Company.

14.5.2 Unless otherwise agreed between the Parties the purchase price for the Shares shall be paid within sixty (60) days of the service of the Acceptance Notice.

14.5.3 Interest on any monies in default shall be payable at ten (10) per centum per annum from the date of default to the date of payment.

14.5.4 On payment of the purchase price in full the Transferor shall deliver to the Offeree the Certificates for the Shares together with duly executed transfers in registrable form in respect of the Shares.

14.5.5 The Shares shall be free of all mortgages, encumbrances, charges, liens and/or other interests whatsoever at Completion and the Transferor shall deliver free and unencumbered title thereto to the Offeree.

14.5.6 As and from service of the Acceptance Notice the Transferor shall be free, released and discharged absolutely from the observance or performance of all of its respective duties and obligations hereunder but

without prejudice to any rights and liabilities which shall have accrued or been incurred up to that time.

14.5.7 On or before Completion, the Offeree shall procure that the Company discharge and repay in full all monies due by the Company or either of them to the Transferor or as the case may be the Transferor shall repay such monies to the Company or either of them as are due by it.

14.5.8 All costs and expenses of and incidental to the transfer of the shares including all stamp duty thereon shall be borne and paid by the Offeree.

14.6 Non Acceptance

In the event that the Offeree declines or is taken to have declined the purchase of the Shares, then the Transferor shall for a period of six (6) months thereafter be at liberty to sell the Shares to a third party who is acceptable to the Offeree PROVIDED THAT any sale must be at a price not less than the sale price specified in the Transfer Notice and on conditions which are not more favourable to the third party purchaser than those on which the Offeree was entitled to purchase the Shares and if a sale is not effected within that period then the provisions of this clause shall apply to any subsequent proposed disposal.

14.7 Share Valuation

14.7.1 For the purposes of this clause, in determining the fair market value of the Shares, goodwill shall be included.

14.7.2 Where fair market value of the Shares is to be determined a valuation of the Shares shall be undertaken by an independent accountant or at least ten (10) years standing agreed between the Parties and in default of agreement or failure to appoint then an independent accountant with those qualifications appointed at the request of either of the Parties by the

President for the time being of the Institute of Chartered Accountants in Australia (South Australian Division) and any person so appointed shall act as an expert and not as an arbitrator and his decision shall be final and binding on the Parties.

14.8 Third Party Purchaser

14.8.1 The sale of the Shares by any party to a person who is not a party to this Agreement must be conditional upon that person entering into an agreement with the Parties to this Agreement and agreeing to be bound by this Agreement as if that person were a party to it.

14.8.2 The Board may decline to register a transfer of the Shares pursuant to clause 14.8.1 hereof if the Transferor does not provide such evidence as the Board may reasonably require confirming that the terms of sale including the price were no more favourable to the ultimate purchaser than those offered to the Offeree.

15. DEFAULT

15.1 Events of default

A party will be in default under this Agreement if:-

15.1.1 That party transfers all or any of its shares in the Company or its units in the Unit Trust except in accordance with this Agreement;

15.1.2 That shareholder breaches any obligation under this Agreement;

15.1.3 That shareholder commits or becomes subject to an Insolvency Event or an Insolvency Event occurs with respect to that shareholder;

15.1.4 There is a change in the beneficial ownership of that party without the consent of the other party;

15.2 Notice of Default

If a party is in default of its obligations under this Agreement as described in clause 15.1 hereof ("Defaulting Party") then the other party ("Non-defaulting Party") may give a notice in writing to the Defaulting Party requiring it to remedy such event of default within a period of seven days following services of the notice ("Notice of Default").

15.3 Non-satisfaction

If the Defaulting Party fails to comply with the Notice of Default under clause 15.2 hereof, then the Non Defaulting Party may serve a further notice in writing on the Defaulting Party ("Non-satisfaction Notice") and thereupon the following provisions of this clause shall have effect.

15.4 Remedy Option

From the date of service of a Non-satisfaction Notice, the Non Defaulting Party shall have an option to immediately remedy the alleged default without being under any obligation so to do and all costs and expenses incurred therein shall be a debt due from the Defaulting Party to the Non Defaulting Party.

15.5 From the date of service of a Non-satisfaction Notice the Non Defaulting Party shall have the option to acquire the Interest of the Defaulting Party upon the following terms and conditions:-

15.5.1 The purchase price at which the Option shall be exercisable shall be the amount mutually agreed upon between the Non Defaulting Party and the Defaulting Party and in default of agreement, an amount equal to seventy five (75) per centum of the purchase price determined in accordance with clause 14.4.2. hereof.

15.5.2 The Option shall be exercisable for a period of sixty (60) days after the date of service of the Non-satisfaction Notice.

15.5.3 Upon the exercise of the Option, there shall be deemed to be a binding contract for the sale by the Defaulting Party and the purchase by the Non Defaulting Party of the Interest of the Defaulting Party on the same terms and conditions as are specified in clause 14.4.4 hereof.

15.5.4 Upon the transfer of the Interest of the Defaulting Party the employment of or appointment as a Director of the Company of any person who was appointed by the Defaulting Party will cease without compensation for loss of position except any accrued entitlements.

15.6 Liquidation

If the Non Defaulting Party fails or refuses to exercise the Option under clause 15.5 hereof then the Non Defaulting Party shall be at liberty to give notice to the Defaulting Party and the Company that the Non Defaulting Party requires the Company to be liquidated and in that event each of the Parties shall cause a general meeting of the shareholders of the Company to be convened within thirty (30) days of service of such notice and the Parties shall attend and vote in favour of the resolution for the appointment of a Liquidator to the Company.

16. ANNUAL PLAN AND BUDGET

16.1 Timing

The parties shall cause the Managing Director to prepare as and when required by the Board the Annual Plan and the Annual Budget for the Company in respect of the fiscal year immediately following such day of requirement.

16.2 Annual Plan

The purpose of the annual plan shall be to record the business plan and commercial strategies to be adopted and implemented by the Company in the

relevant period and the proposed methods of implementation and shall include details of:-

- 16.2.1 The proposed business plan and strategy to be adopted by the Company in the ensuing fiscal year for the operation and development of its business;
- 16.2.2 Specific action plans and proposed operations planned by the Company to implement such business plan and strategies in the ensuing fiscal year;
- 16.2.3 The obligations of the Company to the parties in relation to the finance facilities and in particular a description of a reinvestment programme for profit;
- 16.2.4 Any other proposed special programmes, initiatives or projects planned for the Company for the ensuing fiscal year.

16.3 Annual Budget

The annual budget shall project the income, expenses and profits (both on the revenue and capital account and cash flow of the Company in the relevant period based on its position at the commencement of that period and projected operations under the annual plan in respect of that period and shall include:-

- 16.3.1 A budget for the projected income and expenditure of the Company for and including the projected profit or loss from operations in that period including a detailed monthly breakdown of such income expenditure profit or loss;
- 16.3.2 A budget for the projected income and expenditure of a capital nature including a detailed breakdown on a monthly basis of such projected income and expenditure;

16.3.3 An analysis and projection of incoming and outgoing cash of the Company and its closing position including a statement of the cash position of the Company at the end of each month;

16.3.4 A projection and analysis of the funds required to operate the Company, the sources of such funding and the extent of funding including a projection of the loans (if any) required to be made to the Company by the parties for that period;

16.3.5 A draft balance sheet of the Company projecting the assets and liabilities of the Company at the commencement and expiry of the relevant period.

16.4 Approval

A copy of the annual plan and the annual budget proposed by the Company shall be distributed to each of the parties on or before the 31st day of May in each fiscal year for approval by the parties.

17. FINANCIAL AND ACCOUNTING

17.1 Books of Account

17.1.1 The Company shall keep full and proper books of account and other records relating to the transactions, business and affairs of the Company and the parties shall each respectively be entitled upon giving not less than seven (7) days prior notice in writing at any reasonable time during normal business hours by itself or its authorised agent to inspect and to copy the same at the expense of the party undertaking or on whose behalf such inspection is made and the parties shall be furnished with any information in relation to the business or affairs of the Company as they may reasonably require.

17.2 Notices and Documents

Each of the parties shall promptly advise the other of all notices documents information and/or other material received by it or coming to its notice or attention and details of any other matters of which it is or shall become aware in relation to the business or the Company which are likely to be of value or interest to the other party and all such information records documents and matters shall be treated as being strictly confidential to the parties hereto including the documents accounts and other records referred to in clause 19.1 hereof.

17.3 Monthly Management Reports

The Company shall within twenty one (21) days following the expiration of each month during each fiscal year cause to be prepared and distributed to the Directors full and accurate management reports for the Company in respect of the preceding calendar month for analysis review and consideration by the Board including but without limiting the generality of the foregoing:-

17.3.1 The profit and loss statement disclosing the income and expenditure of the Company in respect of that month and of the fiscal year to date and disclosing in detail in each case the actual budget and variant amount;

17.3.2 A balance sheet for the Company disclosing the assets and liabilities of the Company as at the end of that month;

17.3.3 A cash flow statement disclosing all cash inflows and outflows in respect of that month and of the fiscal year to date and disclosing in detail in each case the actual budget and variant amount;

17.3.4 A report on the operation and management of the Business and affairs of the Company to the end of that month against the adopted annual plan for that fiscal year.

17.4 Annual Accounts

As soon as reasonably practicable and in any event not later than three (3) calendar months after the expiry of each fiscal year, the Company shall cause a profit and loss account and balance sheet for the Company to be prepared and submitted to the parties for their approval.

17.5 Accounting Standard

Subject to the mandatory operation of the Corporations Act the profit and loss account and balance sheet of the Company shall be prepared and made up in accordance with generally accepted Australian account principles and standards consistently applied.

17.6 Audit

The annual accounts and financial statements prepared by or on behalf of the Company pursuant to clause 19.4 hereof shall be audited by the auditors of the Company unless otherwise agreed by the parties.

18. DISPUTE RESOLUTION

18.1 The parties agree that all disputes relating to this agreement will be resolved in accordance with the provisions of this clause.

18.2 A party may notify the other in writing that a dispute has arisen relating to this agreement and must identify that dispute in detail ("dispute notice").

18.3 If within twenty one (21) days of service of the dispute notice the parties are unable to agree on any issue in dispute then at the request of either party the matter is to be determined by an independent third party expert ("expert").

18.4 The expert will be as agreed between the parties but failing agreement within twenty eight (28) days of the dispute notice being served, either party may apply to the President of the Law Society of South Australia or the nominee of the President to appoint an appropriately qualified expert.

18.5 As soon as possible upon appointment, the expert will notify the parties in writing of his/her appointment and the expert's acceptance thereof.

18.6 The expert will:-

18.6.1 Seek written submissions from the parties or their duly authorised representatives and will give reasonable consideration to such submissions before making a determination PROVIDED ALWAYS that such submissions are made within the time or times nominated by the expert;

18.6.2 Have regard to any other matters the expert reasonably considers relevant;

18.6.3 Make a determination as to the matter in dispute within fourteen (14) days following acceptance of the appointment and forthwith upon making such determination despatch a true copy thereof to each of the parties; and

18.6.4 Act as an expert and not as an arbitrator.

18.7 Any determination made by the expert will be final and binding on each of the parties.

18.8 The cost and expenses of the expert will be borne equally by the parties.

18.9 Time is of the essence in all respects pursuant to this clause.

19. GENERAL

19.1 Costs

The costs of and incidental to the negotiation, preparation and stamping of this agreement including all stamp duty hereon shall be borne and paid by the Company.

19.2 Relationship

The parties mutually acknowledge and agree that this agreement shall not be construed as constituting an association or partnership and nothing in this agreement shall be deemed to constitute a party as a partner agent or legal representative of any other party for any purpose whatsoever save and except as herein expressly provided for.

19.3 Successors and Assigns

This agreement is binding on and remains for the benefit of the parties and their respective executors, administrators, successors and permitted assigns.

19.4 Confidential Information

Neither of the parties shall disclose any information of the other party or of the Company which is confidential to any person without the consent of the other party (which shall not be unreasonably withheld) PROVIDED ALWAYS that this obligation shall not apply to:-

19.4.1 Disclosures required by law or requirement of any regulatory body court or tribunal;

19.4.2 Information which is in or comes into the public domain other than as a result of a breach of this agreement;

19.4.3 Disclosures to the financial accounting or legal advisers of the parties where reasonably required and provided appropriate confidentiality undertakings are obtained;

and neither party shall use any such confidential information other than for the purpose for which it was provided to that party.

19.5 Governing Law

This agreement shall be governed and construed in all respects in accordance with the law of the State of South Australia and the parties submit to the jurisdiction of the Courts of South Australia in respect of all matters arising under or relating to this agreement.

19.6 Notices

Any notice required to be served by a party on another party pursuant to this agreement shall be in writing and shall be deemed to have been duly served, in the case of the company if left or sent by prepaid post to that company's registered office for the time being, and in the case of an individual, if handed to that individual personally or left at or sent by prepaid post to that individual's last known place of residence or business.

EXECUTED as an Agreement by)
Southern Rocklobster Limited)
A.C.N. 108 116 847 pursuant to)
Section 127(1) of the *Corporations Act 2001 (Cth)*)

Director

Director/Secretary

EXECUTED as an Agreement by)
Muggleton & Associates Pty Ltd)
A.C.N. 137 944 382 pursuant to)
Section 127(1) of the *Corporations Act 2001 (Cth)*)

Sole Director

2.1.7. "Said Shares" means the 100 fully paid Ordinary shares in the capital of the Company registered in the name of the Vendor.

2.1.8. "Vendor" means the said Muggleton & Associates Pty Ltd. A.C.N. 137 944 382 of 255 Port Road, Hindmarsh SA 5007:

2.2. In this Agreement unless the context otherwise required:-

2.2.1. Words importing any one gender shall be deemed to include the other genders.

2.2.2. Words importing the singular number shall be deemed to include the plural number and vice versa.

2.2.3. Any words denoting an actual person includes a reference to a body corporate.

2.2.4. Headings are for convenience of reference only and shall not affect the interpretation of this Agreement.

2.2.5. For convenience, the first letter of words and expressions defined in this Agreement are indicated by capital letters (provided that the absence of a capital letter shall not alone imply that the word or phrase is used with a meaning difference than that given by its definition).

2.2.6. References to any act shall be construed as referring to that Act as amended, modified or re-enacted from time to time and shall include any enactment in substitution or replacement of such Act.

3. GRANT OF OPTION

The Vendor HEREBY GRANTS to the Purchaser a Call Option in relation to the said Shares which Call Option shall be irrevocable and remain in force during the Option Period.

4. EXERCISE OF OPTION

The option hereby granted may be exercised by the grantee thereof by notice in writing given to the grantor thereof during the option period. Any notice to be given pursuant to this clause may be signed by or on behalf of the grantee by the attorney of the grantee or by the grantee's solicitors and any such notice shall be deemed to have been sufficiently given if sealed in an envelope and sent by prepaid post to the grantor at the grantor's address herein provided or left at the grantor's address herein provided. Any notice sent by post shall be deemed to have been served on the day of posting whether the same shall be received or not.

5. DEALING WITH SAID SHARES

The Vendor shall not deal with the said shares or any of them in any way which would be inconsistent with the terms of this Agreement without the prior written consent of the Purchaser.

6. SALE AND PURCHASE OF SHARES

Upon the exercise of the option hereby granted there shall be deemed to be constituted as and from the date of exercise, a binding agreement between the Vendor and the Purchaser for the sale by the Vendor and the purchase by the Purchaser of the said shares for the Purchase Price and subject to and upon the following terms and conditions:-

6.1. The Purchase Price shall be paid in cash or by bank marked cheque by the Purchaser to the Vendor on the date of settlement.

6.2. At the same time as the purchase price is paid, the Purchaser must also pay to the Vendor 50% of the Vendor's loan account balance with the company, where the company owes the Vendor moneys.

6.3. The date of settlement shall be 30 days after the date of exercise of the option or such other date as the Vendor and the Purchaser shall mutually agree.

6.4. On the date of settlement the Vendor shall:-

6.4.1. Hand to the Purchaser duly executed Transfers of the said shares in favour of the Purchaser or such other persons as the Purchaser may direct the Vendor in writing prior to the date of settlement, together with the Share Certificate or Certificates for the said shares and any other documents which may be required to vest in the Purchaser the full beneficial ownership of the said shares and to enable the Purchaser to procure the said shares to be registered in the names of the Purchaser or the nominees of the Purchaser.

6.5. If default shall be made by the Purchaser in the due payment of the Purchase Price or any part thereof:-

6.5.1. The Vendor may at the option of the Vendor upon giving to the Purchaser seven (7) days' notice in writing, rescind this Agreement and to proceed to another sale of the said shares by private contract and any deficiency occasioned by such second sale together with all charges and expenses attending such second sale shall immediately after such second sale has been effected be made good by the Purchaser and in the case of non-payment of the same, the whole shall be recoverable by the Vendor from the Purchaser as and for liquidated damages.

6.5.2. If applicable, the Purchaser shall pay to the Vendor interest on the Purchase Price or such part thereof as shall not be paid on the due date for payment thereof at the rate of 12 per centum per annum calculated from the due date for payment thereof to the date of actual payment or the date of the second sale as provided above, whichever shall be the earlier to occur.

6.6. The cost of the preparation, execution and stamping of the transfers of the said shares and all stamp duty and other government fees in relation thereto shall be borne and paid by the Purchaser.

6.7. The parties hereto shall promptly do and execute and perform all such acts, documents and things as may be reasonable required to give effect hereto.

6.8. The provisions of this Agreement shall continue to subsist and have effect notwithstanding settlement.

6.9. The Vendor HEREBY WARRANTS AND REPRESENTS to the Purchaser as follows :

6.9.1. That on the date of settlement the Vendor shall be the absolute legal and beneficial owners of the said shares free from all encumbrances, charges, liens, options and interests whatsoever and the Vendor shall have full right and power to sell and transfer the said shares to the Purchaser.

6.9.2. The Vendor shall procure the waiver before the date of settlement of any preemptive rights which now or might otherwise exist in relation to the sale and transfer of the said shares under the Constitution of the Company or otherwise.

7. NOTICES

Notwithstanding any provision herein contained to the contrary, any notice which is required to be given under this Agreement may be given:-

7.1. Personally;

7.2. By posting the same by pre-paid mail to the last know address of the person to whom the notice is addressed and such notice shall be deemed to be delivered on the day of posting the same whether actually received or not; or

7.3. By facsimile transmission to the facsimile transmission number of the person to whom the notice is addressed and such notice shall be deemed to have been received when the sender of the facsimile receives a notice from his machine that the transmission has been completed.

8. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the law of the State of South Australia and all actions taken in relation to or arising from this Agreement shall proceed in accordance with the laws of that State, all parties hereby submitting to the jurisdiction of the Courts of South Australia.

EXECUTED as a Deed by)

Southern Rocklobster Limited)

A.C.N. 108 116 847 pursuant to)

Section 127(1) of the *Corporations Act 2001 (Cth)*)

Director

Director/Secretary

EXECUTED as a Deed by)

Muggleton & Associates Pty Ltd)

A.C.N. 137 944 382 pursuant to)

Section 127(1) of the *Corporations Act 2001 (Cth)*)

Sole Director

APPENDIX 18: SRL COMMUNICATIONS PLAN



Southern Rocklobster Limited

**Communications Plan
August 2008 – June 2009**





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Communications Plan August 2008 – June 2009

This communications plan has been developed based on market research and recommendations made by the University of South Australia communications plan (Jardine & Jones, 2008), Pitcher Partners report (Pitcher Partners, 2008), DAFF Environmental Management Systems report (Edwards, 2008) and the SEAFOOD CRC PROJECT 2007/704 "Seafood CRC – Assessment of new market opportunities and development of effective market penetration strategies for Australian Southern Rocklobster in the USA, Middle East & Europe" Milestone report (Muggleton, 2008).

In – market research conducted by University of South Australia (Uni SA) identified that direct communication is the most successful way to communicate with SPFD chefs in the US market, as other forms of communication do not sufficiently engage the chef. Further more, the personal approach to the chefs helps to establish personal relationships.

To achieve further penetration of the USA Food Service Sector market, SRL will engage a market development team that will consist of 2 Australian members, 2-3 American members based in the market (outside Southern California / Las Vegas) and the Santa Monica Seafood Sales team based in Los Angeles / Las Vegas / San Diego.

The Australian market development team will include:

- Matthew Muggleton who has been appointed the CEO of Southern Rocklobster Limited USA, SRL's USA based company, and will be responsible for managing all US operations including the market development team. More specifically Matthew's role will include:
 - Training and support to all market development team members;
 - Managing the implementation of the communication plan and
 - Reporting against the communication plan.
- Lucy Hinge will handle logistics, administration, communication and in-house development support in the USA and will be based in Los Angeles. More specifically Lucy's role will include:
 - Inside market development support – support Matt and the remainder of the market development team.
 - Manage SRL website – this will include a sales function on the website, updates, chef newsletter, etc
 - Implement certain communication activities - implement the work plan.
- The American based development team have yet to be appointed.

The market development team required to implement the activities outlined in the communications plan will be covered through the **SEAFOOD CRC PROJECT NUMBER: 2007/704 "Seafood CRC – Assessment of new market opportunities and development of effective market penetration strategies for Australian Southern Rocklobster in the USA, Middle East & Europe."**



The target audiences for this plan are the Chefs and Decision Makers within the food service sector. Research conducted by Uni SA (Jardine & Jones, 2008) clearly identified the difficulties of contacting the target audience due to the level of status they hold within the super premium fine dining (SPFD) sector.

The emphasis of this plan is on education initiatives, as in-market research by the Uni SA (Jardine & Jones, 2008) identified that there are a number of different areas that US chefs need to be educated in.

Research concluded that US Chefs lack education or knowledge in the following areas:

- Chefs do not understand how to best utilise the large Australian Southern Rocklobster (ASR) to gain maximum meat recovery;
- They are not aware of new techniques that aid in meat removal and maximum meat recovery;
- Chefs have some misconceptions of the culinary capabilities of ASR based on their experience with other lobsters and
- Research also concluded that the customers do not understand the differences between the competing lobster species.

The communication tools recommended in this plan will lead to increased awareness and ultimately sales of Australian Southern Rocklobster (ASR) in the USA market.

This communications plan will also encompass new seafood items¹ that will form part of the ultimate southern hemisphere seafood basket that Southern Rocklobster Limited will offer to the consumer.

The market research identified that the lobster product range needed to be expanded to include frozen lobster portions, ravioli and bisque and that the customers were interested in other unique Australian seafood products, of the same nature – premium quality (Muggleton, 2008).

Seafood CRC project 2007/704 includes a component on the development or sourcing of value-added products to increase the product portfolio of southern rocklobster to increase the opportunity of achieving the objectives of this communications plan.

In order to develop an effective communication strategy a number of different approaches must be taken. All communication will convey the same image, reflect the same branding, and communicate a common and consistent message.

Objectives

Overarching objective:

1. To increase volume of ASR traded in the USA in line with the predetermined volume targets of 20 tonne in 2008 / 2009 and 40 tonne in 2009 / 2010.

Secondary objectives:

2. Communicate and educate the benefits, attributes & utilisation methods of the ASR to all 150 current accounts.
3. Communicate and educate the benefits, attributes & utilisation methods of the ASR to further 200 accounts.

¹ As approved and signed off by the Southern Rocklobster Limited Board.



4. Increase the level of awareness of ASR in the marketplace.

Key Messages

The key to a successful communications campaign by SRL is educating the target audience on the benefits of ASR in order to justify its premium price.

From in-market research conducted by Uni SA (Jardine & Jones, 2008) the key features of ASR that need to be emphasised to the customers and consumers are;

- ASR's Australian origin;
- Wild caught product from clean waters;
- Sourced from a sustainable fishery and
- Premium quality product – “finest in the world”.

The above key messages were further emphasised in the findings from the DAFF EMS project (Edwards, 2008). The market assessment rated “**premium quality**” and “**wild harvest**” as the features of lobster that chefs identified with the most.

Tools

The following tools will be utilised in order to achieve the above objectives:

- Establishment and implementation of an Australian and USA Market Development Team
- Communication and Education
 - New York, Star Chefs 2008
 - International Hotel / Motel and Restaurant Show (IHMS)
 - National Restaurant Associations (NRA) Show
- Product Tastings
 - Asian tastings – International Marine Products market, Los Angeles
 - In store tastings – Santa Monica Seafoods
- Customer Relationship Support
 - Restaurant support
- Internet / website design
 - Website development
 - Online sales function
 - Online sales via another vendor
- Direct Communications
 - Customer Relationship Management System
 - Chef News
- Wider Education
 - Print
 - Press Contact and media kit
 - Media releases
 - Product Placement



Budget Summary

EXPENSE	COST
Market development team	\$231,000
Communication and education	\$29,325
Product Tastings	\$11,400
Customer Relationship support	\$13,600
Internet / Website Development	\$15,000
Direct Communication	\$10,775
Wider Education	\$91,446*
TOTAL	\$402,546*

* To be confirmed



DETAILED PROGRAM ACTIVITIES

Market Development Team

Relevant Objectives

- Communicate and educate the benefits, attributes & utilisation methods of the ASR to all 150 current accounts.
- Communicate and educate the benefits, attributes & utilisation methods of the ASR to further 200 accounts.
- Increase the level of awareness of ASR in the market place.

Activity

The following activities will be implemented in order to achieve the objectives referenced above.

- The development team will be trained to directly engage high end-users (e.g. chefs) to penetrate market outlets across the USA.

The following regions are to be targeted:

West Coast USA (California - San Francisco, Los Angeles, San Diego and Nevada - Las Vegas), New York, Connecticut, Massachusetts, Rhode Island, New Jersey, North and South Carolina, Texas - Dallas, Illinois - Chicago, Denver - Colorado, Florida - Miami, Louisiana - New Orleans, Georgia - Atlanta

Market Development Process:

1. Identify potential customers through:
 - Reference material – Zagat guides, Michelin ratings, Four diamond ratings, Open Table website (www.opentable.com), Gourmet Magazine reviews and food service industry magazines - Food Arts, Art Culinaire, Hospitality Magazine, Hotels Magazine, *Cooking / travel / life style magazines*; Gourmet, Bon Appetite, Vogue Living; The Ritz Carlton Magazine, The Life Style and Los Angeles Magazine.
 - Tradeshows
 - Direct development
 - Word of mouth from other consumers / chefs
 - Newsletter responses
 - Media responses
 - Super Premium Fine Dining database
2. Educate / communicate potential customer:
 - Visit consumer with a ASR sample
 - Discuss ASR characteristics-
 - Origin – cold southern ocean waters
 - wild caught
 - clean green certification and sustainability
 - fisher direct model
 - taste
 - Texture
 - Size and 'X' factor
 - shelf life
 - meat to shell ratio



- Sample ASR – utilisation, storage handling, culinary capabilities, cooking techniques, portion size & plate cost
3. Commercial Transition:
- Volume of ASR required
 - Price per lb or Kg
 - Delivery schedule

Market development team members and the Santa Monica Seafood development team will be provided with 30lb of lobster per year for customer support. How the lobsters are used must be reported to and approved by Matthew Muggleton prior to use.

Training Program

The following training program will be conducted by Matt Muggleton.

1. Site tour (optional) (3 hours)
 - View lobster tanks, Santa Monica Seafood factory and facilities.
 - Live product demonstration, best practice briefing, product handling and lobster characteristics.
2. Supply chain briefing (1.5 hours)
 - Fisher → Regional Receiver → Consolidator → freight forwarder → Qantas Australia → Qantas USA → USA Importer → Fed Ex / Freight company
3. Product Briefing (3 hours)
 - Work through the food service manual and discuss all elements of the product / Clean Green program / utilisation.
 - Live cooking demonstration, in kitchen. Market development team will be shown how to kill, break down and cook ASR.
 - ASR will be cooked in 3 ways; steamed, grilled and sashimi.
 - Pricing and product specifications (sizing).
 - Power point presentation of the Clean Green program will be shown.
 - Product range will be discussed:
 - Whole Live ASR
 - Lobster Steaks
 - Lobster Ravioli
 - Lobster Bisque
4. In-field training (1 day)
 - 1 day training in the field. The market development person will be required to spend a day visiting restaurants and chefs with Matt Muggleton.

Reporting Requirements

1. SRL to provide market development team with a list of high end accounts, this will include current accounts for their specific regions as well as a reporting template to be completed each week.
2. Record all contact with current and potential accounts in reporting template.
3. At the conclusion of each week fax or email completed reporting template to Lucy Hinge.



4. Attend fortnightly tele - meetings via phone with Matt Muggleton to discuss progress and any other issues.



Resources

The development team will include:

- Matthew Muggleton has been appointed the CEO of the Southern Rocklobster Limited USA, SRL's USA based company, and will be responsible for managing all US operations including the development team. More specifically Matthew's role will include:
 - Training and support to all development team members
 - Managing the implementation of the communication plan
 - Reporting against the communication plan
- Lucy Hinge will handle logistics, administration, communication and in-house development support in the USA and will be based in Los Angeles. More specifically Lucy's role will include:
 - Inside market development support – support Matt and the remainder of the market development team, assisting with orders and logistics
 - Manage invoicing and payments to USA service providers
 - Manage SRL website – this will include a sales function on the website, updates, chef newsletter, etc
 - Manage and implement the communication activities - implement the work plan.
- 2-3 American's based in market (outside Southern California / Las Vegas) and the Santa Monica Seafood Sales team based in Los Angeles. It is envisaged that one of the development representatives will be Japanese to assist in penetrating the Asian market. The American based sales support team have yet to be appointed.

2. Other Resources

- Communications material - food service manuals and DVDs
- Development product
- Training Product
- Southern Rocklobster hats, t-shirts, jackets



Budget

EXPENSE	COST
Development contractors - \$0.6 - 1 per lb for lobster sold to the marketplace for independent contractors and Santa Monica Sales representatives + other incentive programs	\$100K (commissions) (80,000lb @ \$1 per lb)
Travel expenses	\$75K
Development product	\$50K (750kg @ ~\$67 per kg)
Communication materials	\$6K
TOTAL	\$231K (development)

Timeline

1st August 2008 – 30th June 2009

Key Performance Indicators

Matt Muggleton, CEO

- Establish and maintain US operations.
- Appoint the USA market development team.
- Add one new seafood product to the chain per year.
- Conduct fortnightly meetings with each member of the market development team (via phone).

Lucy Hinge

- Provide MM and market development team with list of current accounts and new contacts.
- Record weekly the progress and contact made to new and current accounts by MM and market development team.

Development team:

- Engage 100 current or existing accounts per week.
- Identify 15 new accounts per month.
- Visit a minimum of 10 accounts each per week.
- Attend fortnightly meetings with Matt Muggleton, CEO (via phone).
- Adhere to the reporting requirements.
 - Weekly fax to Lucy reporting on progress with current and news accounts.



Communication and Education

Relevant Objectives

- Communicate and educate the benefits, attributes & utilisation methods of the ASR to all 150 current accounts.
- Communicate and educate the benefits, attributes & utilisation methods of the ASR to further 200 accounts.
- Increase the level of awareness of ASR in the market place.

Activity

The following activities will be implemented in order to achieve the objectives referenced above.

Communication and Education

National Restaurant Association Show (NRA)

- An annual trade show held in Chicago. Attendees and exhibitors come from a variety segments from the restaurant industry.

International Hotel / Motel and Restaurant Show (IHMRs)

- An industry trade show attended by people from the hotel, motel and restaurant industries. The IHMRs also provides a 'luxury product' category.

Star Chefs 2008

- A three day event where 60 of the World's most innovative and influential chefs come to present new techniques to their peers and others in the restaurant and hospitality industry.

Direct mail outs one month prior to each show will be used to promote the attendance of SRL at the trade shows. A flier or letter will be mailed to restaurants and chefs that may attend the shows in order to promote the attendance of SRL. Details of the show, booth number and contact details will be included.

Promotion of trade show attendance will also be advertised on SRL's website. A new web page displaying current and up and coming events SRL is involved will be created on the SRL website.

Resources

1. Human Resources:
 - Lucy Hinge and Matt Muggleton to attend each show
 - Matt Muggleton to attend Star Chefs 2008
2. Other Resources:
 - 50 food service manuals per show
 - Tank for display
 - 3 ASR for tank display
 - Posters / banners for booth display
 - Business cards
3. Communication Resources
 - 200 fliers / letters per show
 - Envelopes / stamps



Budget

National Restaurant Show

EXPENSE	COST
Registration and participation costs (electricity, booth)	\$6000
2 members of market development team Matthew Muggleton – 5 days Lucy Hinge – 5 days	This cost is covered by Seafood CRC Project: 2007 / 704
Travel expenses (flights, accommodation, car hire)	\$3500
Development product (3 ASR)	\$600
Communication materials (manuals / business cards)	\$1500
Tank transportation	\$2000
Posters / banner development (once off cost)	\$300
Pre event direct mail out (envelopes, stamp, printing)	\$300
TOTAL	\$14,200

International Hotel / Motel and Restaurant Show

EXPENSE	COST
Registration and participation costs (electricity, booth)	\$4000
2 members of product development team	This cost is covered by Seafood CRC Project: 2007 / 704
Travel expenses (flights, accommodation, car hire)	\$3500
Development product (3 ASR)	\$600
Communication materials (manuals / business cards)	\$1500
Tank transportation	\$1500
Pre event direct mail out (envelopes, stamp, printing)	\$300
TOTAL	\$11,400



Star Chefs 2008

EXPENSE	COST
Attendance	\$600
1 member of product development team	This cost is covered by Seafood CRC Project: 2007 / 704
Accommodation	\$525
Flights	\$500
Development product (3 ASR)	\$600
Communication materials (manuals / business cards)	\$1500
TOTAL	\$3,725

Timeline

Star Chefs, New York, September 14 – 16, 2008

International Hotel / Motel and Restaurant Show November 9 – 11, 2008

National Restaurant Association Show May 16 – 19, 2009

Key Performance Indicators

Attend 2 trade shows per year within the USA.



Product Tastings

Relevant Objectives

- Communicate and educate the benefits, attributes & utilisation methods of the ASR to a further 200 accounts.
- Increase the level of awareness of ASR in the market place.

Activity

The following activities will be implemented in order to achieve the objectives referenced above.

Asian tastings

Asian restaurants and thus Asian Chefs are key market segments that need to be penetrated. The Asian restaurant market is growing rapidly. It has been found that Asian restaurants and chefs have a preference toward purchasing their seafood products from Asian suppliers. It is for this reason that tastings will be conducted that aim specifically at the Asian market.

- International Marine Product (IMP)
An Asian seafood market held in LA. Tasting and product trials will be held here every second month in Los Angeles. Depending on the location of sales representatives tastings will also be held at other IMP locations.

Santa Monica Seafood In-Store Tasting

In store education activities at Santa Monica Seafoods retail stores are to be held every two months – product tasting and customer feedback on new value added products.

Santa Monica Seafood Sustainable Luncheons

Santa Monica Seafood has 6 sustainable seafood luncheons per year. The sustainable seafood luncheons show case a range of sustainable seafood products to high end chefs through a 3 course lunch and presentations made by each company.

Resources

International Marine Product Tastings

- 1 x 5 lb ASR for each tasting
- 10 x food service manuals per tasting

Santa Monica Seafood In-Store Tastings

- 2 x 5 lb ASR for each tasting
- 10 x food service manuals per tasting
- Business cards

Santa Monica Seafood Sustainable Seafood Luncheons

- 3 x 5lb ASR for luncheon
- 30 x food service manuals per lunch
- Business cards



Budget

International Marine Product Tasting

EXPENSE	COST
6 x 5lb lobsters	\$1000
1 Market Development team member– 3 days (LH)	This cost is covered by Seafood CRC Project: 2007 / 704
Communication materials (60 manuals / business cards)	\$1900
TOTAL	\$2,900

Santa Monica Seafood In-Store Tastings

EXPENSE	COST
12 x 5lb lobsters	\$2000
1 Market Development team member– 6 days (LH)	This cost is covered by Seafood CRC Project: 2007 / 704
Communication materials (60 manuals / business cards)	\$1900
TOTAL	\$3,900

Santa Monica Sustainable Seafood Luncheons

EXPENSE	COST
3 x 5lb lobsters	\$2700
2 Market Development team member– 6 days each (MM / LH)	This cost is covered by Seafood CRC Project: 2007 / 704
Communication materials (60 manuals / business cards)	\$1900
TOTAL	\$4,600

Timeline

International Marine Product Tasting

1 tasting every second month: September 2008 – June 2009

Santa Monica Seafood In-Store Tastings

1 tasting every second month: October 2008 – June 2009

Santa Monica Sustainable Seafood Luncheons

Dates to be advised.



Key Performance Indicators

International Marine Product Tasting: Conduct bimonthly tastings

Santa Monica Seafood In-Store Tastings: Conduct bimonthly tastings

Santa Monica Sustainable Seafood Luncheon: Attend luncheons and present the benefits / attribute of ASR to attendees.



Customer Relationship Support

Building key relationships with high profile chefs provides the ability to further penetrate the US market based on the recognition of other high profile chefs that use ASR (2007 / 704).

Relevant Objectives

- Communicate and educate the benefits, attributes & utilisation methods of the ASR to all 150 current accounts.
- Communicate and educate the benefits, attributes & utilisation methods of the ASR to further 200 accounts.
- Increase the level of awareness of ASR in the market place.

Activity

The following activities will be implemented in order to achieve the secondary objectives referenced above.

Restaurant Support

Supply current or potential accounts with product for special events / openings. In return for product the restaurant must provide images of the chef with product, recipes and mention the ASR Clean Green product in all interviews, press and media coverage that may occur as a result of the event or opening.

Resources

20 x 6lb ASR

Budget

Restaurant Support

EXPENSE	COST
20 x 6lb ASR	\$3600
Market development team Lucy Hinge – 10 Days Matt Muggleton – 5 Days	This cost is covered by Seafood CRC Project: 2007 / 704
TOTAL	\$3,600

Timeline

Restaurant Support

Dates to be advised

Key Performance Indicators

Restaurant Support

- Supply ASR to selected restaurants and receive adequate press coverage and recognition post event or opening.



- A minimum of 3 internationally recognised super premium fine dining restaurants using ASR on a regular basis.



Internet / Website Development

Relevant Objectives

- Communicate and educate the benefits, attributes & utilisation methods of the ASR to all 150 current accounts.
- Communicate and educate the benefits, attributes & utilisation methods of the ASR to further 200 accounts.
- Increase the level of awareness of ASR in the market place.

Activity

The following activities will be implemented in order to achieve the objectives referenced above.

Website Development / redesign

- Addition of new navigation pages – Chef testimonials and current events / update page
- Improve current navigation and promotion of newsletter. Include facilities for online signup for newsletters to increase the potential customer database and increase distribution of newsletters.
- Continual updating and improvement of recipe and technique pages. These need to be updated with recipes and techniques written in the online chef news.
- Overall up date of website. Redesign format, layout and overall theme of website. Update images, information and content to better suit the target audience of SPFD Chefs and high end consumers.

Online Sales function

- Online sales function to allow customers to purchase ASR directly from the website. This will only be available to customers within the USA. All products will be shipped directly to the customer's door.

Website sales via other online vendors

- Allow for the sale of ASR though other online seafood vendors. This means that ASR will be available for consumers to purchase online through other websites.

Resources

Website Development / redesign & Online Sales function

- Jaba – website redesign and online sales function design and construction
- Ann Oliver – web development, website layout, web content and images for recipes and technique pages

Website sales via other online vendors

- Lucy Hinge – Supply of text / images and information about product for vendors website.



Budget

Website Development / redesign & Online Sales function

EXPENSE	COST
Jaba – Website upgrade and Online Sales function	\$ 5000
Jaba – online sales function	\$ 7000
Consumable – photos, images & recipes	\$ 1400
Web service provide maintenance (annual fee)	\$ 600
Lucy Hinge and Matt Muggleton – 10 days	This cost is covered by Seafood CRC Project: 2007 / 704
Ann Olive – image, web content	\$ 1000
TOTAL	\$15,000

Website sales via other online vendors

No budget required

Timeline

Website Development / redesign & Online Sales function

Website development and redesign August 2008 – September 2009

Online Sales Function August 2008 – September 2008

Website sales via other online vendors

November, 2008

Key Performance Indicators

Website Development / redesign & Online Sales function

- The construction of an online sales function on the Southern Rocklobster Limited website – end September, 2008
- Consumers are able to use the SRL website to purchase ASR and have it delivered direct to their door – end September, 2008
- Upgrade and redesign of website to focus towards the target audience of chefs and high end consumers – end September, 2008

Website sales via other online vendors

- Consumers are able to purchase ASR via other online seafood vendors.



Direct Communications

Direct marketing is a tool that can be used to speak directly to current and potential customers and consumers through the use of mail, email, phone calls and requires a database of contacts to communicate with.

Relevant Objectives

- Communicate and educate the benefits, attributes & utilisation methods of the ASR to all 150 current accounts.
- Communicate and educate the benefits, attributes & utilisation methods of the ASR to further 200 accounts.
- Increase the level of awareness of ASR in the market place.

Activity

The following activities will be implemented in order to achieve the objectives referenced above.

Customer Database

SRL currently has a database of contacts that contains the names, addresses, phone numbers and emails of current and potential customers and accounts across key cities in the USA. In order to better utilise this information all data should be merged into a customer relationship management system (CRM system). A CRM system would allow better targeting of communications, sorting of customers depending on product exposure, rating indicating restaurants' potential as SRL customers, and identifying features and characteristics.

SRL Administration needs to transfer the current data in the database into a format that is compatible with the new customer database and contacts list. ASI have been contracted to create the customer database.

Chef News

A quarterly electronic newsletter aimed directly at the Chefs of super premium fine dining restaurants is produced. Each issue profiles a celebrity chef who currently uses ASR, recipes, methods for reducing food costs, and new preparation techniques.

Potential Australian Chefs that are going to be profiled in the next 4 Chef News includes;

- Shannon Bennett – Vue De Monde
- Iron Chef
- Tetsuya Wakuda – Testuya restaurant
- Neil Perry – Rockpool Melbourne

In order to fund the production of Chef News advertising space has been offered to companies affiliated with the food industry. The cost for advertising per issue is \$2000. Companies that will be approached for advertising will include:

1. Furi knives
2. Wine companies – Shaw and Smith, John Duval, Barossa Valley Estate
3. Chef Clothing brands
4. Wagu Beef companies

Each issue is emailed to a database of chefs, and is published on the SRL website.



Resources

Customer Database

- SRL Administration - Format data in current database to enable it to be transferred into the CRM system designed by ASI
- ASI – creation of a CRM system

Chef News

- Ann Oliver – design, content, advertising and images for each issue
- Newsletter advertising – advertisement from company in suitable format

Budget

Customer Database

EXPENSE	COST
Administration – formatting of data ½ Day	\$ 400
ASI – CRM design 3 hours @ \$125/ hr	\$ 375
TOTAL	\$775

Chef News

EXPENSE	COST
Ann Oliver – Chef News design / construction	\$10,000
TOTAL	\$10,000

4 newsletter / year @ \$2500 issue = \$10 000 per year.

Advertising revenue – 4 issues @ \$2000 / per issue = \$8000

Timeline

Customer Database – September 2008

Chef News – 4 issues: September 2008, January 2009, April 2009, July 2009

Key Performance Indicators

Customer Database

Creation of a CRM system that allow for the storage of all current contacts, addition of news contacts as well as allows access my multiple users.

Chef News

The development of 4 issues of chef news sent out via email to all contact in the customer database.



Wider Education

Relevant Objectives

- Communicate and educate the benefits, attributes & utilisation methods of the ASR to all 150 current accounts.
- Communicate and educate the benefits, attributes & utilisation methods of the ASR to further 200 accounts.
- Increase the level of awareness of ASR in the market place.

Activity

The following activities will be implemented in order to achieve the objectives referenced above.

Print

Through in-market research Uni SA identified two suitable magazines that are read by chefs and decision makers in the SPFD market; Art Culinaire and Food Arts.

1. *Art Culinaire*

Art Culinaire is a premium food magazine targeting food service professionals, consumers and students, it is published quarterly.

2. *Food Arts*

Food Arts is a specialty magazine that is published 10 times a year and is circulated to 55 thousand restaurant chefs and decisions makes, all who have requested the publication. According to Food Arts 98% of readers are willing to spend more for premium quality products, 95% of readers are also responsible for food purchasing decision.

Press contact and media kit

Media and press promotion of ASR and SRL is a low cost marketing tool. A press release will be created and distributed outlining current news and event that SRL are involved in (eg: trade show attendance, beginning of the lobster season etc). A media kit will also be developed and mailed out to media outlets below.

Approximately 100 media kits will be mailed throughout 2008 / 2009. Lucy Hinge will be responsible for all press contact and media kits.

Such media outlets include;

- Print media
 - *Industry magazines;* Food Arts, Art Culinaire, Hospitality Magazine, Hotels Magazine
 - *Cooking / travel / life style magazines;* Gourmet, Bon Appetite, Vogue Living; The Ritz Carlton Magazine, The Life Style
 - *General interest magazines;* Time Magazine, American Way, Los Angeles Today, Las Vegas Life
- Online magazines
 - Hotels Magazine, Hospitality Weekly
- Television programs
 - Celebrity Chef cooking shows – Gordon Ramsay (Hell's Kitchen), Food Network, Take Home Chef



Monthly emails will be sent to contacts in the Contacts Database updating them on ASR and SRL supply, product, events and tastings.

Product Placement

There are a number of different avenues for product placement, such as cooking shows hosted by SPFD chefs, charity dinners, and demonstrations at trade shows. Examples of such events are G'Day USA and Meals on Wheels Charity event.

SRL will use press releases and media contact to promote SRL's involvement in such events.

Resources

Print

Art Cullinaire

Graphic designer to create new advertisement

Food Arts

Graphic designer to create new advertisement

Press contact and media kit

100 media kits will be sent out in the first year

- Chef News print out
- Food Service manual
- Sample Tag
- DVD containing press images
- Product description / current customers / background of ASR and SRL
 - Sustainability , origin, recipes, utilisation
- Mailing of kits – envelopes / stamps

Product Placement

- 60 lb development product donated to charity / not for profit events per year

Budget

Please note: Advertising is to be covered through the commercial chain.

Print

Art Cullinaire – To be confirmed

EXPENSE	COST
4 x full colour advertisements	\$11,921
Advertisement design	\$250
TOTAL	\$12,171



The cost of a full colour advertisement in Art Cullinaire is \$US 4,000 and \$2,700 for black and white. Volume discounts are available which lower the price to \$US3190 each for three or more placements. The total cost for four full colour advertisements is \$11,920 for a full year.

Food Arts – To be confirmed

EXPENSE	COST
10 x one third colour advertisements	\$73,650
Advertisement design	\$250
TOTAL	\$73,900

Press contact and media kit

EXPENSE	COST
Chef news print out – 100 @ \$1 / issue	\$1000
Food service manual – 100 copies	\$3000
Tag – 100 tags @ 25c / tag	\$25
DVD containing press images @ \$2.50 / DVD	\$250
Mailing expenses - \$3.00 / package	\$300
TOTAL	\$3,575

Product Placement

EXPENSE	COST
60lb ASR for events	\$1800
TOTAL	\$1,800

Timeline

Print

Art Cullinaire

December 2008 – December 2009

Food Arts

October 2008 – October 2009

Press contact and media kit

Full media kits will be distributed to various media outlets bimonthly – October 2008 – June 2009

Monthly media releases will be sent via email – September 2008 – June 2009

Product Placement



Events and dates to be advised

Key Performance Indicators

Print

Design and submit advertisement for selected print media.

Press contact and media kit

Media release will be email monthly to all contacts in the Customer Database.

100 full media kits will be distributed to new media contact bimonthly.

Product Placement

SRL will supply product for 2 charities or not for profit events by June 2009.



Complete Budget

EXPENSE – Market Development Team	COST
Development contractors - \$0.6 - 1 per lb for lobster sold to the marketplace for independent contractors and Santa Monica Sales representatives + other incentive programs	\$100K (commissions) (80,000lb @ \$1 per lb)
Travel expenses	\$75K
Development product	\$50K (750kg @ ~\$67 per kg)
Communication materials	\$6K
TOTAL	\$231K (development)

Product Tastings

EXPENSE – National Rest. Show	COST
Registration and participation costs (electricity, booth)	\$6000
2 members of market development team Matthew Muggleton – 5 days Lucy Hinge – 5 days	This cost is covered by Seafood CRC Project: 2007 / 704
Travel expenses (flights, accommodation, car hire)	\$3500
Development product (3 ASR)	\$600
Communication materials (manuals / business cards)	\$1500
Tank transportation	\$2000
Posters / banner development (once off cost)	\$300
Pre event direct mail out (envelopes, stamp, printing)	\$300
TOTAL	\$14,200
EXPENSE – International Hotel /Motel and Rest. Show	COST
Registration and participation costs (electricity, booth)	\$4000
2 members of product development team	This cost is covered by Seafood CRC Project: 2007 / 704
Travel expenses (flights, accommodation, car hire)	\$3500
Development product (3 ASR)	\$600
Communication materials (manuals / business cards)	\$1500
Tank transportation	\$1500
Pre event direct mail out (envelopes, stamp, printing)	\$300
TOTAL	\$11,400
EXPENSE – Star Chefs, 2008	COST
Attendance	\$600
1 member of product development team	This cost is covered by



	Seafood CRC Project: 2007 / 704
Accommodation	\$525
Flights	\$500
Development product (3 ASR)	\$600
Communication materials (manuals / business cards)	\$1500
TOTAL	\$3,725

Product Tastings

EXPENSE – International Marine Products	COST
6 x 5lb lobsters	\$1000
1 Market Development team member– 3 days (LH)	This cost is covered by Seafood CRC Project: 2007 / 704
Communication materials (60 manuals / business cards)	\$1900
TOTAL	\$2,900

EXPENSE – Santa Monica Seafood In-Store Tasting	COST
12 x 5lb lobsters	\$2000
1 Market Development team member– 6 days (LH)	This cost is covered by Seafood CRC Project: 2007 / 704
Communication materials (60 manuals / business cards)	\$1900
TOTAL	\$3,900

EXPENSE- Santa Monica Seafood Sustainable Luncheon	COST
3 x 5lb lobsters	\$2700
2 Market Development team member– 6 days each (MM / LH)	This cost is covered by Seafood CRC Project: 2007 / 704
Communication materials (60 manuals / business cards)	\$1900
TOTAL	\$4,600

Customer Relations Support

EXPENSE – Customer Support	COST
20 x 6lb ASR	\$3600
Market development team Lucy Hinge – 10 Days Matt Muggleton – 5 Days	This cost is covered by Seafood CRC Project: 2007 / 704
TOTAL	\$3,600

Internet / Web Design

EXPENSE - Web Develop / redesign & Online Sales function	COST



Jaba – Website upgrade and Online Sales function	\$ 5000
Jaba – online sales function	\$ 7000
Consumable – photos, images & recipes	\$ 1400
Web service provide maintenance (annual fee)	\$ 600
Lucy Hinge and Matt Muggleton – 10 days	This cost is covered by Seafood CRC Project: 2007 / 704
Ann Olive – image, web content	\$ 1000
TOTAL	\$15,000

Direct Communications

EXPENSE – Customer Database	COST
Administration – formatting of data ½ Day	\$ 400
ASI – CRM design 3 hours @ \$125/ hr	\$ 375
TOTAL	\$775
EXPENSE – Chef News	COST
Ann Oliver – Chef News design / construction	\$10,000
TOTAL	\$10,000

Wider Education

EXPENSE - Art Cullinaire – To be confirmed	COST
4 x full colour advertisements	\$11,921
Advertisement design	\$250
TOTAL	\$12,171
EXPENSE - Food Arts – To be confirmed	COST
10 x one third colour advertisements	\$73,650
Advertisement design	\$250
TOTAL	\$73,900
EXPENSE - Press contact and media kit	COST
Chef news print out – 100 @ \$1 / issue	\$1000
Food service manual – 100 copies	\$3000
Tag – 100 tags @ 25c / tag	\$25
DVD containing press images @ \$2.50 / DVD	\$250
Mailing expenses - \$3.00 / package	\$300
TOTAL	\$3,575
EXPENSE - Product Placement	COST
60lb ASR for events	\$1800
TOTAL	\$1,800
TOTAL COMMUNICATIONS BUDGET	\$402 546



Reference List

Edwards, R. June 2008, *DAFF Environmental Management Systems Report: Clean Green*

Jardine, B & Jones, R. June 2008, *Southern Rocklobster Limited Market Research Report*

Muggleton, M. June 2008, *SEAFOOD CRC PROJECT NUMBER: 2007/704 "Seafood CRC – Assessment of new market opportunities and development of effective market penetration strategies for Australian Southern Rocklobster in the USA, Middle East & Europe."* Progress report.

Pitcher Partners, April 2008, *Review of Southern Rocklobster Limited*

APPENDIX 19: SANTA MONICA SEAFOOD VENDOR SERIES



SANTA MONICA

S E A F O O D

Family Owned Since 1939

2008 Marketing Program Review & 2009 Preview

Our Purchasing Team



- **Logan Kock, Director of Purchasing**
- **Dan Pryor, Fresh Buyer**
- **Genaro Castro, Fresh Buyer**
- **Paco Gonzalez, Fresh & Frozen Buyer**
- **Anthony Cigliano Jr., Frozen Buyer**

Our Outside Sales Team

- Dave Litle, Director of Sales & Marketing
- Anthony Cigliano, President (Desert & South Bay)
- Michael Cigliano, Exec. VP (Westside & Beverly Hills)
- Gennaro Cigliano, VP of Sales (Orange County, Las Vegas)
- John Ciglaino, VP of Sales (South Bay)
- Chance Batcheller, Territory Coordinator (South Bay, Santa Monica, Malibu)
- Rigo Bojorquez, Account Exec. (Desert, Inland Empire)
- Mychelle Fitzgerald, Territory Coordinator (Desert, Inland Empire, San Diego)
- Paddy Glennon, Account Exec. (San Diego, Las Vegas, OC, LA)
- Lisa Hogan, Director of Distributor Sales
- Bill Keldsen, Account Exec. (Santa Monica, Malibu)
- Phil Levy, Account Exec. (LA, Las Vegas)
- Cathy Madeira, Territory Coordinator (Las Vegas)
- John Mathews, Account Exec. (LA, Pasadena)
- Meaghan Mayer, Account Exec. (San Diego, South OC)
- Jim Sawyer, Account Exec. (Valley, Santa Barbara)
- Sue Watson, Account Exec. (San Diego, Inland Empire)

Our Inside Sales Team

- **Cristi Dorry, Customer Service Manager**
- **Dora Lambrecht, Executive Assistant**
- **Stephanie Arredondo, Office Administrator**
- **Lizette Flores, Inside Sales (Jim Sawyer, Rigo Bojorquez)**
- **Monique Garcia, Customer Service**
- **Jose Lozano, Inside Sales (Paddy Glennon, Meaghan Mayer)**
- **Nathan Palafox, Inside Sales (Sue Watson)**
- **Jennifer Soto, Inside Sales (Lisa Hogan)**
- **Steven Starkweather, Inside Sales (Bill Keldsen, Gennaro Cigliano)**
- **Richard Thackerson, Inside Sales (John Cigliano, John Mathews)**
- **Oscar Tostado, Inside Sales (Phil Levy)**
- **Jeff Unkel (Michael Cigliano)**

Sales Meetings

In 2008 suppliers were able to present their product to our sales team. Participants included:

Peter Pan Panapesca
Contessa American Pride
Handy Crab CleanFish
Deep Sea Clear Springs
Meridian Northern Wind
Kona Blue Pacific Cove

For 2009 vendors who present at our sales meetings will have an opportunity to sit down with our purchasing & management team for a business review.



I am so impressed with how Santa Monica Seafood is doing business. Most fresh distributors don't even have sales meetings.

**Tina Massaro
Clear Springs**

Chef's Luncheons

Anything, but ordinary. Award Winning Chef's prepared products for an audience of 30-60 Chef's, General Managers & Purchasing Directors.



Chef's Luncheons

2008 Chef's & Restaurants

- **Chef Bernard Guillas, The Marine Room, La Jolla**
- **Chef Brett Maddock, Arnold Palmer's Restaurant, Palm Desert**
- **Chef Gino Angelini, La Terza, Los Angeles**
- **Chef Bruno Davailon, Mix @ Mandalay Bay, Las Vegas**
- **Chef Matthew Leonard, Montage Resort, Laguna Beach**
- **Chef Jake Rojas, Sunset Restaurant, Malibu**
- **Chef Stephen Hopcraft, Seablue @ The MGM, Las Vegas**
- **Chef Jimmy Schmidt, Rattlesnake @ The Classic Club, Palm Desert**
- **Chef Paul McCabe, L'Auberge Resort, Del Mar**

Chef's Luncheons

Information and a sales pitch all presented in an intimate, social setting with a delicious meal.



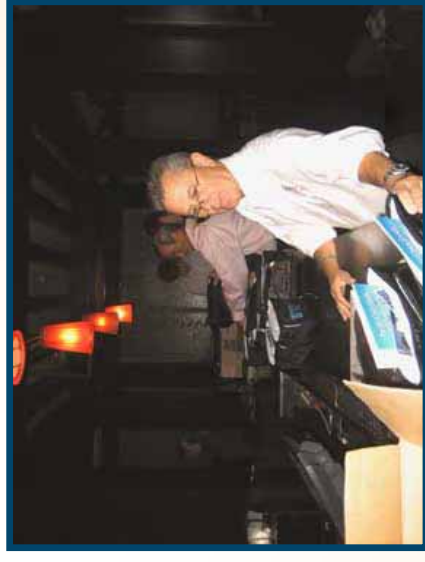
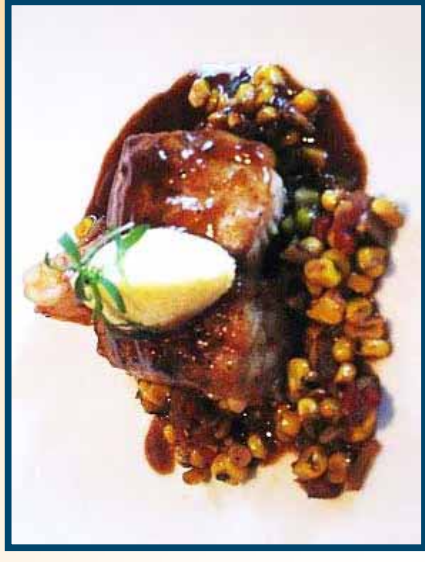
Chef's Luncheons

2008 Customer Attendance

- Tantalum
- Disneyland
- Gladstone's
- Mastro's
- Regent Beverly Wilshire
- Station's Casinos
- Fall's Steakhouse
- Drago
- Emeril's
- Old Ranch Country Club
- Patina Group
- Montage
- Parker's Lighthouse
- Treasure Island
- Wynn Resorts
- Ford's Filling Station
- Jillian's
- Viceroy
- Vicente Foods
- Sysco
- Sherwood Country Club
- Cork Tree
- Robuchon
- Moz Buddha Lounge/Fin's
- Grand Del Mar
- Mandalay Bay
- Roy's
- Barona Casino
- Getty Center
- Napa Rose
- Virginia Country Club
- Oceanaire
- MGM Grand
- Cardiff Market
- Sheraton Delfina
- Louis' Fish House
- Ivy Hotel
- Eric's on the Pier
- Hotel Angeleno
- Luxor
- Boney's Bayside Market
- Comme Ca

Chef's Luncheons

In 2009 we have 8 luncheons scheduled – starting March 5th at Mario Batali's B&B Ristorante at the Venetian. 2009 luncheons will focus on seafood sustainability and how to get the most value from your seafood dollar (we will be presenting product cuttings and samplings at these luncheons). In all there are 32 slots available.



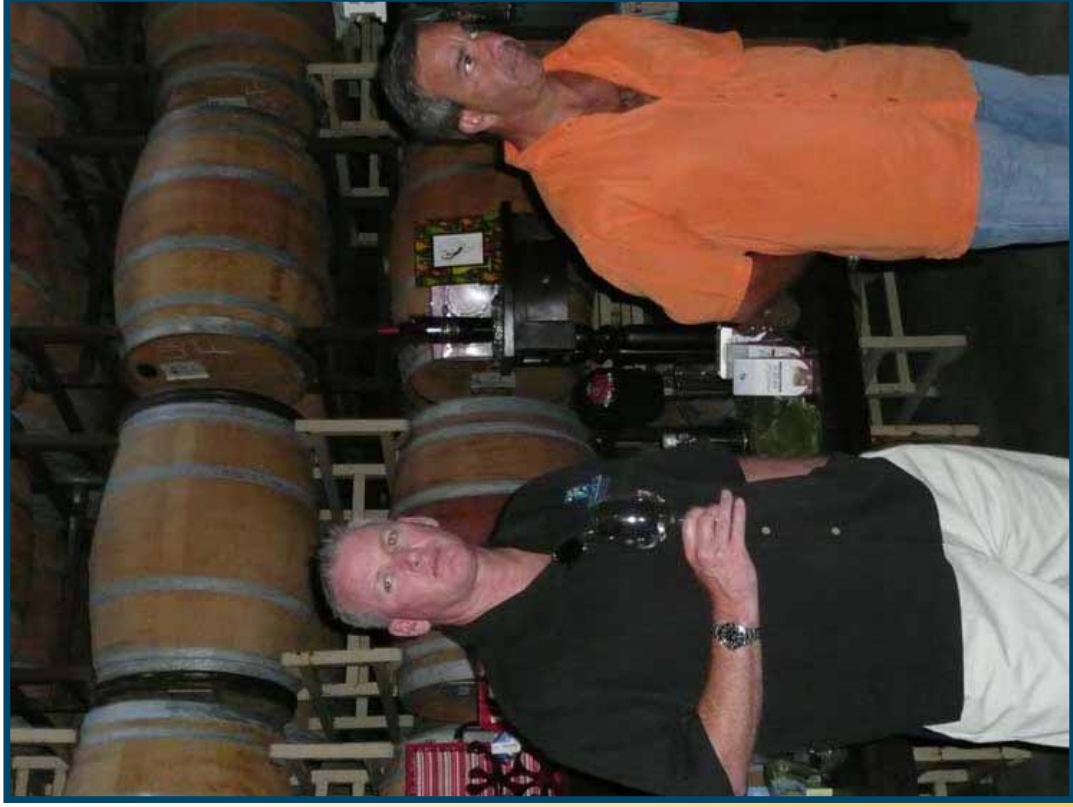
Customer Appreciation Events

In 2008 we spent full days with a captive audience on customized wine tours and chartered fishing trips.



Customer Appreciation Events

Not only did our suppliers that participated get to spend the day with our customers, our buyers made the trips too!



Customer Appreciation Events

2008 Customer Attendance

- Bradcal
- Duke's
- Jensen's Markets
- Montage
- South Coast Winery
- Hacienda Golf Club
- Paradise Cove
- Redfish
- Tantalum
- Pamplermousse
- Bridges Restaurant
- Roy's
- Napa Rose
- Paramount Studios
- Surf & Sand
- Bristol Farms
- Moonshadows
- Rolling Hills Country Club
- Beach House
- Fin's
- Sheraton
- Vicente Foods
- McKenna's
- Sycamore Inn
- McCormick & Schmick's
- San Ysidro Ranch
- Restaurant Associates
- Old Ranch Country Club
- Blue Coral Seafood
- Sysco
- Sunset Restaurant
- Virginia Country Club
- Zucca Restaurant
- Beechwood
- Eric's on the Pier
- Kendall's Brasserie

Customer Appreciation Events

This year we have 2 Chef's Wine Tours and 2 Fishing Trips on tap. Attending each of these events are 30-40 of our top accounts, our purchasing staff, management and sales teams. There are 24-32 sponsorships available (6-8 vendors per event).




Marketing Materials



Santa Monica Seafood Driver's Jackets


Marketing Materials




SANTA MONICA
SEAFOOD
(800) 969-8862
www.smseafood.com

January 2009


NOTES:




7-Seven Seas Seafoods, Inc.
Home of the Finest Brand




ACADIAN FISH CO.




CONTESSA




D & D SEAFOOD




MAC'S OYSTERS LTD.




Meridian




Northern Wind Inc.




SEABREEZE SEAFOODS



D'CARLO



PETERPAN SEAFOODS



STANDARD SEAFOOD

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				NEW YEAR'S DAY		
4 4:01	5 5:06	6 6:09	7 7:08	8 8:07	9 9:06	10 10:05
11 11:04	12 12:03	13 13:02	14 14:01	15 15:00	16 16:00	17 17:04
18 18:07	M.L. KING, JR. DAY 19 19:06	20 20:05	21 21:04	22 22:03	23 23:02	24 24:01
25 25:04	26 26:03	27 27:02	28 28:01	29 29:00	30 30:00	31 31:04

JANUARY 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

FEBRUARY 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

MARCH 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

APRIL 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

MAY 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

JUNE 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

JULY 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

AUGUST 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

SEPTEMBER 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

OCTOBER 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

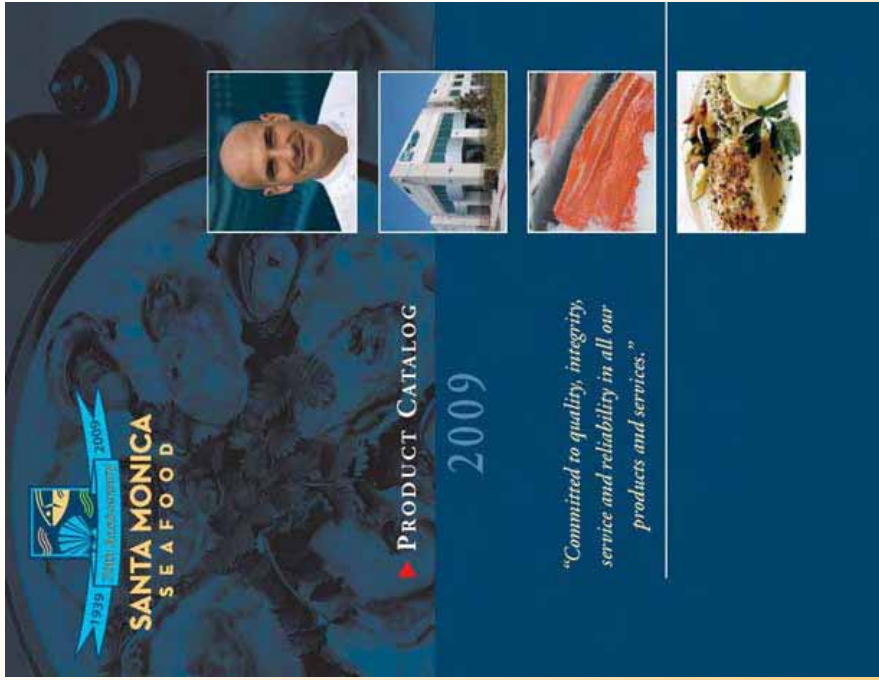
NOVEMBER 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

DECEMBER 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

Call your SRS Rep for Last Specials

Santa Monica Seafood 2009 Desk Calendar





Marketing Materials



SANTA MONICA SEAFOOD
1939

PRODUCT CATALOG
2009

"Committed to quality, integrity, service and reliability in all our products and services."

On-line Ordering: www.santamonicaseafood.com

FRESH SEAFOOD

BASS
 BAS100 BASS, BLACK EASTERN, WHOLE, 1/2 LBS
 BAS104 BASS, BLACK EASTERN, FILLET, SKIN ON
 BAS107 BASS, BLACK EASTERN, FILLET, 2/3 LBS
 BAS142 BASS, CHILEAN, FILLET, SKIN OFF
 BAS172 BASS, CHILEAN, FILLET, SKIN OFF, REFRESHED
 BAS173 BASS, CHILEAN, 7/8 FILLET, SKIN OFF
 BAS174 BASS, LOCAL, 7/8 FILLET, SKIN OFF
 BU112 BASS, SEA, NZ/BLENHEISE, FILLET, SKIN OFF
 BAS184 BASS, SEA, PANAMA, FILLET, SKIN OFF
 BAS185 BASS, ETHIOP, HAWAII, WHOLE, 1/2 LBS
 BAS177 BASS, ETHIOP, HAWAII, WHOLE, 1 LBS
 BAS178 BASS, ETHIOP, HAWAII, OMO, SCALED
 BAS179 BASS, ETHIOP, HAWAII, FILLET, SKIN ON, PBO
 BAS180 BASS, ETHIOP, HAWAII, FILLET, SKIN OFF, PBO
 BAS181 BASS, ETHIOP, HAWAII, MMSL, SKIN ON, PBO
 BAS182 BASS, ETHIOP, HAWAII, MMSL, SKIN OFF, PBO
 BAS183 BASS, ETHIOP, HAWAII, OMO, SCALED
 BAS184 BASS, ETHIOP, HAWAII, OMO, SCALED
 BAS185 BASS, ETHIOP, HAWAII, WHOLE, 2/3 LBS
 BAS186 BASS, ETHIOP, HAWAII, WHOLE, 1 LBS
 BAS187 BASS, ETHIOP, HAWAII, WHOLE, 1 1/2 LBS
 BAS188 BASS, ETHIOP, HAWAII, FILLET, SKIN ON, PBO
 BAS189 BASS, ETHIOP, HAWAII, FILLET, SKIN OFF, PBO
 BAS190 BASS, ETHIOP, WILD, WHOLE, SKIN ON, PBO
 BAS191 BASS, ETHIOP, WILD, WHOLE, SKIN OFF, PBO
 BAS192 GROUNDER, NEW ZEALAND, FILLET, SKIN OFF
 BAS193 GROUNDER, NEW ZEALAND, WHOLE, 1/2 LBS
 SUZ101 SUZUKI, AUSTRALIAN SEABASS, WHOLE, 1/2 LBS
 SUZ102 SUZUKI, AUSTRALIAN SEABASS, WHOLE, 1 LBS
 SUZ103 SUZUKI, AUSTRALIAN SEABASS, FILLET, SKIN ON
 SUZ104 SUZUKI, AUSTRALIAN SEABASS, FILLET, SKIN OFF

CLAMS
 CLA170 CLAMS, CHETTYSTORE, 2-3 COUNT
 CLA171 CLAMS, LITTLETON, 4-7 COUNT
 CLA172 CLAMS, LITTLETON, 8-12 COUNT
 CLA180 CLAMS, MANUKO, 18-20 COUNT
 CLA181 CLAMS, N.Z. DOOPALE, MEDIUM

COO
 COO104 COO, BLACK, FILLET, SKIN ON
 COO103 COO, BLACK, FILLET, SKIN OFF
 COO113 COO, LING, FILLET, SKIN OFF
 COO114 COO, LING, WHOLE, SKIN ON
 COO102 COO, MARPETI, FILLET, SKIN ON

CRAB MEAT
 CRA100 CRAB, BLACK/N, PASTEURIZED, BOSS
 CRA101 CRAB, BLACK/N, PASTEURIZED, PACIFIC COVE
 CRA111 CRAB, CLAW, PASTEURIZED, BOSS
 CRA114 CRAB, CLAW, PASTEURIZED, PACIFIC COVE
 CRA117 CRAB, DUNGENESS, 3M CAN
 CRA116 CRAB, DUNGENESS, 4TY LEGS
 CRA125 CRAB, JAMBO, FRESH
 CRA126 CRAB, JAMBO, PASTEURIZED, BOSS
 CRA120 CRAB, JAMBO, PASTEURIZED, PACIFIC COVE
 CRA118 CRAB, MAINE (PERRY COE)
 CRA119 CRAB, SPECIAL, PASTEURIZED, PACIFIC COVE

PLIIT ASSOCIATES
 Plait Associates logo

Meridian
 Meridian logo

SEA OCEANIC COVE
 Sea Oceanic Cove logo

800-969-8862
www.santamonicaseafood.com

..... Our Valued Partners



Logos include: Acadia Fish Co., Certifresh, Deep Sea Shrimp, J & D Seafood, Kona Kampachi, Ocean Garden, CleanFish, A Mendez Schelz, Clear Springs Foods, DiCarlo, Kona Kampachi, Meridian, Sea One, ZETA-ZBET, Censea, Contessa, Starbuck, Aquaculture World Inc., PanaFisca, and M&S Distributors.

800-969-8862
www.santamonicaseafood.com

Santa Monica Seafood 2009 Catalog

Marketing Materials

SANTA MONICA SEAFOOD
Family Owned Since 1939

Paddy's Market Watch
June 24, 2008



SUMMER'S SILVER LINING - Now that summer is in full swing, and despite continuous negative seafood news due to the weak US dollar and rising fuel costs for the fisherman, there is finally some good news. California White Sea bass landings have been strong and the supply is top quality. These day-boat, line-caught Bass have a great flavor profile and excellent portioning yield, they will be coming to us from our Pacific Waters off the California Coast in strong numbers through mid-August. This fish is excellent in all cooking applications and is great served crispy skin on. When we see good landings on California Sea bass we generally see the price of Mexican Groupers and Basses come down as an added good feature!

Other great bets through the summer months for both quality and recession-bearing prices include Pacific Albacore, Barramundi, Arctic Char, Tasmannian Trout, Local Halibut, Pacific Yellowtail (don't be caught buying cheaper Gulf Yellowtail during hot summer months as these gill net fisherman dead in warmer summer waters which greatly affects both their texture and shelf life), Ling Cod, Black Cod and all Farmed Tilapia, Trout, and Hybrid Striped Bass. Alaskan Halibut still remains a top pick for summer in my book, regardless of the higher market prices, due both to clientele demand as well as the great yield of usable portions achieved from this fish.

SAVE A BUNCH OF MONEY!!! - One product that has caught my eye of late is the Premium Lump Pasteurized Crab Meat (CRA103) from Pacific Cove. This is a great product for anyone that uses Jumbo Lump. As Pacific Cove has ZERO tolerance of broken Jumbo Lump in their product line they have launched their Premium Lump line consisting of 80% slightly broken Jumbo Lump and 20% body meat. Chets are amazed at what is considered broken Jumbo Lump by Pacific Cove as opposed to other's Jumbo Lump in side by side comparisons before the savings factor is even added in. I think you will find great savings and an excellent product - speak to your rep today about this great crab meat.

SINGING THE SALMON BUES - Farmed Salmon prices continue to rise due to continued shortages of product. The outlook for Fresh, Wild salmon is no better. The Yukon River was just shut down and will not allow commercial openings for Kings at this time. Good news for the fisherman who depend on the Yukon for their livelihood. Queen Chitlote just opened on the 20th and the Columbia River opens tomorrow so let's keep our fingers crossed!!!! A great alternative option is our MSC Certified skin-on frozen Sockeye Salmon Filets (SAL228) from Peter Pan Seafoods. These filets are processed the day of catch and blast frozen at sea. Packed 10 individual cryo-vac filets per case, filets average 2 lbs each. With a price less than \$7.00 per pound this is another exceptional wild option with incredible flavor profile and value, not to mention that it's a sustainable product!

ACT NATIONAL CONVENTION - From July 14th-17th at the MGM Grand in Las Vegas, the American Culinary Federation will be holding their National Convention (www.actchefs.org/Calendar/Events/Conventions). Santa Monica Seafood will be an exhibitor at the trade during the conference on the 15th and 16th, booth #504. Ask your SMS Rep how to receive a complimentary registration, therefore, July 14th!



SANTA MONICA SEAFOOD
Family Owned Since 1939

Paddy's Market Watch
July 8th, 2008



RIISING FUEL PRICES CONTINUE TO PLAGUE THE FISHING INDUSTRY - Last week tuna boat owners associations in China, Japan, South Korea and Taiwan collectively grounded large portions of their fleets due to increasing gas prices. This action was pioneered by Japan's Tuna Fishing Union, which has cut down on their expeditions since late May. Out of some 1,200 long line tuna fishing boats worldwide, 90% are based in these countries. This grounding is expected to increase dramatically the prices of Big Eye and Yellowfin Tuna, while decreasing the amount of product available on the market.

With fishermen worldwide reducing trips on a daily basis to save gas due to concerns over mid-term and long-term fuel prices, we have seen a trend within the fishing industry; increased prices on wild caught species along with gaps in availability as boats stay in port until dock prices for their pre-catch will make trips profitable.

How can you help? - Try to combine your delivery days of your purchases across the board. We know there are emergencies and circumstance out of your control, but if we work together to limit the amount of times our trucks are out on the road we will not only help cut fuel costs (which keeps prices down) but, more importantly, we also reduce the CO2 we will release into the atmosphere. Check with your Santa Monica Rep to review your ordering trends to help you organize for fewer deliveries.

Why is reducing CO2 emissions critical? Everything ends up in the ocean and CO2 is no different. Ocean acidification is the name given to the ongoing decrease in the pH of the Earth's oceans, caused by the uptake of carbon dioxide from the atmosphere. The ocean absorbs approximately a third of the CO2 emitted into the atmosphere from the burning of fossil fuels. This acidification slows the growth cycles of coral reefs, crustaceans, mollusks, cephalopods (squid, octopus, cuttlefish, etc.) - the smallest marine life which is the beginning of the food chain of all life in the ocean. Every effort to reduce trips will add up to lowered CO2 emissions, savings for the restaurant industry and improved health for our oceans.

RECESSION BUSTERS - We have Clear Springs Rainbow Trout in a variety of cuts both fresh and frozen. Rainbow Trout has a long standing culinary history in restaurants all over the world. The versatile Clear Springs product is boneless (guaranteed) with a mild nutty taste, eco-friendly with stable menu pricing. It is listed as a best choice by the Monterey Bay Aquarium Seafood Watch.

OTHER MARKET NEWS - Local White Sea bass continues to be in strong supply and at a great price point. Expect inventory to be consistent through mid-August. Fresh Ling Cod has also seen a decent drop in cost as summer fishing is strong as well. Alaskan Halibut supplies have been slightly spotty as fishermen switch tackle over to Troll King Salmon. Summer Yellowtail are turning well and offer another great price point for summer menu items.

ACT NATIONAL CONVENTION - Catch Santa Monica Seafood in Booth #504 at the American Culinary Federation National Convention Trade Show from July 15th-16th at the MGM Grand in Las Vegas. Ask your SMS Rep how you can attend the show by registering online before July 14th!



Paddy's Market Watch

2009 Marketing Materials

- **Santa Monica Seafood Sales Sample Cooler Bags**



- **2010 Desk Calendar (20 Spots Available)**
- **2010 Product Catalog (36 Spots Available)**
- **Paddy's Market Watch (26 Spots Available)**

New Events for 2009

Product Training Meetings

Sell more of your products by presenting educational seminars to our staff.

- **Retail Training:** Visit each our of retail stores to present a training lesson on your product to our sales associates.
- **Foodservice Training:** Present your product and instruction on how to sell it in our corporate kitchen to our Inside and Outside sales team.



In-Store Retail Demonstrations

Present your products to our retail clientele with cooking demonstrations & tastings in both of our retail locations (Costa Mesa & Santa Monica).

2009 Marketing Opportunities

Vendor Participation Costs

- **Market Watch, (26 spaces available) \$250**
- **Desk Calendar (20 spaces) \$250**
- **Sales Meeting/Business Review, 12/year (2/mtg) \$250**
- **In-Store Retail Demos, 24/year (1/event) \$300**
- **Product Training Meeting (Retail), 6/year (2/mtg) \$500**
- **Product Training Meeting (Foodservice) 4/year (3/mtg) \$500**
- **Customer Appreciation Events, 4/year (6-8/event) \$750**
- **Chef's Luncheons, 10/year (3-4/event) \$750**
- **2010 Product Catalog (36 spaces) \$1,000**
- **SMS Sample Cooler Bag (1 available) \$2,500**
- **SMS Driver's Jackets (1 available) \$5,000**

\$3000 for One Golf Tournament?

Or...

Desk Calendar \$250

Sales Meeting/Business Review \$250

Customer Appreciation Event \$750

Chef's Luncheons \$750

2010 Product Catalog \$1,000

all of the above for the same price?

SANTA MONICA SEAFOOD 2009 MARKETING PROGRAM

Marketing Program Sign Up Sheet

Vendor Name: _____

Contact Name: _____

Phone: _____ E-mail: _____

Market Watch _____ Number of Issues x \$250 = _____.__

Desk Calendar _____ Number of Logos x \$250 = _____.__

Sales Meetings _____ Number of Mtgs x \$250 = _____.__

Retail Demos _____ Number of Events x \$300 = _____.__

Prod Training (Ret) _____ Number of Events x \$500 = _____.__

Prod Training (FS) _____ Number of Events x \$500 = _____.__

Cust Appreciation _____ Number of Events x \$750 = _____.__

Chef's Luncheon _____ Number of Events x \$750 = _____.__

Product Catalog _____ \$1,000.00 = _____.__

Cooler Bag _____ \$2,500.00 = _____.__

Driver's Jacket _____ \$5,000.00 = _____.__

Grand Total \$ _____.__



SANTA MONICA
SEAFOOD

Santa Monica Seafood Company in conjunction with CleanFish, DiCarlo Seafood, Pacific Cove & Southern Rock Lobster invite you to attend a luncheon hosted by Chefs Zach Allen & Jason Neve

B&B Ristorante at the Venetian Hotel
3355 Las Vegas Blvd., South
Las Vegas, NV 89109

Thursday, March 5th, 2009
12:00pm—3:00pm

Be there for a delicious seafood meal prepared by the fine chefs at B&B and enjoy an informative presentation from Santa Monica Seafood, CleanFish, DiCarlo & Southern Rock Lobster

Please RSVP to Shannon Grady at
shannon@smseafood.com
or 310-886-7925 by 3/2/09

CleanFish
fish you can trust





ANTIPASTI

Misto di Mare

DiCarlo Kumamoto Oyster Zeppole

Australian Southern Rocklobster Crudo

CleanFish New Zealand Abalone "Grigliata"

PRIMI

Pacific Cove Crab Tortellini en Brodo

SECONDI

Gigha Island Halibut with "Cacciucco" and Citrus

DOLCI

Chocolate Pecan Budino with American Honey Gelato



CleanFish™
fish you can trust.



INTERNATIONAL RESTAURANT SHOW SCHEDULE
MARCH 3 & 4, LAS VEGAS CONVENTION CENTER
BOOTH 1229 (ACROSS FROM CULINARY COMPETITION AREA)

Tuesday, March 03, 2009

Wednesday, March 04, 2009

8:30am - 1:30pm (Fish Display set up)

8:30am - 1:30pm (Fish Display set up)

Paddy
 Gennaro
 Shannon All Day (Rotating Breaks)
 Mychelle All Day (Rotating Breaks)
 Cathy All Day (Rotating Breaks)
 Vendors CleanFish
 SRL

Paddy
 Gennaro
 Shannon All Day (Rotating Breaks)
 Dora All Day (Rotating Breaks)
 Cathy All Day (Rotating Breaks)
 Vendors Pacific Cove
 DiCarlo

1:30pm - 6:30pm (Fish Display tear down)

1:30pm - 6:30pm (Booth tear down & pack)

Dave
 Phil
 Shannon All Day (Rotating Breaks)
 Mychelle (til 5pm) All Day (Rotating Breaks)
 Cathy All Day (Rotating Breaks)
 Vendors Pacific Cove
 Di Carlo

Dave
 Phil
 Shannon All Day (Rotating Breaks)
 Dora All Day (Rotating Breaks)
 Cathy All Day (Rotating Breaks)
 Vendors CleanFish
 SRL

We will be doing product samplings in the mornings for VIP hours from 10am-12pm

****Santa Monica Employees, please wear your SMS shirts in the booth. REMEMBER - no cell phones in the booth, if you must use your phone, please step away from the booth.**



SANTA MONICA
SEAFOOD

**Santa Monica Seafood Company
invites you to attend a
Sustainable Seafood Luncheon
hosted by Chef Jeffrey Strauss**

**Wednesday, May 27th, 2009
12:00pm - 2:00pm**

**Pamplemousse Grille
514 Via de la Valle
Solana Beach, CA 92075**

***Be there for a delicious meal and enjoy
presentations on seafood sustainability
from CleanFish, Contessa, Southern Rock
Lobster and Santa Monica Seafood***

**Please RSVP to Shannon Grady at
shannon@smseafood.com
or 310-886-7925 by 5/22/09**

Your attendance is requested at
**Santa Monica Seafood's 1st Annual
Vendor Appreciation Luncheon**

**Tuesday, February 17th
12:00pm—2:00pm**

**Chef Michael Shafer's
Buffalo Fire Department
1261 Cabrillo Avenue
Torrance, CA 90501**

*Come meet with Santa Monica Seafood
Management, Purchasing & Sales to
review 2008 Sales and discuss strategies
to combat a sluggish economy in 2009*

Please R.S.V.P. by 2/13/09
to Shannon Grady at 310-886-7925 or
shannon@smseafood.com



SANTA MONICA
S E A F O O D
Family Owned Since 1939



SANTA MONICA

S E A F O O D

Family Owned Since 1939

2010 Marketing Program

Responsible Sourcing Development Program

All of you are familiar with the program that was implemented last summer, this program is separate from our Marketing efforts. Monies collected under the RSDP are used for the following:

- **Research Seafood Sustainability**
- **Participate in Industry Forums**
- **Support NGO's**
- **Quality Management**
- **Source & Develop New Products**



2009 Review & 2010 Program

The Santa Monica Seafood Marketing team takes pride presenting unique and affordable opportunities for our suppliers to build relationships (and sales) with not only our purchasing and management team, but with our customer base as well. Our marketing program is comprised of 2 basic elements:

- 1) Marketing Events
- 2) Marketing Materials

Following is a review of what we did in 2009 and what's on schedule for 2010.



Sales Meetings

In 2009 suppliers were able to present their product to our sales team or invite our team to their facilities for a plant tour. Participants included:

**Contessa
DiCarlo Seafood
Southern Rock Lobster
Clear Springs
H & N
Deep Sea
Panapesca
Handy
Phillips
Seaport**

For 2010 we have 24 spots open starting with meetings in March.



Chef's Luncheons



We carefully select host restaurants and chefs that can draw a crowd. Award winning chefs use your products to prepare a 4-5 course luncheon for 40-60 Chef's, General Managers & Purchasing Directors. An intimate setting where the end user gets to see and taste your products, and you have the opportunity to educate them on your company.

In 2009 some of the locations that hosted our luncheons included Mario Batali's B&B Ristorante in Las Vegas, Napa Rose at The Grand Californian, The Montage in Beverly Hills and the Cohn Group of Chefs at the Prado in San Diego.

Chef's Luncheons

In 2010 we have 8 luncheons scheduled – starting March 30th at The Oceanaire Seafood Room in San Diego. Luncheons will focus primarily on seafood sustainability and on how to get the most value from your seafood dollar (we will be presenting product cuttings and samplings at these luncheons). In all there are 32 slots available.



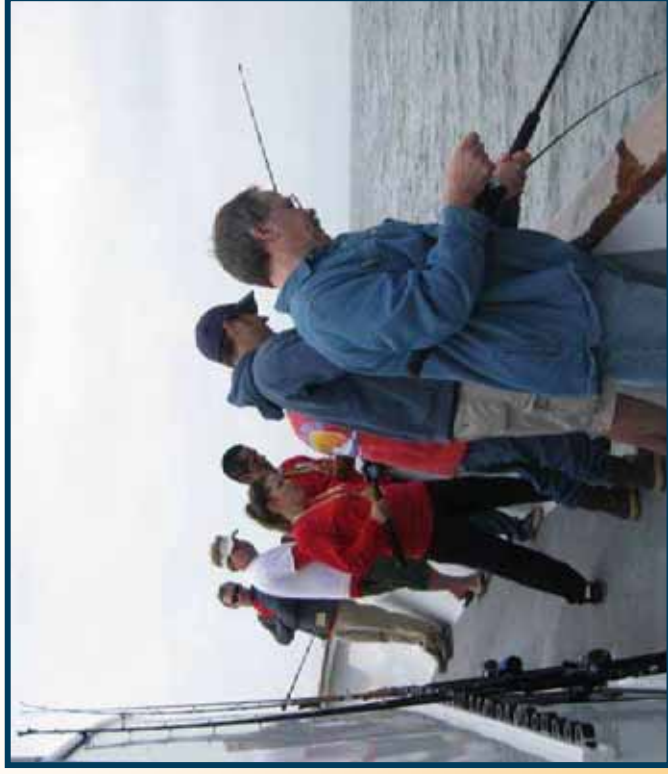
Chef's Luncheons

2009 Customer Attendance

- McCormick & Schmick's
- Disneyland
- La Quinta Country Club
- Barona Casino
- Roy's Restaurant Group
- Station's Casinos
- Asia de Cuba
- Caesar's Palace
- Tin Fish
- Old Ranch Country Club
- Mastro's
- Wilshire Restaurant
- Pelican Hills Resort
- MGM
- Loew's Coronado
- BLT Steak
- Playboy Mansion
- The Patina Group
- Station's Casinos
- Stone Brewing
- Grand Del Mar
- Parker's Lighthouse
- Venetian
- Ciudad
- Wynn Resorts
- The Marine Room
- Grand Del Mar
- Montage
- Bellagio
- Oceanaire
- Luxor
- Barona Casino
- Harrah's Entertainment
- Sysco
- Hyatt Manchester
- Jillian's
- Riviera Resort
- Cohn Restaurant Group
- Sheraton Hotels
- Alize at the Palms
- Il Fornaio
- Compass Group
- Duke's
- Fisherman's Market & Grill
- Westin Mission Hills
- Bristol Farms
- Mandalay Bay
- Tap's

Customer Appreciation Events

Whether it was sitting back sipping a glass a wine of enjoying the sun & sea in 2009 we had a blast building relationships with our suppliers and customers.



Customer Appreciation Events

This year we have 2 Chef's Wine Tours and 2 Fishing Trips scheduled. Attending each of these events are 30-40 of our top accounts, our purchasing staff, management and sales teams. There are 32 sponsorships available.



Customer Appreciation Events

2009 Customer Attendance

- Compass Group
- Doubletree Hotels
- Ciudad
- Hillcrest Country Club
- Duke's
- STK
- Roy's Restaurant Group
- Grove of Anaheim
- Fin's Seafood Group
- McKenna's by the Bay
- Jonathan Club
- OC Performing Arts
- McCormick & Schmick's
- Cardiff Market
- Cohn Restaurant Group
- Sysco
- Viceroy Hotel
- Balboa Bay Club
- Sheraton Hotels
- Sunset Restaurant
- Tantalum
- The Marine Room
- Victoria Club
- Spencer's Restaurant
- Harrah's
- Montage
- Oceanaire
- San Ysidro Ranch
- Getty
- Mastro's
- Eric's on the Pier
- Hotel Angeleno
- Nobu
- Paramount Studios
- Spark's Woodfire Grill
- Pelican Hills Resort

Shuck n' Swallow Contests

Lot's of fun, popular with our chef clientele and a perfect way to get your product and name out there – and all for a good cause!



We hold 4 regional oyster eating contests in San Diego, Orange County, Los Angeles and Las Vegas with the finals held at our Costa Mesa retail store. Proceeds from t-shirt sales and donations collected at the event go to charity. There are 40 sponsorship spots available (8 vendors per event).

Product Showcases

In 2009 we tried something new and held our first ever Supplier Showcases and the response was great – from both our customers and suppliers that participated. Unlike the larger food shows each customer got to spend quality time talking to vendors and sampling product, and they weren't out all day, just a few hours!



Product Showcases

For 2010 we are planning Spring/Summer showcases in LA, OC and San Diego and Holiday showcases for LA, OC, San Diego and Las Vegas. Sign up for all of them for maximum exposure. We are keeping them small with no more than 20 suppliers, spaces will go quick.



2010 Golf Tournament

By popular demand we are adding a Santa Monica Seafood Golf Tournament to our Roster of events. To be held on August 31st at the beautiful Pacific Palms Resort.




Your sponsorship includes signage (either at the tee or green) and 2 greens fees. You and your partner will be paired up with SMS Customers and/or SMS Team members for the day. There are 36 spaces available.

Marketing Materials



Santa Monica Seafood Driver's Jackets

Marketing Materials



SANTA MONICA SEAFOOD
(800) 969-8862
www.smsseafood.com

January 2009

NOTES:

7 **Seven Seas Seafoods, Inc.**
Home of Newfoundland Brand

MAC'S OYSTERS LTD.

Mendian

CONTESSA

SEABREEZE SEAFOODS

J & D SEAFOOD

SEACRUISE FISH CO.

DI CARLO SEAFOODS

STANDARD CRAB

PETERPAN SEAFOODS INC.

Northern Wind Inc.

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				NEW YEAR'S DAY 1 1/1/09	2 1/2/09	3 1/3/09
4 1/4/09	5 1/5/09	6 1/6/09	7 1/7/09	8 1/8/09	9 1/9/09	10 1/10/09
11 1/11/09	12 1/12/09	13 1/13/09	14 1/14/09	15 1/15/09	16 1/16/09	17 1/17/09
18 1/18/09	19 1/19/09	20 1/20/09	21 1/21/09	22 1/22/09	23 1/23/09	24 1/24/09
25 1/25/09	26 1/26/09	27 1/27/09	28 1/28/09	29 1/29/09	30 1/30/09	31 1/31/09

Call your SMS Rep for Last Seconds

DECEMBER
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

NOVEMBER
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

OCTOBER
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

SEPTEMBER
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

AUGUST
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

JULY
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

JUNE
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

MAY
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

APRIL
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30

MARCH
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

FEBRUARY
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29

JANUARY
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

Santa Monica Seafood 2011 Desk Calendar

2010 Marketing Opportunities

Vendor Participation Costs

- Sales Meetings, (24 available) \$300
- Desk Calendar (20 available) \$400
- 2011 Product Catalog - Logo on Sponsorship Page \$500
- 2011 Product Catalog - Logo on Product Listing Page \$500
- 2010 Spring/Summer Product Showcase \$500
- 2010 Holiday Product Showcase \$500
- Shuck & Swallow Contest Sponsor, 5/year (30 available) \$500
- Customer Appreciation Events, 4/year (32 available) \$750
- Chef's Luncheons, 8/year (32 available) \$750
- 2010 Golf Tournament (36 available) \$1,000
- SMS Sample Cooler Bag (2 available) \$2,000
- SMS Driver's Jackets (1 available) \$5,000

Get a lot of bang for your marketing bucks!

Sales Meeting	\$300
Shuck & Swallow Contest Sponsor	\$500
Chef's Luncheon	\$750
Customer Appreciation Event	\$750
2011 Product Catalog	\$500
2010 Golf Tournament	\$1,000
Write Up in Paddy's Market Watch	No Charge

All of this for less than \$4000

APPENDIX 20: LOBSTER STEAK BROCHURE



Southern Rocklobster Steaks



This product is a taste sensation, portion controlled simple to prepare and cook. Southern Rocklobster steaks make the perfect surf 'n' turf and are suited for banquet operations.

1. Thaw the lobster steaks overnight in a refrigerator or under cold running water.
2. Lightly knife cut the surface of the lobster steak on both sides.
3. Roll the lobster steak through extra virgin olive oil or clarified butter and season.



4. To cook:

Option 1: Steaming

Steam each lobster steak for 4 – 6 minutes.

Option 2: Poaching

Poach in a pan filled with 50:50 stock/fume: butter at 60°C/140°F for 4 – 6 minutes and rest, covered under lights for another 2 – 3 minutes.

Option 3: Pan Fry

Heat a pan to medium to hot and cook each lobster steak for approximately 1.5 – 2 minutes each side, rest covered under lights.

Option 4: Sous vide (bag cooking)

Bag the portions in a single layer, at 60°C/140°F for 6 – 8 minutes and rest under lights for another 5 minutes.

5. Plate, garnish and serve.

APPENDIX 21: LOBSTER RAVIOLI AND BISQUE RECIPES

SOUTHERN ROCK LOBSTER - LOBSTER BISQUE ORIGINAL FORMULA				
MANUFACTURING CREAM	28.905%			
LOBSTER SHELLS - CHOPPED	18.158%			
MILK - WHOLE	14.453%			
HALF & HALF	14.453%			
ONION WHOLE	5.373%			
CHABLIS	3.706%			
CELERY	3.613%			
CARROTS	3.613%			
BRANDY	1.853%			
TOMATO PASTE	1.807%			
WATER	1.482%			
MIREPOIX BASE / VEGETABLE BASE	0.741%			
LEEKs	0.533%			
OLIVE OIL - XV	0.463%			
COL-FLO 67 (FOOD STARCH - MODIF	0.278%			
PEPPER - WHL BLACK	0.226%			
LOBSTER BASE	0.225%			
SALT - KOSHER	0.056%			
PEPPER - GRD WHITE	0.056%			
BAY LEAF - WHOLE	0.006%			
	100.000%			
ALL VEGETABLES - clean and rough chopped				
OIL				
<i>Heat in Braiser</i>				
LOBSTER SHELLS				
<i>Break down in Hobart mixer w/ paddle attachment (3-4 revolutions - no more)</i>				
<i>Add to hot oil - saute 15 min - till braiser is dry</i>				
WINE / BRANDY				
<i>add to braiser - reduce - scrape up bottom - cook till dry</i>				
VEGETABLES / OIL				
<i>In a separate kettle, heat oil and add vegetables. Cook till limp.</i>				
<i>Add lobster mixture into the vegetables and continue heating on medium heat.</i>				
MIREPOIX BASE / LOBSTER BASE / TOMATO PASTE / MILK / CREAM / SPICES / SALT / WHITE PEPPER				
<i>Add to kettle - bring to boil - reduce heat and simmer 20 min.</i>				
COL FLO / WATER				
<i>Mix together to make a slurry - add to kettle - mix well - bring to 185F</i>				
<i>Pass through double cheese cloth lined chinoise</i>				
<i>Pack and chill</i>				

ALL NATURAL AUSTRALIAN SOUTHERN ROCKLOBSTER RAVIOLI

INGREDIENTS	RAW	RAW	RAW	NET
	WEIGHT	WEIGHT ₁₀₀	WEIGHT ₂₀₀	WEIGHT ₂₀₀
RAW SOUTHERN AUSTRALIAN LOBSTER MEAT	2.50 LBS	43.22 LBS	86.45 LBS	LBS
RICOTTA	1.50 LBS	25.93 LBS	51.87 LBS	LBS
MASCARPONE	1.00 LBS	17.29 LBS	34.58 LBS	LBS
SHALLOTS	0.50 LBS	8.64 LBS	17.29 LBS	LBS
FIBERS	0.18 LBS	3.11 LBS	6.22 LBS	LBS
OLIVE OIL	0.06 LBS	1.04 LBS	2.07 LBS	LBS
SALT	0.04 LBS	0.69 LBS	1.38 LBS	LBS
PEPPER	0.00 LBS	0.07 LBS	0.14 LBS	LBS
TOTAL	5.78 LBS	100.00 LBS	200.00 LBS	0.00 LBS


COOKING PROCEDURES:

1. BLEND RICOTTA, SALT AND FIBERS
2. GENTLY BLEND IN LOBSTER MEAT
3. CHECK SEASONING AND CONSISTENCY


DATE:10/10/08-01/27/09

**APPENDIX 22: LOBSTER RAVIOLI AND BISQUE LABELS AND PRODUCT
BROCHURE**

Australian
Southern Rocklobster


clean. green.✓

Southern Rocklobster Bisque



The finest in the world

Keep Refrigerated **Net wt 8oz (227g)**

Ingredients:

Lobster Bisque w/ Herbs
 Cream (Cream and Carageenan),
 Lobster, Half & Half, Milk, Onion, Wine,
 Water, Fennel, Celery, Carrots, Peppers,
 Tomato Paste, Brandy, Olive Oil,
 Vegetable Base (Sautéed Pureed
 Carrots, Celery, and Onions (With
 Canola Oil), Salt, Sugar, Hydrolyzed
 Corn Protein, Onion Powder, Autolyzed
 Yeast Extract, Food Starch - Modified,
 Carrot Powder, Turmeric (Color), Spice
 Extractives, Citric Acid), Syrup (Corn
 Syrup, Water, Salt, Preservatives -
 Potassium Sorbate, Sodium Benzoate
 and Benzoic Acid, Cellulose Gum,
 Caramel Color, Natural & Artificial
 Flavors), Leeks, Food Starch - Modified,
 Lobster Base (Cooked Lobster, Salt,
 Maltodextrin, Hydrolyzed Corn
 Protein, Whey, Lobster Extract, Butter
 Oil, Autolyzed Yeast Extract, Tomato
 Paste, Onion Powder, Dehydrated
 Potato Flakes, Extractives of Paprika
 (Color), Natural Butter Flavor (with
 Annatto and Turmeric), Spice
 Extractives, Garlic Powder, Saffron),
 Garlic, Spices, Salt

CONTAINS:
 Milk, Shellfish (Lobster)

**Made in a facility that
 handles shellfish**
 Manufactured for:
 Southern Rocklobster Limited,
 Rancho Dominguez, CA 90220
 www.southernrocklobster.com

Enjoy By:

Nutrition Facts

Serving Size 1 cup (227g)
 Servings Per Container

Amount Per Serving

Calories 430 **Calories from Fat 350**

% Daily Value*

Total Fat 39g **60%**

 Saturated Fat 25g **125%**

 Trans Fat 1g

Cholesterol 135mg **45%**

Sodium 580mg **24%**

Total Carbohydrate 13g **4%**

 Dietary Fiber 0g **0%**

 Sugars 11g

Protein 8g

Vitamin A 20% • **Vitamin C 8%**

Calcium 20% • **Iron 4%**

*Percent Daily Values are based on a diet of other people's misdeeds.

†Your daily values may be higher or lower depending on your calorie needs.

Calories 2,000 2,500

Total Fat Less than 65g 80g

Saturated Fat Less than 20g 25g

Cholesterol Less than 300mg 300mg

Sodium Less than 2,400mg 2,400mg

Total Carbohydrate 300g 270g

Dietary Fiber 25g 30g

Calories per gram:
 Fat 9 • Carbohydrate 4 • Protein 4

To cook:

- Remove bisque from the package
- Place contents of bisque in a pot
- Heat gently until the desired temperature
- Garnish and serve

*** Caution Hot when cooked**





Storage: Perishable. Keep Frozen

Nutrition Facts
Serving Size 7 oz (198g)
Servings Per Container 1

Amount Per Serving	
Calories 430	Calories from Fat 170
% Daily Value*	
Total Fat 19g	29%
Saturated Fat 11g	55%
Trans Fat 0g	
Cholesterol 100mg	33%
Sodium 600mg	25%
Total Carbohydrate 43g	14%
Dietary Fiber 5g	20%
Sugars 3g	
Protein 22g	
Vitamin A 30%	Vitamin C 0%
Calcium 15%	Iron 15%

*Percent Daily Values are based on a diet of other people's secrets. Your daily values may be higher or lower depending on your calorie needs: 2,000 calories for men and 1,600 calories for women.

Total Fat 19g Less than 55g
Saturated Fat 11g Less than 20g
Cholesterol 100mg Less than 300mg
Sodium 600mg Less than 2,400mg
Total Carbohydrate 43g Less than 300g
Dietary Fiber 5g 20%
Sugars 3g
Protein 22g

DO NOT OPEN BEFORE COOKING

Microwave 1.5 mins

- Place unopened tray in microwave.
- Do Not Pierce Film
- Cook on high for 1.5 minutes
- Carefully remove tray from microwave and let stand for 30 seconds
- Carefully peel away microwave film from tray

* Caution Hot when cooked
* Appliances may vary.
adjust cooking time as necessary

CAUTION: DO NOT PIERCE LID

Manufactured for Southern Rocklobster Limited, Rancho Dominguez, CA 90220.
www.southernrocklobster.com

Ingredients: Australian Southern Rocklobster meat, Ricotta Cheese (Cream, pasteurized milk, whey), Mascarpone Cheese (Pasteurized whole milk, Cream), Shalloes, Vegetable Fibers, olive oil, salt & black pepper. **Dough:** Durum Flour, Macin, ferrous sulfate, thiamin mononitrate, Riboflavin, folic acid, high gluten flour (Wheat flour, macin, iron, thiamin mononitrate, niobalvin, folic acid), water pasteurized whole liquid eggs, carrots, salt, CONTAINS: Wheat, egg, milk, shellfish (Lobster).
Southern Rocklobster Bisque w/ Herbs: Cream (Cream and Cargenon), Lobster, Half & Half, Milk, Onion, Wine, Water, Celery, Carrots, Peppers, Tomato Paste, Brandy, Olive Oil, Vegetable Base (Barbeled Purred Carrots, Celery, and Onions (With Canola Oil), Salt, Sugar, hydrolyzed corn protein, Onion Powder, Autolyzed Yeast Extract, Food Starch - Modified, Carrot Powder, Turners (Color), Spice Extractives, Citric Acid), Syrup (Corn Syrup, Water, Salt, Preservatives - Potassium Sorbate, Sodium Benzoate and Benzoic Acid, Cellulose Gum, Carmel Color, Natural & Artificial Flavors), Leeks, Food Starch - Modified, Lobster Base (Cooked Lobster, Salt, Maltodextrin, Hydrolyzed Corn Protein, Whey, Lobster Extract, Butter Oil, Autolyzed Yeast Extract, Tomato Paste, Onion Powder, Potato Flakes, Extractives of Paprika (Color), Neutral Butter Flavor (with Annatto and Turners), Spice Extractives, Garlic Powder, Saffron), Garlic, Spices, Salt.
Made in a facility that handles shellfish.

CAUTION: DO NOT PIERCE LID



Lobster Ravioli and Bisque

Wild caught Australian Southern Rocklobster hand picked, served in a delicious ravioli and bisque sauce. Your taste buds will be watering with excitement on the first bite...



The finest in the world



Net wt 7oz (198g)





Southern Rocklobster Ravioli



The Ravioli is made from 100% wild caught Australian Southern Rocklobster (*Jasus edwardsii*) hand picked leg and knuckle meat. Each ravioli is Individually Quick Frozen (IQF) as a 1 ounce portion and bagged in 2*5lb bags within a 10lb case.

Australia Southern Rocklobster Ravioli has....

- Natural, unnatural unprocessed, hand picked wild caught Australian Southern Rocklobster meat within the ravioli
- No added preservatives
- No artificial flavours and colours
- Sourced from certified sustainable fisheries

To cook:

1. Boil a pot of water, add salt to taste.
2. When water is boiling add the frozen Australia Southern Rocklobster Ravioli.
3. Once water has returned to boil, simmer for 3 – 5 minutes or until cooked
4. Plate, garnish and serve.

NOTE: Australian Southern Rocklobster Bisque is the ideal base for a sauce to accompany the ravioli.



Southern Rocklobster Bisque



This Bisque is prepared using wild caught Australian Southern Rocklobster raw / cooked bodies and is prepared using French cooking techniques to enhance the unique taste of the lobster. Southern Rocklobster Bisque is frozen in 1 gallon bags and 4 bags are packed in a case. The bisque is easily thawed, heated and served with a zero labour cost.



To cook:

1. Remove bisque from freezer and thaw overnight in a refrigerator
2. Place contents of bisque in a large pot
3. Heat gently until the desired temperature
4. Garnish and serve.

NOTE: Southern Rocklobster Bisque can be served alone or as a sauce to accompany our ravioli or a variety of other dishes.

APPENDIX 23: LOBSTER VALUE ADDED PRODUCTS – RAW FORMS

Southern Rocklobster (1) Fresh / frozen **green** tails, (2) **green** leg and knuckle meat and (3) Frozen stock pack – crushed **green** shells with some tomalley



Southern Rocklobster (2) **green** leg and knuckle meat



Southern Rocklobster (1) Fresh / frozen **green** tails



Southern Rocklobster (1) Fresh / frozen **green** tails



Southern Rocklobster (2) **green** leg and knuckle meat



Southern Rocklobster (3) Frozen stock pack – crushed **green** shells with some tomalley



APPENDIX 24: USA DATABASE

Mailing Country	Salutation	First Name	Last Name	Title	Mailing Street	Mailing City	Mailing State/Province	Mailing Zip/Postal Code	Phone	Mobile	Fax	Account Name
USA		Jomatan	Leiva	Executive Chef	10 Downing Street	New York	NY	10014	(212) 255-0300			10 Downing Food & Wine
USA		Shimizu	Masato	Executive Sushi Chef	15 E 15th St	New York	NY	10003	(212) 647-0015			15 East
USA		Wes	Morton	Executive Chef	1117 Prairie St.	Houston	TX	77002	(832) 220-8888			17 at Alden-Houston
USA		Daniel	Giusti	Executive Chef	1226 36th Street, NW	Washington	DC	20007	(202) 965-1789		(202) 337-1541	1789 Restaurant
USA		Konrad	Meier	Executive Chef	2138 Business R. 220	Bedford	PA	15522	(814) 264-5645			1796 Room at Bedford Springs
USA		Umberto	Rubelli	Exec Chef	2100 West Oceanfront, CA 92663	Newport Beach	CA	92663	(949) 673-2100			21 Oceanfront
USA		Joann	Carlton-Klein	Executive Chef	22 Bowen's Wharf	Newport	RI	02849				22 Bowen's
USA		Bertrand	Chenell	Executive Chef	2341 Fairview Park Drive	Falls Church	VA	22042	(703) 270-1500			2341 Restaurant
USA		Hays	Rockenwagner	Chief	1121 Abbott Kinney Blvd	Venice	CA	90291	(310) 898-6504			3 Square Cafe and Bakery
USA		Darin	Max	Executive Chef	3030 Holiday Drive	Fort Lauderdale	FL	33314	(954) 765-3130			3030 Ocean
USA		Arnold	Ekhardt	Executive Chef	360 Van Brunt St	Brooklyn	NY	11231	(718) 246-0360			360
USA		Zakary	Pelaczo	Executive Chef	5 Ninth Ave	New York	NY	10014	(212) 929-9460			5 Ninth
USA		David	Linkworthy	Executive Chef / Co-Owner	5600 Roswell Rd, NE	Atlanta	GA	30342	(404) 255-5911			5 Season Brewing
USA	Ms.	Shelly	Bojorquez	Executive Chef	555 Ocean Blvd.	Long Beach	CA	90802	(562) 437-0626			555 East
USA		Allen	Chen	Chef/Proprietor	244 Jackson Street	San Francisco	CA	94111	(415) 989-2539			545 Steak Lounge
USA		Larry	Smithson	Manager	270756 Hwy 101	Sequim	WA	98382	(360) 681-6730		(360) 681-6711	7 Cedars Casino
USA		Suzanne	Terry	Owner	8450 Valley Boulevard, Suite 121	Rosemead	CA	91770	(626) 573-1888	(626) 255-2518		888 Seafood Restaurant
USA	Mr.	David	Goin	Executive Chef	8022 West 3rd Street	Los Angeles	CA	90048	(323) 653-6359		(323) 653-1390	A O C
USA		Taylor	Kranz	Catering Manager	2355 Chestnut St	San Francisco	CA	94123	(415) 771-2216			A16
USA		Terry	Rathbun	Executive Chef	4511 McKinney Ave	Dallas	TX	75205	(214) 520-0151	(214) 683-5504		Abacus
USA		Jake	Addeo	Executive Chef	4511 McKinney Avenue	Dallas	TX	75205	(214) 559-3111		(214) 559-3113	Abacus
USA	Mr.	Jeffrey	Koscomb	Owner/President	136 W. 55th St.	New York	NY	10019	(212) 265-4000			Abbecato
USA	Mr.	Adam	Kough	Executive Chef	1274 Calle DE Comercio #1	Sante Fe	NM	87507	(505) 473-9766			Above Sea Level
United States		Greg	Lindberg	Owner/ Manager	398 Hayes Street	San Francisco	CA	94102	(415) 255-2358		(415) 255-2386	Absinthe Brasserie & Bar
USA		Suzette	Gresham	Executive Chef / Owner	1727 Leavenworth St	Omaha	NE	68144	(402) 345-5057		(402) 345-9738	Absolutely Fresh Seafood
USA		Jesse	Frost	Exec Chef	1723 Sacraments St	San Francisco	CA	94109	(415) 567-5432		(415) 567-6432	Acquello
USA		Jason	Waver	General Hotel Manager	9700 N. Torrey Pines Road	La Jolla	CA	92037	(858) 550-1000		(858) 550-1001	Adobe El Restaurante
USA		Christophe	Villard	Exec Chef	1321 Commerce Street	Dallas	TX	75202	(214) 742-8200			Adolphus - French Room
USA		Joshua	Lint	Executive Chef	57 W. 48th Street	New York	NY	10020	(212) 262-6200			Al Marwell's Steakhouse
USA		Andres	Bautista	Executive Chef	660 N. State St.	Chicago	IL	60654	(312) 202-6050	(845) 797-1768		Al Steak
USA		Anna	Klinger	Executive Chef	4217 Oak Lawn	Dallas	TX	75219	(214) 219-2201			Al Biermats
USA		David	Reynoso	Executive Chef	248 Fifth Ave	New York	NY	10001	(718) 783-4565			Al di la Trattoria
USA		Sylvain	Portay	Corporate Chef	577 Main Street	Providence	RI	02903	(401) 273-9760			Al Forno
USA		Alan	Wong	Chief / Owner	The Hotel at Mandablay Bay	Las Vegas	NV	89119	(702) 632-9500			Alain Ducasse
USA		Lance	Kosaka	Chief / Owner	1857 King St 3rd Floor	Honolulu	HI	96826	(808) 949-2526			Alan Wong's
USA		Joe	Josephs	Owner	3900 Wai'alea Alanui Drive	Maul	HI	96753	(808) 949-2526			Alan Wong's
USA		Karl	Uri	Marketing Specialist	441 Gladys Avenue	Los Angeles	CA	90013	(213) 626-1212		(206) 352-8920	Alaska Seafood Co
United States		Dan	Kim	Owner	New Fulton Fish Market 800 Food Center Dr Unit 22	Bronx	NY		(718) 842-2288			Alaskan Feast
USA		JENNIFER	LOPEZ	Owner	15030 132nd Ave, Suite 208	JAMAICA	NY	11434	(718) 276-3000		(718) 481-5436	Alba Wheels Up
USA		DAN	RYCHKICK	Owner	189 WOLF RD	ALBANY	NY	12205	(518) 458-8444		(518) 482-7809	Albany Marriott
USA	Mr.	Don	Alber	Owner	Pier 45, Shed B, Unit 4	San Francisco	CA	94133	(888) 292-1640			Alber Seafoods
USA	Mr.	Max	Boland	Sales Manager	Pier 45, Shed B, Unit 4	San Francisco	CA	94133	(888) 292-1640			Alber Seafoods
USA		Tony	Di'Aquileto	Operations Manager - SF	Pier 45, Shed B, Unit 4	San Francisco	CA	94133	(888) 292-1640			Alber Seafoods
USA		Andy	Casie	Director of Corporate Purchasing	1503 30th Street	San Diego	CA	92102	(619) 255-0616		(619) 255-3147	Alchemy
USA		Daniel	Malchuk	Director of Corporate Purchasing	1503 30th Street	San Diego	CA	92102	(619) 255-0616		(619) 255-3147	Alchemy
USA	Mr.	Daniel	Howard	Director of Corporate Purchasing	1200 N Kirk Road	Barabwa	IL	60510	(630) 761-2747			Alli Inc
USA	Mr.	Wyatt	Stratta	Executive Chef	1200 N Kirk Road	Barabwa	IL	60510	(630) 879-2130			Alli Inc
USA	Mr.	Alex	Stout	Exec Chef/Co-Owner	3132 Las Vegas Blvd S, Wynn Las Vegas	Las Vegas	NV	89109	(702) 706-2528			Albx
USA	Mr.	THANQ	TEDDI	Executive Chef	10330 N. Wolfe Road	Cupertino	CA	95014	(408) 446-2222		(408) 446-2242	Alexander's Steakhouse
USA		Scott	Minervini	Assistance Executive Chef	3130 RT 10W	DIRVILLE	NJ	07834	(973) 361-8000		(973) 361-9498	ALEXIS DINER RESTAURANT
USA		Andree	Rochat	Executive Chef	4321 W. Flamingo Road	Las Vegas	NV	89103	(702) 951-7000			Alize
USA		Marko	Paterno	Executive Chef	3700 W. Flamingo Road	Las Vegas	NV	89103	(702) 777-7923			All American Bar and Grill
USA		Marko	Paterno	Executive Chef	7166 Melrose Avenue	Los Angeles	CA	90046	(323) 833-9774			All Angelo
United States		Alli	Shores	Seafood	135 El Camino Real	San Bruno	CA	94066	(650) 875-3933			All Shores Seafood
USA		Jo	Witherell	Vice President-Culinary Asst. Director Retail Operations	3737 South Halsted St	Chicago	IL	60609	(773) 890-8165	(312) 746-7493	(773) 890-9377	Allen Brothers
USA		mark	Felix	Operations	3737 South Halsted st	Chicago	IL	60609	(773) 890-5100	(773) 456-1173	(773) 890-9146	Allen Brothers

USA	Mr.	Rich Harrison	Nalich Allen	Executive Chef	3737 South Halsted St 4200 W 23rd St	Chicago Panama City	IL FL	66069 32405	(773) 890-5100 (850) 785-4389	(773) 294-9767	(773) 890-9377	Allen Brothers Allen's Seafood Restaurant & Lounge
USA	Mr.	William Scott	Mosher Conant	Executive Chef	64 West 10th Street	New York	NY	10111	(212) 506-7777			Alla
USA	Mr.	Jose Garcés	Chief / Owner	Executive Chef	520 Madison Ave. 217 Chestnut St.	Philadelphia PA	PA	19106	(215) 625-2450			Amada
USA	Mr.	Orlando Sone	Pagan	Executive Chef	689 Mission St	San Francisco	CA	94105	(415) 284-4044			Anne Restaurant
USA	Mr.	Luis Zamora	Zamora	Executive Chef	47474 Washington St	La Quinta	CA	92253	(760) 777-1315	(760) 404-8683		Amore - Ristorante Italiano
USA	Mr.	Larry Bruno	Forgione	Chief/Owner	822 Washington Avenue	St Louis	MO	63101	(314) 418-5800			An American Place
USA	Mr.	Bruno Wayne	Sarato Johnson	Owner	887 South Anaheim Blvd 407 Olive Way	Anaheim Seattle	CA WA	92805 98101	(714) 772-1381 (206) 382-6999	(714) 772-7062		Anaheim White House Restaurant
USA	Mr.	Carl	Olyphant	VP - Procurement, Sales & Operations	4780 Bryson St	Anaheim	CA	92807	(714) 777-7100 (949) 387-8887	(714) 777-7116		Anderson Seafoods
USA	Mr.	Yves Andre	Fournier Rechat	Executive Chef Chef, Owner	2607 Main Street 401 56th Street	Irvine Las Vegas	CA NV	91614 89101	(949) 387-8887 (702) 385-5016			Andre's Andre's Conscious Cuisine & Cocktails
USA	Mr.	Andrew Mitch	Ormsby Sperou	Owner	3121 Ross Avenue 30 Field Street	Dallas Adelaide	TX SA	75204 5000	(214) 841-1917 +61 8 8400 1300	(214) 878-2548		Andrew Ormsby Catering Angelaki Bros
USA	Ms.	Janice Lourdes	Calonico Cruz	Seafood Buyer Manager	6000 California Street 6000 California Street	San Francisco CA	CA	94121	(415) 387-2222			Angelina's Catering
USA	Mr.	Gino Angelo	Angelini Petramidis	Owner	7313 Beverly Blvd PO Box 159	Los Angeles Panacea	CA FL	90036 32346	(323) 297-0070 (850) 984-5168	(323) 297-0072		Angelina's Catering Angelini Osteria Angelo's Seafood Restaurant
USA	Mr.	Anita	Lo	Executive Chef	13 Barrow St	New York	NY	10014	(212) 741-6699			Annisa
USA	Mr.	Jason	Torrez	National Accounts	2922 S Falkenberg Road	Riverview	FL	33578	(813) 902-9003	(213) 305-5541		Annova Food Inc
USA	Mr.	Jason	Backeher	Executive Chef	963 Aquidneck Ave	New York	RI	02842	(401) 848-5058			Anthony's Seafood
USA	Mr.	Michael	Jason	Executive Chef	36 West 52nd Street	New York	NY	10019	(212) 582-6900			Anthos
USA	Mr.	Michael PETER	LIANG	Executive Chef	1982 WASHINGTON VALLEY	MARTINSVILLE	NV	88836	(608) 723-3700			AOYAMA
USA	Mr.	Bryan David	Ogden Shea	Executive Chef	665 N. Robertson Blvd 501 11th St.	West Hollywood Brooklyn	CA NY	90069 11215	(310) 358-9191 (718) 768-2044	(718) 768-2032		Apple Restaurant Applewood Applewood
USA	Mr.	Matt Christopher	Mangone	Executive Chef	7627 Courtney Campbell Rausway	Florida	FL	33607	(813) 675-8700	(718) 768-2032		Applewood
USA	Mr.	John Sorenson	Christopher	Executive Chef	7455 5th Avenue 65 E 59th St	Tampa San Diego	FL CA	33607 92101	(813) 847-4956 (619) 867-1700			Atua Bar and Grill Atua Bu
USA	Mr.	Jeremy	Michael	Owners	210 Spring Street	New York	NY	10012	(212) 274-0506	(212) 274-0587		Aquagrill
USA	Mr.	JAY	UNKNOWN	Executive Chef	210 Spring Street	New York	NY	10012	(212) 274-0506	(212) 274-0587		Aquagrill
USA	Mr.	Cary	Paige	Executive Chef	950 SA Viegas Village DR	Pine Viegas Bch.	FL	32082	(904) 285-0727	(894) 285-0727		Aquagrill
USA	Mr.	Tom Steve	Moloney	Executive Chef	3355 Las Vegas Blvd 3600 S. Las Vegas Blvd	Las Vegas Las Vegas	NV NV	89109 89109	(702) 414-3772 (702) 414-3772	(702) 414-3770		Aquaknove Las Vegas Aquaknove Las Vegas
USA	Mr.	Michael	Agullia Orr	Aquarium Manager	2025 First Avenue, suite 200	Seattle	WA	98121	(206) 448-5400	(206) 727-2705		Aquarium
USA	Mr.	Ben	Titus	Sales Mgr - Pacific Region	2025 First Avenue, suite 200	Seattle	WA	98121	(206) 448-5400	(206) 727-2705		Aquastar
USA	Mr.	Scott Marcus	Hoony Jermark	Director of National Accounts, North America Executive Chef	2025 First Avenue, suite 200 65 E. 59th St.	Seattle New York	WA NY	98121 10022	(206) 448-5400 (212) 307-7311	(206) 726-8628		Aquastar
USA	Mr.	Everton	Clark	Executive Chef	100 West San Carlos St	San Jose	CA	95113	(408) 278-4555			Aquavit
USA	Mr.	David	BOIM	Executive Chef	75-39 132nd St.	FLUSHING	NY	11366	(718) 776-1337			Arcadia
USA	Mr.	Terrance	Teliez	Executive Chef	536 S Arroyo Parkway	Pasadena	CA	91145	(626) 577-7463			ARGONE
USA	Mr.	Angelo	Brennan	Executive Chef	2 Park Ave.	New York	NY	10016	(212) 725-8985			Arroyo Chop House
USA	Mr.	Noriyuki	Sosa	Executive Chef	63 Downing St	New York	NY	10014	(212) 805-8881			Artisanal
USA	Mr.	Todd and Paula	Sugie	Executive Chef	80 Columbus Circle	New York	NY	10023	(212) 805-8881			AS2 Consulting
USA	Mr.	TODD	JACOBS	Executive Chef	77 Great Road	Acton	MA	01720	(978) 250-0101			Asiate
USA	Mr.	Thomas G. A. Giggel	John	General Manager	POB 1648	WESTHAMPTON BEACH	NY	11978	(631) 286-2700			Atlantic Seagrill
USA	Mr.	John	B. Reynolds	Executive Chef	1 Au Bon Pain Way	Beacon	MA	02111	(617) 632-2100			ATLANTICA
USA	Mr.	John	Besh	Owner/Chief	180 Rutherford Hill Road 301 Tchoupitoulas St	Rutherford New Orleans	LA LA	70130 70130	(707) 963-1211 (504) 299-9777	(707) 963-8764		Au Bon Pain Auberge Du Soleil August
USA	Mr.	Octavio	Manilla	General Manager / Co	301 Tchoupitoulas St	New Orleans	LA	70130	(504) 299-9777			August
USA	Mr.	Tony	Liu	Executive Chef	359 Blescker St.	New York	NY	10014	(212) 929-4774			August
USA	Mr.	Vincent	Pouessel	Executive Chef	3951 Las Vegas Blvd. S 3950 Las Vegas Blvd. S	Las Vegas Las Vegas	NV NV	89119 89119	(702) 632-7422 (702) 632-7401	(702) 632-7440		Aureole - Las Vegas Aureole - Las Vegas
USA	Mr.	Cherlie	Palmer	Executive Chef	One Bryant Park 135 West 42nd Street	New York	NY	10036	(212) 319-1660			Aureole - New York
USA	Mr.	Cherlie	Palmer	Executive Chef	34E 61st Street, Suite 2A	New York	NY	10021	(212) 319-1660			Aureole - New York
USA	Mr.	Auner	Samuel	Executive Chef	4216 Oak Lawn Ave at Wycliff	Dallas	TX	75219	(214) 528-9400			Aurora
USA	Mr.	Schuyler	Schuyler	Executive Chef	2101 Texas Star Lane	Las Vegas	NV	89032	(702) 631-1033			Austin's Steakhouse
USA	Mr.	Curtis	Duffy	Executive Chef	108 E. Superior	Chicago	IL	60611	(312) 573-6754			Avenues
USA	Mr.	Jeremy	Kittelson	Executive Chef	126 Riverfront Ln	Avon	CO	81620	(970) 790-6000			Avoniale Restaurant
USA	Mr.	Mourad	Lahlou	Chief / Owner	5800 Geary Blvd.	San Francisco	CA	94121	(415) 752-2222			Aziza
USA	Mr.	Joel	Huff	Chief de Cuisine	500 Brickell Key Drive	Miami	FL	33131	(305) 913-8358			Azul - Mandarin Oriental Miami

USA	Takahiro ROLAND	USA	20201 Mack Street	Hayward	CA	94545	(510) 385-8629	(510) 782-1188	Azuma Foods
USA	BUFLER	USA	94-25 SPRINGFIELD BLVD	QUEENS VILLAGE	NY	11428	(917) 415-8285	(917) 415-8285	AZURAY PRODUCTIONS
USA	Ray	USA	715 S International Speedway	Daytona Beach	FL	32118	(904) 252-6542	(904) 258-0253	B & B Fisheries
USA	Stephen	USA	550 Tremont street	Boston	MA	02116	(617) 423-0550	(617) 423-0550	B&G Oysters
USA	ERICK	USA	136 UPPER MOUNTAIN AVE	MONTCLAIR	NJ	07042	(973) 576-5803	(973) 576-5803	BAALAM KAAB
USA	Mario	USA	110 Waverly Pl	New York	NY	10011	(212) 777-0303	(212) 777-3365	Babbo
USA	Theo	USA	200 Inverness Drive West	Englewood	CO	80012	(800) 346-4891	(303) 397-7166	Baca
USA	Clifford	USA	1198 Howell Mill Road	Atlanta	GA	30318	(404) 365-0410	(404) 365-0410	Bacthanalia
USA	Quatrano	USA	1198 Howell Mill Road	Atlanta	GA	30318	(404) 365-0410	(404) 365-0410	Bacthanalia
USA	Adam	USA	925 E. Wells St	Milwaukee	WI	53022	(414) 765-1166	(414) 765-1161	Bachus - A Beroiolata Restaurant
USA	Jordan	USA	2500 Lake Drive	Milwaukee	FL	33331	(305) 860-4386	(305) 860-4386	Bahem Miami
USA	Bob	USA	2000 E. Grand Drive	Gaithersburg	GA	30836	(770) 528-1388	(770) 528-1388	BALANTRAE, LTD
USA	WAGNER	USA	P.O. BOX 178	NEV HOPE	GA	30032	(215) 794-9447	(215) 794-9564	BALANTRAE, LTD
USA	Lee	USA	805 Spruce Street	New York	NJ	10012	(212) 965-1414	(212) 966-2502	Bahazar
USA	Mf.	USA	310 SE 28th Street	Portland	OR	97214	(503) 703-7532	(503) 703-7532	Bamboo Sushi
USA	Brandon	USA	310 SE 28th Street	Portland	OR	97214	(503) 442-6237	(503) 442-6237	Bamboo Sushi
USA	Michael	USA	111 Avenue C	New York	NY	10009	(212) 254-7773	(212) 254-7773	Bao 11
USA	Bobby	USA	152 W. 52nd St.	New York	NY	10019	(212) 265-9700	(212) 265-9700	Bar American
USA	Jeffery	USA	2000 Premier Row	Orlando	FL	32809	(407) 851-4001	(407) 857-1314	Bar Harbor Seafood Co
USA	Frank (Toshi)	USA	1803 Sawtelle Blvd	Los Angeles	CA	90025	(310) 235-2000	(310) 235-2000	Bar Hayama
USA	Steve	USA	323 Third Ave	New York	NY	10010	(212) 683-3035	(212) 683-3035	Bar Milano
USA	Jonathan	USA	775 Washington St	New York	NY	10014	(212) 924-9700	(212) 924-9300	Barbuto
USA	Edgar	USA	3700 Magazine St	New Orleans	LA	70115	(504) 895-2225	(504) 895-2225	Barbu Bistro
USA	Susan	USA	430 Dauphine St	New Orleans	LA	70112	(504) 522-0588	(504) 522-0588	Bayona
USA	Tim	USA	2996 Scienc Hwy, 98 E The Inn,	Destin	FL	32541	(850) 650-7100	(850) 654-5865	Beach Walk
USA	Christina	USA	Cystal Beach	Jacksonville Beach	FL	32550	(904) 241-2702	(904) 241-2702	Beachside Seafood
USA	Wady	USA	25 W 56th St	New York	NY	10019	(212) 332-0500	(212) 332-0500	Beacon
USA	Stephanie	USA	PO Box 41430	Jacksonville	FL	32203	(800) 920-2003	(904) 887-8393	Beaver Street Fisheries
USA	Wayne	USA	PO Box 41430	Jacksonville	FL	32203	(800) 920-2003	(904) 887-8393	Beaver Street Fisheries
USA	Jamie	USA	822 Washington Blvd	Venice	CA	90292	(310) 448-8884	(310) 448-8884	Beechwood
USA	Susan	USA	662 N. Sepulveda Blvd	Los Angeles	CA	90049	(310) 440-5548	(310) 440-5545	Bel-Air Bar and Grill
USA	Skip	USA	1357 Broadway Suite 356	New York	NY	10018	(201) 855-4398	(201) 855-4398	Belanger Associates
USA	Bart	USA	514 8th St SE	Washington	DC	20003	(202) 644-0100	(202) 644-0100	Belga Cafe
USA	Alma	USA	PO Box 7700, Bellagio Hotel	Las Vegas	NV	89177	(702) 292-7308	(702) 292-7308	Bellagio Resort
USA	Edmund	USA	PO Box 7700, Bellagio Hotel	Las Vegas	NV	89177	(702) 292-7308	(702) 292-7308	Bellagio Resort
USA	Harris	USA	PO Box 7700, Bellagio Hotel	Las Vegas	NV	89177	(702) 693-7324	(702) 693-7324	Bellagio Resort
USA	Tom	USA	PO Box 7700, Bellagio Hotel	Las Vegas	NV	89177	(702) 693-7306	(702) 693-7306	Bellagio Resort
USA	Ramendo	USA	911 Mettla Lane	New York	NY	10012	(212) 473-5121	(212) 473-5121	Bellavite
USA	Maurizio	USA	51 Westlake Blvd #102	Westlake Village	CA	91361	(805) 497-8482	(805) 497-1109	Bellini Osteria - Bar & Lounge
USA	Sean	USA	9882 S. Santa Monica Blvd.	Beverly Hills	CA	90212	(310) 975-2736	(310) 975-2736	Belvedere
USA	Angelo	USA	300 Retta Esplanade	Punta Gorda	FL	33950	(941) 639-9695	(941) 639-8116	Benedetto's
USA	Zuelle	USA	27476 Holiday Lane	Perryburg	OH	43551	(419) 874-1933	(419) 874-1933	Bennett Enterprises
USA	Cesare	USA	45 E. 22nd St.	New York	NY	10010	(212) 982-8422	(212) 982-8422	Beppe
USA	Gail	USA	Bernardus Lodge, 415 Carmel Valley Rd	Carmel Valley	CA	93924	(831) 658-3500	(831) 659-3529	Bernardus Lodge - Marinus
USA	Romeo	USA	228 Poydras St	New Orleans	LA	70130	(504) 533-6111	(504) 533-6111	Besh Steak
USA	Tom	USA	1177 Indiana Street	San Francisco	CA	94107	(415) 641-5563	(415) 641-5563	Betty Zilchh, Catering
USA	Ciccarone-	USA	The Huntington Hotel, 1075 California St	San Francisco	CA	94108	(415) 771-1140	(415) 474-6227	Big 4 Restaurant
USA	Gloria	USA	1165 Palmetero Dr	Cedar Key	FL	32625	(352) 543-5930	(352) 543-5930	Big Bend Seafood Inc
USA	Gary	USA	1165 Palmetero Dr	Cedar Key	FL	32625	(352) 543-5930	(352) 543-5930	Big Bend Seafood Inc
USA	Scott	USA	5450 W Lovers Lane	Dallas	TX	75209	(214) 350-6100	(214) 350-6100	Bijoux
USA	RYAN	USA	1125 Old Albany Post Road Route 91	Garrison	NY	10524	(845) 424-3195	(845) 424-3195	BIRD AND BOTTLE INN
USA	JASON	USA	1125 Old Albany Post Road Route 91	Garrison	NY	10524	(845) 424-3195	(845) 424-3195	BIRD AND BOTTLE INN
USA	Chili	USA	3639 18th Street	San Francisco	CA	94110	(415) 241-9760	(415) 241-9760	Bi-Rite Market
USA	Anton	USA	5831 Magazine St	New Orleans	LA	70195	(504) 899-6987	(504) 899-6987	Bistro
USA	Robert	USA	45 S. Mentor Ave	Pasadena	CA	91101	(626) 795-2478	(626) 792-2676	Bistro 45
USA	Jonathan	USA	3340 Steiner St	San Francisco	CA	94123	(415) 202-0100	(415) 202-0100	Bistro Ak
USA	Beard	USA	15 E St, NW	Washington	DC	20001	(202) 661-2700	(202) 661-2700	Bistro Bis
USA	Buben	USA	15 E St, NW	Washington	DC	20001	(202) 661-2700	(202) 661-2700	Bistro Bis
USA	Bernardo	USA	1 Lincoln Road	Miami Beach	FL	33139	(786) 276-4083	(786) 276-4083	Bistro One LR
USA	Bruce	USA	56 Gold St	San Francisco	CA	94133	(415) 433-6300	(415) 433-4574	Bk Restaurant
USA	Valentina	USA	9510 S. Eastern Ave	Las Vegas	NV	89123	(702) 259-9950	(702) 259-7500	Black Pepper Grill
USA	Angelo	USA	9510 S. Eastern Ave	Las Vegas	NV	89123	(310) 277-7346	(702) 259-7500	Black Pepper Grill
USA	Paul	USA	619 W Randolph St	Chicago	IL	60606	(312) 715-0708	(312) 715-0708	Blackbird
USA	David	USA	619 W Randolph St	Chicago	IL	60606	(312) 715-0708	(312) 715-0708	Blackbird

USA	Tom David	Valenti Waiuck	Executive Chef	164 W. 75th St. 2 Harrison St.	New York New York	NY NY	10023 10013	(212) 787-6300 (212) 966-6960	(212) 787-1081 (212) 966-6143	Cesca Chantrelle
USA	Matt Quinn	Hill Alexander	Executive Chef	101 Constitution Street NW	Washington Palm Beach	DC FL	20001	(202) 547-8100 (561) 659-1500	(202) 547-6607 (561) 659-5880	Charlie Palmer Steakhouse - Washington Charlie's Crab - Palm Beach
USA	Mr. Scott	Johnson	Management	8255 International Drive	Orlando	FL	32819	(407) 363-0228		Charlie's Steakhouse International Drive
USA	Mark	Polan	Management	8255 International Drive	Orlando	FL	32819	(407) 363-0228		Charlie's Steakhouse International Drive
USA	DI	Mercado	Management	2901 Parkway Blvd	Kissimmee	FL	34747	(407) 295-1270		Charlie's Steakhouse Kissimmee
USA	Dorice	Thering	Management	2901 Parkway Blvd	Kissimmee	FL	34747	(407) 295-1270		Charlie's Steakhouse Kissimmee
USA	Eddie James	Donna Carter	Management	6107S. Orange Blossom Trail	Orlando	FL	32806	(407) 851-7130	(407) 851-1499	Charlie's Steakhouse Orlando
USA	Chelley	Wapison	Management	444 West Cypress	Tampa	FL	33607	(813) 353-9510	(813) 353-9510	Charlie's Steakhouse Tampa
USA	Mark	Da Santos	Management	444 West Cypress	Tampa	FL	33607	(813) 353-9510	(813) 353-9510	Charlie's Steakhouse Tampa
USA	Richard	Finowalls	General Manager	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Charlie Palmer Steak
USA	Steven	Geddes	Wine Director	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Charlie Palmer Steak
USA	George	Pigani	Malitre ff	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Charlie Palmer Steak
USA	Charlie	Palmer	Executive Chef/Owner	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Charlie Palmer Steak
USA	Megan	Romano	Pastry Chef	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Charlie Palmer Steak
USA	Charlie	Trotter	Executive Chef	816 West Armitage Avenue	Chicago	IL	60614	(773) 248-6228	(773) 551-9516	Charlie Trotter's
USA	Mr. Matthias	Merges	Executive Chef	816 West Armitage Avenue	Chicago	IL	60614	(773) 248-6228		Charlie Trotter's
USA	Ray	Hargrett	Exec Chef	51 Chart House Drive	Miami	FL	33133	(773) 248-5233		Chart House Restaurant - Miami
USA	Ms. Amanda	Grandinetti	Food & Beverage Director	817 West Sunset Boulevard	Hollywood	CA	90046	(323) 656-1010		Chateau Marmont
USA	Ms. Carolyn	Spence	Executive Chef	817 West Sunset Boulevard	Hollywood	CA	90046	(323) 650-0575		Chateau Marmont
USA	Tony	Lopez	Exec Chef	7575 Dr. Phillips Blvd	Orlando	FL	32819	(407) 345-2992		Chatham's Place Restaurant
USA	USA	Gilberto	Western Chef	110 Navy Street	Venice	CA	90291	(310) 450-4419	(310) 450-4419	Chaya - Venice
USA	Yuchi	Natori	Sushi Chef	110 Navy Street	Venice	CA	90291	(310) 450-4419		Chaya - Venice
USA	Allen	Susser	Executive Chef	110 Navy Street	Venice	CA	90291	(310) 450-4419		Chaya - Venice
USA	Jill	Dawle	Consulting Chef	19088 NE 29th Ave.	Aventura	FL	33180	(305) 935-2900		Chef Allen's
USA	George	is	Macrothalassit	Santa Monica	CA	CA		(310) 581-9888		Chef Consultant
USA	Steve	Foltz	President	535 Harbor Lane	Honolulu San Diego	HI CA	96826 92101	(808) 944-4714 (619) 238-0141		Chef Mavro Chesapeake Fish Co
USA	Daniel	Eardley	Chief	271 Smith Street	Brooklyn	NY	11231	(718) 343-0049		Chestnut
USA	Alice	Waters	Executive Chef	1517 Shattuck Avenue	Berkeley	CA	94709	(510) 546-5525		Chez Panisse Restaurant
USA	Steven	Robis	Executive Chef	4 Mint Plaza	San Francisco	CA	94103	(415) 546-4134	(415) 546-4128	Chez Papa Resto
USA	Scott	Nishiyama	Executive Chef	938 Villa Street	Mountain View	CA	94041	(650) 964-7466	(650) 964-9647	Chez TJ
USA	Jean-Sebas	Gros	Managing Director	5000 Geoffrey Rd	Parkland	FL	33067	(954) 255-7848	(954) 255-7925	Chiklan Seafood Exchange
USA	Brian	Wilak	Executive Sous Chef	230 N Michigan Ave	Chicago	IL	60601	(312) 334-6709	(312) 334-6506	China Grill - Chicago
USA	Tim	Nickey	Chief	404 Washington Avenue	Miami Beach	FL	33139	(305) 534-2211	(305) 534-2565	China Grill - Miami Beach
USA	Rene	Mata	Exec Chef	2709 Main Street	Santa Monica	CA	90405	(310) 392-9025	(310) 396-5102	Chinois - Santa Monica
USA	Daryl	Gassmann	Exec chef	70 W Paces Ferry Rd	Atlanta	GA	30305	(404) 262-2675		Chops Lobster Bar - Atlanta
USA	Mimi	Cogan	GM	101 Plaza Real South	Boca Raton	FL	33432	(561) 395-2675	(561) 300-8696	Chops Lobster Bar - Boca Raton
USA	Holger	Strutt	Exec Chef	101 Plaza Real South	Boca Raton	FL	33432	(561) 395-2675		Chops Lobster Bar - Boca Raton
USA	Chris	DeBarr	Consulting Chef	New Orleans	LA	LA				Chris DeBarr
USA	Christopher J.	Gross	Executive Chef	2502 E Camelback Road 3937 E Broadway Cross Street (Termino)	Phoenix Long Beach	AZ CA	85016 90803	(602) 522-2344 (562) 743-2109 (415) 896-2288		Christopher's Crush Christy's
USA	Matt	Hewitt	Executive Chef	1230 Stockton Street	San Francisco	CA	94133	(415) 896-2288		Chung Chou City
USA	Christopher	Daisy	Executive Chef	501 East Camino	Real Boca Raton	FL	33432	(561) 447-3222		Cielo
USA	Lee	Slawinski	Chief / Owner	36 Wharf St	Portland	ME	04104	(207) 347-6154		Cinque Terre
USA	Oscar	Orebas	Exec Chef	505 North Lake Shore (Navy Pier)	Chicago	IL	60611	(312) 644-4050	(312) 644-4056	Cle Chicago
USA	Michael	Richard	Chief, Owner	3000 M St NW	Washington	DC	20007	(202) 625-2150		Cle Chicago Cherokee
USA	Jackie	MacKenzie	Purchasing	3720 Las Vegas Blvd South	Las Vegas	NV	89158	(702) 590-7813		City Centre Purchasing
United States	Brian	Ayers	Executive Chef	333 South Grand Avenue, 5th Floor, Wells Fargo Center	Los Angeles	CA	90071	(213) 620-9662	(213) 620-0895	City Club on Bunker Hill
USA	Anthony	Hoff	Executive Chef	7940 Glades Road	Boca Raton	FL	33434	(561) 487-1600	(561) 451-4749	City Fish Market Restaurant
USA	Arturo	Valencia	Shellfish Buyer	531 Towne Ave	Los Angeles	CA	90013	(213) 626-5586	(213) 216-6684	City Sea Foods
United States	Donald	Kanner		531 Towne Ave.	Los Angeles	CA	90013	(213) 784-3400		City Sea Foods
United States	Joe	Heidelmaier	VP	531 Towne Ave.	Los Angeles	CA	90013	(213) 784-3400		City Sea Foods
USA	Hap	Clark		7915 Bayview St	Port Richey	FL	34668	(727) 849-4525		City Sea Foods Clark's Landing
USA	Kenneth	Oringer	Executive chef	370-A Commonwealth Avenue	Boston	MA	02215	(617) 636-7200		Clio
USA	Russell	Rassall	Executive Chef	1700.17-Mile Drive	Pebble Beach	CA	93953	(831) 625-8548		Club XIX - Pebble Beach
USA	John	Breson II		3563 Highway 17 N	Mount Pleasant	SC	29466	(843) 864-3723		Coastal Seafood & Restaurant
USA	Nick	Sarra	VP	PO Box 99	Destin	FL	32540	(850) 837-5641	(850) 654-5839	Cobb Investment Co

USA	Daniel Greg	Patterson Cole	Exec Chef / Chef/Owner	373 Broadway 1122 Main Street	San Francisco Napa	CA	94133 94559	(415) 383-9000 (707) 224-6328	94133 94559	Coi Coles Chop House
USA	James Ricky	Syahbout Tol	Chief	3589 Piedmont Ave 207 Bowery Road	Oakland New York	CA NY	94611 10002	(510) 653-8902 (212) 766-2828	94611 10002	Comme Restaurant Congie Brewery Restaurant and Bar
USA	Billy	Gardner	Sales/Purchasing	7901 Oceano Ave	Jessup	MD	20794	(410) 799-8626	20794	Congressional Seafood
USA	Dante	Winchester	Sales Manager	7901 Oceano Ave	Jessup	MD	20794	(410) 799-8626	20794	Congressional Seafood
USA	Dave George	Simpson Hancock	Senior Buyer Sales/Purchasing	7902 Oceano Ave 7902 Oceano Ave	Jessup	MD	20794	(410) 799-8626 (410) 799-8626	20794	Congressional Seafood Congressional Seafood
USA	J	Walker		7903 Oceano Ave	Jessup	MD	20794	(410) 799-8626	20794	Congressional Seafood
USA	John	Walker	Sales/Purchasing	7901 Oceano Ave	Jessup	MD	20794	(410) 799-8626	20794	Congressional Seafood
USA	Mike	Newman	Sales/Purchasing	7901 Oceano Ave	Jessup	MD	20794	(410) 799-8626	20794	Congressional Seafood
USA	Joel	Hough	Chief	156-10th Ave	New York	NY	10011	(212) 924-4440	10011	Cookshop
USA	Marc	Meyer	Chief / Restaurateur	156-10th Ave	New York	NY	10011	(212) 924-4440	10011	Cookshop
USA	Robert	Stempson	Executive Chef	1045 Hidden Ridge	Irving	TX	75038	(972) 871-8881	75038	Cool River Cafe - Dallas
Canada	Jill	Sexsmith	Executive Chef	6671 Fallview Blvd.	Niagara Falls	Canada	9005	357-0915	9005	Copacabana Brazilian Steakhouse
USA	Brant & Carol	Sarber	Owner	1031 Orange Ave Pier 33 Embarcadero	Coronado San Francisco	CA	92118 94199	(619) 871-3525 (415) 674-0175	92118 94199	Costa Azul Costarella Seafood
USA	Bob	Costarella				CA				
USA	James	Boyce	Exec Chef/Owner	100 Southside Square	Huntsville	AL	35899	(256) 382-9500	35899	Cotton Row Restaurant
USA	Mark	Miller	Consulting Chef, Partner	132 W Water Street	Santa Fe	NM	87501	(505) 983-1615	87501	Coyote Cafe
USA	Joe	Unknown		420 St Armands Circle	Sarasota	FL	34236	(941) 388-3964	34236	Crab & Fin
USA	John	Kennedy	Owner	6910N Atlantic Ave	Cape Canaveral	FL	32920	(407) 783-5001	32920	Crab Heaven Restaurant
USA	John	Gary	Owner	700 Ridgewood Ave	Holly Hill	FL	32117	(904) 252-2722	32117	Crab House
USA	Clyde	Cameron	Owner	PO Box 158	Goodland	FL	33140	(941) 394-8004	33140	Crabby Lady
USA	Tim	Bevins	Chief de Cuisine	2440 North Houston St.	Dallas	TX	75219	(214) 397-4111	75219	Craft Dallas
USA	Tom	Colchio	Owner / Chef	10100 Consellation Boulevard	Los Angeles	CA	90067	(310) 279-4180	90067	Craft Los Angeles
USA	Ms.	Gracianne		43 East 19th Street	New York	NY	10003		10003	CRAFT RESTAURANTS
USA	Ms.	Liz	Tom Colchio's assistance	43 East 19th Street	New York	NY	10003		10003	CRAFT RESTAURANTS
USA	Mr.	Matt	Executive Chef	43 East 19th Street NIGH Grand; 3799 Las Vegas Blvd South	New York Las Vegas	NY NV	89109 89109	(702) 891-5553 (702) 891-5553	89109 89109	Craft Steak Las Vegas Craftsteak - MGM Grand
USA	Ms.	Kelly	Purchasing	3799 Las Vegas Blvd	Las Vegas	NV	89109	(702) 891-5553	89109	Craftsteak - MGM Grand
USA	Mr.	Robert	Executive Chef	3799 Las Vegas Blvd	Las Vegas	NV	89109	(702) 891-5553	89109	Craftsteak - MGM Grand
USA	Mr.	Douglas	Sous Chef	3799 Las Vegas Blvd	Las Vegas	NV	89109	(702) 891-5553	89109	Craftsteak - MGM Grand
USA	Mr.	Tony	Executive chef	5 Craigie Circle	Cambridge	MA	02138	(617) 649-5111	02138	Craigie Street Bistrot
USA	Reckson	Onyi	Purchasing Manager	1221 Chess Drive	Foster City	CA	94040	(650) 295-6186	94040	Crowne Plaza Foster City
USA	Ms.	Shea	Gallante	24 Fifth Ave.	New York	NY	10011	(212) 529-1700	10011	Cru
USA	Mr.	Joe	Executive Chef	505 Laurel Street	San Diego	CA	92103	(619) 239-2222	92103	Cucina Urbana
USA	Adam	Sobel	Consulting Chef		Las Vegas	NV				Culinary Solutions LLC
USA	Piolo	Acuna	Owner/Proprietor	1113 W. Belmont Ave	Chicago	IL	37921	(312) 224-8588	37921	Cuna Sports Lounge
USA	Kris	Kofuji	Exec Chef	3600 Pleasant Ridge Road 500 S Dearborn	Knoxville Chicago	TN IL	60605	(206) 624-4717 (312) 523-0200	60605	Custom Foods Custom House
USA	Matthew	Hurley	Executive Chef	3325 Las Vegas Blvd. South	Las Vegas	NV	89109	(702) 607-6300	89109	Cur - Las Vegas
USA	Ari	Rosenson	Chief de Cuisine	9500 Wilshire Blvd	Los Angeles	CA	90212	(310) 856-2313	90212	Cur at the Beverly Wilshire
USA	Michael	Sidoti	Chief	36120 Emerald Coast Pkwy	Destin	FL	32541	(850) 650-8900	32541	Cuvee Beahm
USA	Douglas	Keene	Exec Chef/Owner	29 North St	Healdsburg	CA	95448	(707) 433-3311	95448	Cyrus
USA	Marco	Wilks	Executive Chef	1520 Westheimer	Houston	TX	77006	(713) 807-8857	77006	Da Marco
USA	Tom	Douglas	Chief/Owner	2003 4th Ave	Seattle	WA	98121	(206) 448-2001	98121	Dahlia Lounge
USA	Eric	Tonaka	Exec Chef	2003 4th Ave	Seattle	WA	98121	(206) 682-4142	98121	Dahlia Lounge
USA	Lorin	Smith	Owner	9023 E Washington Blvd	Pico Rivera	CA	90660	(562) 949-2444	90660	Dal Rae
USA	Randy	Morgan	Executive Chef	1501 Main St	Dallas	TX	75201	(214) 744-3474	75201	Dallas Fish Market
USA	Josh	Linton	Exec Chef	660 N State Street	Chicago, IL	IL	60611		60611	Dona Hotel
USA	Daniel	Theibaut	Theibaut	2980 S. Killee Rd.	Kamuela	HI	96743	(808) 887-2200	96743	Daniel Theibaut
USA	Dante	De Magistris	Chief / Owner	40 Edwin H. Land Blvd	Boston	MA	02141	(617) 497-4200	02141	Dante
USA	Dante	Bocuzzi	Chief / Owner	8001 Rockside Rd	Valley View	OH	44125	(216) 524-9004	44125	Dante - Ohio
USA	David	Bouley	Executive Chef	30 Hudson St.	New York	NY	10013	(212) 791-3771	10013	Danube
USA	David	Burke	Chief/Owner	39 Norwich-Westerly Rd	Mahantucket	CT	06338	(860) 312-8753	06338	David Burke Prime - Foxwood Casino
USA	Sylvain	Delpeque	Executive Chef	133 E. G1 St.	New York	NY	10021	(212) 813-2121	10021	David Burke Townhouse
USA	David	Gilbert	Chief / Partner		Dallas	TX		(214) 760-9000		David Gilbert

USA	Mr.	Stephen	Marmar	President	3427 S. Lawrence Street	Philadelphia	PA	19148	(215) 468-9189	E. Frank Hopkins Co Inc
USA	Mr.	Julia	Mumm	General Manager	Two Fountain Plaza	Buffalo, NY	14202	(716) 855-4870	E.B. Green's Steakhouse	
USA	Mr.	Ryan	Leop	Executive Chef	1112 Fourth Ave	Seattle	WA	98101	(206) 264-6162	Earth & Ocean
USA		Charles	Armstrong		6703 Black Horse Pike	Egg Harbor Township	NJ	08234	(609) 272-7721	East Bay Crab and Grille
USA		Peter	Swartz	President	40 SW N River Dr	Miami	FL	33130	(305) 358-7006	East Coast Fisheries Restaurant
USA		Chris	Schlesinger	Chief / Owner	1271 Cambridge St	Cambridge	MA	02139	(617) 491-6568	East Coast Grill
USA		Jason	McClain	Chief	295 Three Mile Harbor Rd.	East Hampton	NY	11937	(631) 329-2876	East Hampton Point
USA	Mr.	David	Paternack	Exec Chef/Owner	200 5th Avenue	New York	NY	10010	(646) 398-5100	Batley
USA		Steve	Fuji	Executive Chef	1285 North Ave	San Francisco	CA	94122	(415) 566-1770	Ebisu Sushi
USA		Mitch	Villalobos	Executive Chef	407 7th St.	NE Atlanta	GA	30308	(404) 347-9555	Ecco
USA		Alex	Cover	Executive Chef	5th & San Jacinto	Austin	TX	(512) 472-1860	Eddie V's - 5th Street	
USA		John	En Francis	Executive Chef	1327 North Scottsdale Road,	Scottsdale	AZ	85254	(480) 625-4610	Eddie V's Restaurants Inc
USA		Joho		Chief	Suite 230	Las Vegas	NV	89109	(702) 948-6937	Eifel Tower Restaurant
USA	Mr.	Joseph	Shutsa III	Executive Banquet Chef	Rancho Bernardo Inn Golf Resort & Spa, 17550 Bernardo Oaks Dr	San Diego	CA	92128	(800) 770-7637	El Bizcocho
Mr.	Nicolas		Bour	Executive Chef of Outlets	Rancho Bernardo Inn Golf Resort & Spa 17550 Berna	San Diego	CA	92128	(800) 770-7637	El Bizcocho
USA		Beau	MacMillan	Executive chef	Sanctuary Camelback Mountain Resort, 5700 East McDonald Drive	Paradise Valley	AZ	85253	(480) 607-2300	Elements Restaurant
USA		Akhtar	Nawab	Executive Chef	33 West 8th Street	New York	NY	10011	(212) 677-3833	Elementia
USA	Ms.	Amy	Livingston		11 Madison Ave.	New York	NY	10010	(646) 747-2584	Eleven Madison Park
USA		Daniel	Humm	Executive Chef	11 Madison Ave.	New York	NY	10010	(646) 747-2580	Eleven Madison Park
USA		Doug	Pallis	Executive Chef	265 Elizabeth Street	New York	NY	10010	(212) 334-2426	Elizabeth
USA		Kelly	Yambor	Exec chef	105 E. 37th St.	Savannah	GA	31401	(912) 636-5547	Elizabeth on 37th
USA		Tamara	Murphy	Chief / Owner	2107 Third Ave	Seattle	WA	98121	(206) 728-4220	Elliot Bay Cafe Pioneer Square
USA		David	Slater	Chief	800 Tchoupitoulas St	New Orleans	LA	70130	(504) 528-9393	Emeril's New Orleans
USA		Emeril	Lagasse	Chief	800 Tchoupitoulas St	New Orleans	LA	70130	(504) 528-9393	Emeril's New Orleans
USA		Joel	Morgan	Exec Chef	6000 Universal Boulevard, Suite 702	Orlando	FL	32819	(407) 226-2424	Emeril's Orlando
USA	Mr.	Andy	Byrne	Sales Manager	11200 W Watertown Plank Rd	Milwaukee	WI	53226	(800) 236-4900 x	Empire Fish Co
USA	Mr.	Conos	Jimenez	Sales Consultant	11200 W Watertown Plank Rd	Milwaukee	WI	53226	(414) 935-6491	Empire Fish Co
USA	Mr.	Dale	Kuglitsch	Sales Consultant	11200 W Watertown Plank Rd	Milwaukee	WI	53226	(414) 702-0093	Empire Fish Co
USA		Frozen	Purchasing	Frozen Purchasing	11200 W Watertown Plank Rd	Milwaukee	WI	53226	(414) 303-0626	Empire Fish Co
USA		Fresh	Purchasing	Fresh Purchasing	11200 W Watertown Plank Rd	Milwaukee	WI	53226	(800) 236-4900	Empire Fish Co
USA		Robert	Hung	President/Owner	111 N Atlantic Blvd, Suite 350	Monterey Park	CA	91754	(626) 300-8833	Empire Fish Co
United States	Mr.	E.	Reddt	Chief / Owner	3000 West Olympic Blvd.	Santa Monica	CA	90404	(310) 449-4026	EMR / Lantana
USA		Frank	Redzikowski	Chief De Cuisine Catering	3131 Las Vegas Blvd S	Las Vegas	NV	89109	(702) 770-1632	Encore - Wynn Casino
USA		Sean	Rowe		3400 Paradise Road	Las Vegas	NV	89169	(702) 784-5776	Encore - Wynn Casino
USA		Jan	Stephens	Chief / Owner	3400 Paradise Road	Las Vegas	NV	89169	(702) 784-5700	Envy The Steakhouse at the Renaissance
USA	Mr.	Kevin	Baker	Purchaser	369 The Embarcadero	San Francisco	CA	94105	(415) 369-9555	Envy The Steakhouse at the Renaissance
USA		Charlie	Hansji		1401 N Tolt Street, # 1102	Arlington	VA	22201	(415) 369-0115	Epic Roasthouse
USA		Todd	Gray	executive chef	818 Connecticut Ave NW	Washington	DC	20006	(703) 515-0307	Epic Roasthouse
USA	Mr.	Eric	Ericsson	Executive Chef	688 Harbor Blvd	Ventura	CA	95001	(202) 391-8118	Epicure LLP
USA	Ms.	Katie	Odonnell		402 West 43rd Street	New York	NY	10036	(805) 643-2904	Equinox
USA	Mr.	Roberto	Nunez	Fish Buyer	402 West 43rd Street	New York	NY	10036	(212) 279-8713	Eric Ericsons on the Pier
USA		David	Bossmann	Owner / Chief	402 West 43rd Street	New York	NY	10036	(212) 279-8713	Erica
USA		David	Bossmann	Owner / Chief	402 West 43rd Street	New York	NY	10036	(212) 279-8713	Erica
USA	Ms.	Giancarla	Caputo	Executive Chef	1311 Washington Ave	Menasha	WI	53133	(920) 674-9450	Escapazzo
USA		Jay	Caputo	Chief / Owner	28 Wilmington Ave	Reno Beach	DE	19971	(302) 277-4199	Escapazzo
USA		Perry	Hoffman	Exec Chef	One California Dr	Yountville	CA	94599	(888) 242-6366	Espuma Restaurant
United States	Mr.	Chris	Manning	Exec Chef	One California Dr	Yountville	CA	94599	opt 2	Etoile Restaurant
USA		Mario	Ortega	Executive Chef	7839 Enterprise Drive	Mentor	OH	44061	(800) 736-2892	Etoile Restaurant
Canada	Mr.	Kelsey	Pang	Asian Sales	420 Emerson St	Palo Alto	CA	94301	(440) 951-6448	Eurold Fish Company
USA		Robert	Egert	Owner	107 Walker Drive	Brampton	ON	L6T 5K5	(905) 326-9552	Evvia Establorio
United States		Chris	Turano	Chief	1800 NE 150th Street	North Miami	FL	33181	(905) 792-3569	Export Packers Company Limited
USA		JOHN	FAGER		75 W Algonquin Rd	Arlington Heights	IL	60005	(805) 622-3003	Exquisite Catering by Robert
USA		Forest	Hamrick	Executive Chef	201 60TH STREET	OCEAN CITY	MD	21842	(210) 723-2055	F and F Realty
USA	Mr.	Iacopo	Falci	Executive Chef	7575 East Princess Dr	Scottsdale	AZ	85255	(480) 585-0091	FAGERS ISLAND LTD
					68 Clinton Street	New York	NY	10002	(212) 253-1960	Fairmont-Scottsdale Princess

USA	Mark	Franz	Chief/Owner	450 Post St	San Francisco	CA	94102	(415) 834-1605	(415) 834-1234	Farallon	
USA	Nicole	Lago	Kitchen Manager	450 Post St	San Francisco	CA	94102	(415) 834-1605	(707) 887-3311	Farallon	
USA	Steve	Like	Executive Chef	7872 River Road	Foresville	CA	95436	(707) 887-3300		Farm House Inn & Restaurant	
USA	Merou	Quattara	Chief / Owner	600 Franklin St	Alexandria	VA	22314	(703) 778-2233		Farrah Oliva by Merou	
USA	Nicotra	Fortunato	Executive Chef	243 East 58th Street	New York	NY	10022	(212) 758-1479		Feldia	
USA	Lidia	Bastanich	Chief, owner	243 East 58th Street	New York	NY	10022	(212) 758-1479		Feldia	
USA	Millie	Louis	Owner	1 Ferry Building #11B	San Francisco	CA	94111	(415) 274-2561		Ferry Plaza Seafood	
USA	Jerry & Yelina	Deal	Owners	105 West Main St	Rockton	IL	61072	(815) 624-6018		FIBS	
USA	Frank	Jackson	Owners	320 Walle Ave S	Renton	WA	98055	(425) 271-6644		Fib N Bone	
USA	Leo	Frank	Owners	915 Gloriks Ave	Los Angeles	CA				Fib Co Marketing	
USA	Tom	Witt	Owner	915 Gloriks Ave	Los Angeles	CA				Fib Co Marketing	
USA	Robert	Glass	Owner	915 Gloriks Ave	Los Angeles	CA				Fib Co Marketing	
USA	Leon	Appiani	President	602 W Jefferson St # T	Quincy	FL	32351	(850) 627-9419	(213) 400-7866	Fish House	
USA	Douglas	Prew	President	184 Cambridge St	Burlington	MA	01803	(781) 229-2929		Fish House Restaurant & Market	
USA	Richard	Asano	Owner	PO Box 3050	Key Largo	FL	33037	(305) 451-4665	(305) 451-1727	Fish House Restaurant & Seafood Market	
USA	Michael	Warren	VP	414 S Lake St	Burbank	CA	91502	(818) 841-7368	(818) 841-2413	Fish King Seafood Co	
USA	Nick	Ruhand	VP	222 Pompano Beach Blvd	Pompano Bch	FL	33062	(954) 941-5522	(954) 785-5769	Fisherman's Wharf	
USA	David	Burke	VP	19030 San Carlos Blvd	Fort Myers Beach	FL	33931	(941) 765-5544	(941) 765-4048	Fishmonger Restaurant	
USA	Hugh	Acheson	Chief/Owner	135 East 62nd St	New York	NY	10065	(212) 754-1300	(212) 754-1306	Fishall	
USA	Rick	Richardson	Chief/Owner	1653 S. Lumpkin St.	Athens	GA	30606	(706) 546-7300		Five and Ten	
USA	Hubert	Keller	Exec Chef / Owner	777 Sutter St	San Francisco	CA	94109	(415) 673-7779	(415) 673-4619	Fleur de Lys	
USA	Cyril	Renaud	Executive Chef	5 E. 20th St.	San Francisco	CA	10003	(212) 460-9100	(212) 460-8319	Fleur de Lys	
Canada	Mr	Kenny	Executive Chef	202-618 Quebec St.	Vancouver	BC	V6A 4E7	(604) 630-1022	(604) 630-1023	Floata Seafood Restaurant	
USA	Drew	Belline	Chief de Cuisine	1122 Zonolite Road n. Suite 15	Atlanta	GA	30306	(404) 892-1414		Floataway Cafe	
USA	Christine	Keff	Chief / Owner	2234 1st Ave	Seattle	WA	98121	(206) 728-8995		Flying Fish	
USA	Charles	Edwards	Purchasing Manager	4330 N. Trans World Road	Schiller Park	IL	60176	(847) 678-0726	(847) 678-1912	Flying Food Services	
USA	Brian	Wesbly	Executive Chef	206 North Spruce Ave	Los Gatos	CA	95020	(408) 935-6434		Fopkes Mill Steakhouse	
USA	Eric	Leong	Owner	335 Main Street	Middletown	CT	06457	(860) 343-8288	(860) 343-7988	Forbidden City Bistro	
USA	Benjamin	Ford	Chief	9531 Culver Blvd	Los Angeles	CA	90032	(310) 202-1470		Ford's Filling Station	
USA	Sam	Hayward	Chief / Co-Owner	288 Fore St	Portland	ME	04101	(207) 775-2717		Fore Street	
USA	Clayton	Brown	Owner	1068 Thornedale Avenue	Bensenville	IL	60106	(630) 860-7100	(630) 247-8998	Fortune Fish	
USA	danielle	o'Scannlain	President & CEO	1068 Thornedale Avenue	Bensenville	IL	60106	(630) 860-7100		Fortune Fish	
USA	Sean	Meltzer	Purchasing	1068 Thornedale Avenue	Bensenville	IL	60106	(630) 860-7100	(630) 860-7400	Fortune Fish	
USA	Stuart	Suad	Purchasing	1068 Thornedale Avenue	Bensenville	IL	60106	(630) 860-7100	(312) 339-3150	Fortune Fish	
USA	Marin	Hannan	Executive Chef	Four Seasons Hotel, One Logan Square	Philadelphia	PA	19103	(215) 963 1500		Fortune Fish	
USA	Robert	Gerstenecker	Exec Chef	75 Fourteenth St	Atlanta	GA	30309	(404) 253-3840	(404) 873-4692	Fountain Restaurant	
USA	Elmar	Prambis	Exec Chef	98 San Jacinto Boulevard	Austin	TX	78701	(512) 478-4500	(512) 478-3117	Four Seasons - Atlanta	
USA	Wolfgang	Puck	Exec Chef	9500 Wilshire Blvd	Beverly Hills	CA	90122	(310) 275-5200		Four Seasons - Austin	
USA	William	Kovel	Exec Chef	200 Boylston St	Boston	MA	02116	(617) 338-4400	(617) 423-0154	Four Seasons - Beverly Hills	
USA	Doug	Anderson	Exec Chef	2800 Pennsylvania Ave N.W.	Washington	DC	20007	(202) 342-0444	(202) 944-2076	Four Seasons - Boston	
USA	Luis	De Santos	Sommelier	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Four Seasons - DC	
USA	Richard	Femella	General Manager	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Four Seasons - Las Vegas	
USA	Steven	Geddes	Wine Director	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Four Seasons - Las Vegas	
USA	George	Palmer	Maitre d'	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Four Seasons - Las Vegas	
USA	Charlie	Roman	Executive Chef/Owner	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Four Seasons - Las Vegas	
USA	Regina	Romano	Pastry Chef	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Four Seasons - Las Vegas	
USA	Stephen	Alarmino	Executive Chef	3960 Las Vegas Blvd S	Las Vegas	NV	89119	(702) 632-5120		Four Seasons - Las Vegas	
USA	Patrick	Duff	Executive Chef	1425 Prater Ave	Atlanta	GA	30331	(404) 864-2535		Four Seasons - Miami	
USA	Yosuke	Suga	Exec Chef	57 East 57th St	New York	NY	10022	(212) 758-5700	(212) 758-5711	Four Seasons - New York	
USA	Alex	Von Bidder	Owner	Seagram Building, 99 E. 52nd St.	New York	NY	10022	(212) 754-9494	(212) 754-1077	Four Seasons - New York	
USA	Martin	Hamann	Exec Chef	One Logan Square	Philadelphia	PA	19103	(215) 963-1500	(215) 963-9606	Four Seasons - Philadelphia	
USA	Mark	Richardson	Executive Chef	Market St.	San Francisco	CA	94103	(415) 633-3424	(415) 633-3001	Four Seasons - San Francisco	
USA	Martin	Frost	Exec Chef	1260 Channel Drive	Santa Barbara	CA	93108	(805) 969-2261	(805) 565-8323	Four Seasons - Santa Barbara	
USA	Melton	Sandro	Exec Chef	10600 East Crescent Moon Drive	Scottsdale	AZ	85262	(480) 515-5700	(480) 515-5599	Four Seasons - Scottsdale	
USA	Gilles	Arzur	Executive Chef	2 Toile Drive	Westlake Village	CA	91362	(818) 575-3000		Four Seasons - Westlake Village	
USA	Nick	Barainca	Chief de Cuisine	9500 Wilshire Blvd	Los Angeles	CA	90212	(310) 858-2386		Four Seasons Beverly Wilshire	
USA	Edward	Abdella	Executive Sous Chef	Four Seasons Resort 1260 Channel Drive	Santa Barbara	CA	93108	(415) 986-2020	(805) 565-8324	Four Seasons Santa Barbara - Coral Casino	
USA	Daniel	Higgins	Director of Purchasing	2050 University Avenue	East Palo Alto	CA	94303	(650) 566-1200	(650) 566-1221	Four Seasons Silicon Valley	
USA				401 E. Illinois	Chicago	IL	60611	(312) 379-0118		Fox & Obel	

USA	Jason	Travis	Chief	9411 Culver Blvd	Culver City	CA	90232	(310) 839-6800	French Laundry	Fraide	France
USA	Perello	Exec Chef/Owner	3870 17th Street	San Francisco	CA	94114	(415) 621-3870				
USA	Scott	Hegarty	WATIE	115 RIVER ROAD	EDGEWATER	NJ	07020	(201) 945-7800	FRANKS WATERSIDE	FRANKS WATERSIDE	FREDERICKTON INN
Canada	WILFRED	739 CANTERBURY DRIVE	FREDERICKTON	Yountville	CA	94659	(707) 944-8788				
USA	Akira	Masuda	6640 Washington Street	San Francisco	CA	94123	(415) 771-7771				
USA	Kofi	Boatley	2120 Park Place Suite 200	El Segundo	CA	90245	(310) 343-0596				
USA	Jenny	Johnson	312 Alameda St - Unit G	Kahului	HI	96732	(808) 871-1111				
USA	Kezu	Inakoshi	1135 N Nimitz Hwy	Honolulu	HI	96817	(808) 275-0040				
USA	PRETA	CLIBANSKY	WEST 72ND STREET	NEW YORK	NY	10025	(212) 864-6516				
USA	Burke	Owner / exec chef	300 Bridge Road	Minson	IL	60610	(312) 662-6625				
USA	BRAD	Chief/Owner	445 WALLACE ST	CHICAGO	IL	60610	(312) 661-1434				
USA	TOM	CARILLO	10 WALLACE ST	RED BANK	NJ	07701	(732) 741-1321				
USA	Dave	Simmons	3790 Las Vegas Blvd. South	Las Vegas	NV	89109	(702) 740-6450				
USA	Gary	Danko	2223 Union Street	San Francisco	CA	94123	(415) 771-7771				
USA	Andrew	Wharf	800 North Point, Fisherman's	San Francisco	CA	94109	(415) 749-2060				
USA	Lorraine	Wharf	800 North Point, Fisherman's	San Francisco	CA	94109	(415) 775-6190.x				
USA	Susan	Reed	721 West Anella Street	Orlando	FL	32805	(877) 345-9176				
USA	Chris	Zemanick	1728 Somiak St.	New Orleans	LA	70115	(504) 899-7397				
USA	Tony	D'Amico	335 Bowery	New York	NY	10033	(212) 505-9100				
USA	Ann	Bruner	500 North Franklin St	Chicago	IL	60610	(312) 527-3718				
USA	Trey	Foshee	302 Sherman Ave	Panama City	FL	32401	(850) 785-1232				
USA	Gerald	Miller	1250 Prospect St	La Jolla	CA	92037	(858) 454-4244				
USA	Terri	Huml	112 Green St	Worcester	MA	01604	(508) 755-8331				
USA	Richard	Castle	7327 Railroad Ave	Southport	FL	32409	(850) 265-5459				
USA	Robert	Garnry	635 E Lake St	Wayzata	MINN	55391	(952) 404-1100				
USA	Audrey	Triplett	690 Perry Highway	Harmony	PA	16037	(724) 453-3107				
USA	Paul	Leibrandt	1228 North Rush	Chicago	IL	60611	(773) 453-3107				
USA	Travis	Lett	4000 Lakeshore, The New	Harmony	PA	16037	(724) 453-3107				
USA	Pete	Lahmar	York Park Hotel	Venice	CA	90291	(310) 450-1429				
USA	Thomas	Walker	1429 Abbot Kinney Blvd	Venice	CA	90291	(310) 450-1429				
USA	Mark	Wassallo	12300 Pacific Coast Highway	Pacific Palisades	CA	90272	(562) 896-4235				
USA	John	Foster	PO Box 927	Espoint	FL	32328	(850) 670-5066				
USA	Michael	Katharina	1030 Illinois Street	San Francisco	CA	94107	(415) 720-0972				
USA	Michael	Foster	710 N Plankton Ave, Suite 802	Milwaukee	WI	53230	(414) 287-0900				
USA	Katharina	To	641 Main Street	St Helena	CA	94574	(707) 963-0700				
USA	Art	Baylqq	7425 Callamus Cir # 16	Elmhurst	NY	11373	(917) 607-2132				
USA	Al	Cojl	512 Stamford Ave	Los Angeles	CA	90013	(213) 688-7650				
USA	Cecil	Goodrich	175 Tantal Road	Fairfax	CA	94930	(415) 454-0123				
USA	Anly	Gosman	361 Van Ness Way Suite 301	Torrance	CA	90501	(310) 320-6144				
USA	Alfred	Reredith	253 River Rd	Oak Hill	FL	32759	(904) 345-3397				
USA	Barl	Molbin	1020 N. San Vicente Boulevard	West Hollywood	CA	90069	(310) 854-1111				
USA	Neal	Praser	484 West Lake Drive	Montauk	NY	11954	(631) 668-2549				
USA	Wetlin	Verner	12 E. 12th St.	New York	NY	10003	(212) 620-4020				
USA	Graham	Bowles	52 Greenwich Ave	New York	NY	10011	(212) 632-2590				
USA	Michael	Anthony	702 Bond Street	Westbury	NY	11590	(516) 876-0441				
USA	Sophiane	Benaouda	350 Beentry Boulevard	Los Angeles	CA	90036	(310) 842-6935				
USA	Michael	Wong	217 West Huron St	Chicago	IL	60610	(312) 624-9975				
USA	Brad	Cecchi	42 East 20th Street	New York	NY	10003	(212) 477-0777				
USA	Chuck	Williams	501 Geary Street	San Francisco	CA	94102	(415) 292-8161				
USA	Jay	Murray	345 Stockton Street	San Francisco	CA	94108	(415) 398E1234				
USA	Linda	Manuel	926 J St	Sacramento	CA	95814	(916) 492-4450				
USA	Henry	Gaston	81 Overseas Highway	Islamorada	FL	33036	(305) 664-9031				
USA	Steve	Manuel	161 Berkeley Street	Boston	MA	02116	(617) 654-2255				
USA	Henry	Gaston	5598 Lindergh Lane	Bell	CA	90201	(323) 526-0888				
USA	Steve	Manuel	125 Bayshore Boulevard	San Francisco	CA	94124	(415) 821-1853				
USA	Steve	Manuel	390 Castano Road	Princeton	GA	30349	(650) 728-2739				
USA	Steve	Manuel	4685 Welcome All Road	Atlanta, GA	GA	30349	(404) 767-9229				
USA	Steve	Manuel	1349 Abbot Kinney Blvd	Venice	CA	90291	(714) 944-1437				
USA	Steve	Manuel		Venice	CA	90291	(714) 944-1437				

Country	City	Name	Position	Address	Phone	Fax	Mobile	Other
USA	Gordon	Hammersley	Executive chef	553 Tremont Street	MA	02116	(617) 423-2700	Hammersley's Bistro
USA	Mr.	Brandon Sean Jamie Bill	Executive Chef Executive Chef Chef / Owner	1715 VANDERBILT PKWY 2300 Paseo Verde Pkwy 1624 Q. St. Nw 538 Highway 98 E	NY NV DC FL	11788 8952 20059 32541	(631) 232-9850 (702) 617-7515 (202) 462-4265 (850) 837-2506	Hamlet Wind Watch Golf & Country Club Henk's Fine Steaks and Martinis Henk's Oyster Bar Harbor Dock Seafood Market
USA	USA	Paul	Corporate Executive Chef	33 West Kinzie St	IL	60654	(312) 955-8061	Harry Curry's Restaurant - Chicago
USA	USA	Jocoba Milie	Consulting Chef	1 Hanover Square 2701 E Madison St	NY WA	10004 98112	(212) 785-9200 (206) 320-9771	Harry's Steak Downtown Harvest Vine Hawaiian Tropic Zone
USA	USA	Yeh-Heng	President	3920 W Channel Islands Blvd	CA	90302	(805) 382-8173	HC Seafood & Co
USA	USA	Antonio	President	3922 W 39th St	FL	33142	(305) 654-2561	Heads, O' Tails Seafood
USA	USA	Walter	Executive Chef	4875 N. W. 11th Ave	FL	33142	(305) 654-2561	Heads, O' Tails Seafood
USA	USA	PETER	Executive Chef	69 FIDELITY STREET	MA	01150	(617) 552-2525	HEMPFIELD GOLF CLUB
USA	USA	Donald	Chief / Proprietor	701 St. Charles Ave	LA	70130	(504) 524-4114	Herbsaint Bar and Restaurant
USA	Mr.	Jeffrey	Executive Chef	Heritage Club, 6690 Heritage Club Drive	OH	45040	(513) 459-1340	Heritage Club
USA	USA	Steve	Executive Chef	44251 South Heritage Palms Drive	CA	92201	(760) 775-5555 x18	Heritage Palms
USA	USA	Greg Mary	Chief-Owner President	1239 SW Broadway Rf. 3 Box 409	OR TX	97205 77539	(503) 222-9070 (281) 339-2897	Higgins Restaurant & Bar Hillman Oyster Co Inc.
USA	USA	Toby Mario	Executive Chef	1020 Aluah Street	HI	60605	(808) 591-2936	Hilo Fish
USA	Mr.	Jeffrey ANTHONY WAYNE	Executive Chef	McCully Ct 3399 PEACHTREE RD, NE	HI GA	96815 30326	(808) 947-7873 (404) 396-2222	Hilton Hawaiian Village Beach Resort & Spa HODGES, WARD, ELLIOTT, INC Hoku's
USA	USA	Wayne	Hirabayashi	5322 Geary Boulevard	CA	94121	(415) 668-8831	Hong Kong Lounge
USA	USA	Mindy Erik	Chief / Owner	1747 N. Damen Ave	IL	60647	(773) 489-1747	Hot Chocolate
USA	USA	Paula	Owner	60608 Southwest Freeway	TX	77057	(713) 699-1969	Houston Seafood
USA	USA	Randy	Executive Chef	2595 Ingraham Street	CA	92009	(619) 226-3944	Hubs Sea World
USA	USA	Bob	Executive Chef	1130 Beck Ave	FL	32401	(850) 763-9645	Hunt's Oyster Bar
USA	USA	McCormell	Executive Chef	868 South Coast Hwy	CA	92651	(849) 497-3616	Hush Restaurant
USA	USA	Travis	Executive Chef	868 South Coast Hwy	CA	92651	(849) 497-3602	Hush Restaurant
USA	USA	McCallister Mr	Executive Sous Chef Owner	151 East Market Drive 6 East 32nd St	IL NY	60601 10016	(312) 655-1234 (646) 263-2737	Hutt Realty Chicago Ichi Um NYC
USA	Mr.	Laurent	Executive Chef	6 East 32nd Street/between 5th and Madison)	NY	10016	(212) 725-1333	Ichi Um NYC
USA	USA	Gene	Owner	246-D Kella Ave.	NY	11205	(718) 789-2778	ICI
USA	USA	Ignacio	Chief	1776 Dallas Parkway	TX	75287	(972) 267-1776	Ill Forks - Dallas
USA	USA	Guisepp	Chief	47 Bond St	NY	10012	(212) 633-1932	Il Bacco
USA	Mr.	Steve	Chief Partner	301 N Beverly Drive	CA	90210	(310) 550-8330	Il Fornalo - Beverly Hills
USA	USA	Silvio	Executive Chef	520 Cowper St	CA	94301	(650) 853-3888	Il Fornalo - Palo Alto
USA	USA	Chis	Executive Chef	400 N. Canon Drive	CA	90210	(310) 205-5444	Il Fornalo - Palo Alto
USA	USA	Leo	President	350 N Robertson Blvd	CA	90048	(310) 659-2220	Il Piccolino
USA	USA	Roger	President	1550 Church St	CA	94131	(415) 641-4500	Incanto
USA	USA	Deborah	Chief/Partner	6475 2nd St #F	FL	33040	(305) 292-7785	Independent Fisheries
USA	USA	Jason	Executive Chef	252 E Montauk Highway	NY	11946	(631) 728-3474	Indian Cove Seafood Market
USA	USA	Patrick Eric	Chief / Co-Owner Chef / Owner	1536 India Street 9400 Champion Drive (Off FM1155)	CA TX	92101 77833	(619) 234-6802 (979) 6277 7750	Indigo Grill Inn at Dos Brisas
USA	USA	Scott	Executive Chef	Middle and Main Street 98 Livingston St.	VA NY	22747 10002	(540) 675-3800 (212) 614-0973	Inn at Little Washington Inoteca
USA	USA	Alex	Vice President	777 Terrace Avenue	NY	07664	(201) 692-9000	Intense Fisheries Ltd
USA	USA	Michael Ian	Sales Manager Executive Chef / Managing Partner	8 Hayward St 8115 Jeannette St.	MA LA	01938 70118	(978) 356-4371 (504) 862-5848	Ipswich Shellfish Co Ipswich Seafood Co Ips Restaurant
USA	USA	Joseph	Partner	100 South Railroad Ave	VA	23005	(804) 752-6410	Iron Horse
USA	Mr.	Scott Luke Craig	Executive Chef Chief/Owner Ops Mgr	78-735 Inouree Drive 3324 Steiner St 81620 Overseas Highway	CA CA FL	92260 94123 33060	(760) 766-1047 (415) 567-9588 (305) 664-9271	Ironwood Country Club Ira Islamorada Fish Co Restaurant Islamrad Hotel Newport Beach
USA	Mr.	Fiona Todd	Executive Chef	1737 Post Street	CA	94115	(415) 563-1030	Isobune Sushi
USA	Ms.	Melissa Alex	Executive Chef Exec Chef	800 E. Northwest Hwy STE 1093 5400 Hwy. 121 1903 Business Loop 70E 450 East Las. Oas Blvd. Ste 190	IL TX MO FL	60074 76034 65201 33301	(847) 834-0800 (817) 355-1414 (573) 449-3927 (954) 522-4450	J Green Corp J.R.'s Steakhouse Jack's Gourmet Restaurant Jackson's Steakhouse

USA	Yoshinori	Kojima	Exec Chef	La Jolla Playhouse 2910 La Jolla Village Drive	CA	92037	(858) 638-7712	Jai - La Jolla
USA	Bruce	Cooper	Executive Chef	4365 Main Street	PA	19127	(215) 648-0444	Jake's
USA	Mr.	Deven	Sous Chef	1660 Coast Boulevard	CA	92014	(858) 755-2002	Jakes Del Mar
USA	Mr.	Wilder	Executive chef	3770 East Sunrise Drive	AZ	85718	(520) 615-6100	Janos
USA	Mr.	Ervin	Executive Chef	600 W Chicago Avenue	IL	60610	(312) 822-9600	Japnais Chicago
USA	Mr.	Ishikawa	Executive Chef / Owner	600 W Chicago Avenue	IL	60610	(312) 282-3900	Japnais Chicago
USA	Ms.	Suzanne	Chief / Owner	8225 Beverly Blvd	CA	90048	(323) 655-6566	JAR
USA	Mr.	Christine	Executive Chef	300 Grove Street	CA	94002	(415) 861-5555	Jardiniere
USA	Mr.	Morgan	Chief/Owner	300 Grove Street	CA	94002	(415) 861-5555	Jardiniere
USA	Mr.	Traci	Owner	3600 Las Vegas Blvd S	NV	89109	(702) 952-7111	Jasmine
USA	Mr.	Phillip	Owner	11355 N. Kendall Dr	FL	33176	(305) 275-6385	Jays Market & Eatery Inc
USA	Mr.	Jay	Owner	Miami	FL	33176	(305) 275-6385	Jays Market & Eatery Inc
USA	Ford	Fry	Executive Chef	1198 Howell Mill Road, suite 18	GA	30318	(404) 855-2252	JCT
USA	Mark	Lapico	Chef de Cuisine	1 Central Park W.	NY	10012	(212) 298-3901	Jean Georges
USA	Jean-Georges	Vongprichien	Owner	1 Central Park W.	NY	10012	(212) 298-3901	Jean Georges
USA	Gregory	Brainin	Owner	1 Central Park W.	NY	10012	(212) 358-0688	Jean Georges
USA	Mr.	Jean-Robert	Owner Chef	127 West Fourth Street	OH	45202	(513) 621-4777	Jean-Robert's Table
USA	Jeffrey	Brana	Private Chef / Consultants	Miami	FL			Jeffrey Brana
USA	Alcozer-	Alcozer-	Executive Chef	1204 West Lynn St.	TX	78703	(512) 647-5584	Jeffrey's Restaurant
USA	ALFRED	WILLIAMS	Executive Chef	14096TH AVE	NY	10019	(212) 941-9517	JERRYLL & HYDE
USA	Pete	Unknown	Kitchen Manager	1075 Florida ALA	FL	33477	(516) 743-8166	JERY'S
USA	Misatoshi	Shimizu	Executive Chef	239 E. 5th St.	NY	10003	(212) 879-1012	Jewel Bako
USA	Barry	Angradi	Executive Chef	7901 Ocean Ave Units 26-34	MD	20794	(410) 799-4000	J J McDomnell & Co Inc
USA	Chris	Brann	Executive Chef	7901 Ocean Ave Units 26-34	MD	20794	(410) 799-4000	J J McDomnell & Co Inc
USA	Mr.	Kurt	Friesland	7901 Ocean Ave Units 26-34	MD	20794	(410) 799-4000	J J McDomnell & Co Inc
USA	JACK	MORRISON	Executive Chef	256 NASSAU STREET	NY	08542	(609) 924-8431	JIM GROUP
USA	Tim	Executive Chef	The Forum Shops at Caesars, 3500 Las Vegas Blvd S	NV	89109	(702) 792-9222	Joel Seafood, Prime Rib & Crab House - Las Vegas	
USA	Ron	Sous Chef	The Forum Shops at Caesars, 3500 Las Vegas Blvd S	NV	89109	(702) 792-9222	Joel Seafood, Prime Rib & Crab House - Las Vegas	
USA	Andrea	Executive Chef	15 Washington Avenue	FL	33139	(305) 672-6255	Joe's Stone Crab Miami	
USA	Stephen	President	227 Biscayne St.	FL	33139	(305) 673-4611	Joe's Stone Crab Take Away	
USA	Jean-Georges	Vongprichien	Executive Chef	New York	NY	10021	(212) 223-5656	Job
USA	Benjamin	Udave	Executive Sous Chef	160 E. 64th St.	NY	10021	(212) 223-5656	Jonathan Club
USA	Jose	Le Balch	Chief / Owner	850 Palisades Beach Road	CA	90403	(310) 656-7891	Jose Restaurant
USA	Josh	DeChellis	Executive Chef	2424 Pico Blvd.	CA	90405	(310) 881-9888	Jose Restaurant
Canada	Johnston	Liu	President	135 E. 62nd St	NY	10021	(212) 752-6000	Jovia
USA	Michael	O'Dowd	Executive chef	197 Gifford Street	BC	V3M6S1	(604) 777-0692	JJI Enterprises Inc
USA	Matthew	Troppano	Executive Chef	5594 W. Wildhorse Pass Blvd	AZ	85226	(602) 225-0300	Kal - Sheraton Wild Horse Pass Resort
USA	Donald	Disraeli	Director of Operations	822 Madison Avenue	NY	10021	(212) 988-7277	Kal by ITO EN E
USA	MERHOSH	DAROWALLA	Owner/Sushi Chef	618 East Gutierrez Street	CA	93103	(805) 966-5159	Kanaloa Seafood
USA	CASEY	GRANIERI	Chief / Owner	505 WASHINGTON STREET	NY	07030	(201) 610-0900	KARMA KAFE
USA	David	Frau	Executive Chef, Owner	7160 Melrose Avenue	CA	90038	(323) 895-3816	Kazuo Sush Restaurant
USA	Kevin	Rathbun	Chief, Owner	807 PIERPONT ST.	NY	07065	(732) 599-2615	KC JAZZ
USA	Sam	King	CEO	12 Vall Road #100	CO	81657	(970) 479-0175	Kelly Liken
USA	Bob	Kinkaid	executive chef	135 North Grand Ave	CA	90012	(213) 972-7322	Kendall's Brasserie and Bar
USA	Arthur	Kirk	Mgr	112 Kroog St, Suite R	GA	30307	(404) 524-8280	Kevin Rathbun Steak
USA	Daniel	Angerer	Executive Chef / Owner	3185 Airway Avenue	CA	92626	(714) 432-0400	Kings Seafood Company
USA	Dan	Challermittich	Executive Chef	2000 Pennsylvania Ave. NW	DC	20006	(202) 296-7700	Kinkaid's
USA	Daniel	Angerer	Executive Chef / Owner	417 Papaya St	FL	34145	(941) 394-8616	Kirk Fish Co
USA	Dan	Challermittich	Executive Chef	60 Thompson St.	NY	10014	(212) 219-2000	Kitchiabi
USA	Dan	Challermittich	Executive Chef / Owner	200 9th Ave	NY	10011	(212) 633-8033	Klee Brasserie
USA	Dan	Challermittich	Executive Chef / Owner	108 E 4th St	NY	10003	(212) 228-4885	Knife + Fork
USA	Joshua	Buehler	Executive Chef	90 Tremont Street	MA	02108	(617) 772-0202	KO Prime Steakhouse
USA	Tim	Horrook	Executive Chef	Planet Hollywood Casino, 3667 Las Vegas Blvd S	NV	89109	(702) 454-4555	Koi - Las Vegas
USA	Tony	Jiang	Executive Chef	365 Gallert Blvd	CA	94015	(650) 992-9000	Koi Palace
USA	Erik	Cosselmon	Executive Chef	200 Jackson St	CA	94111	(415) 981-0983	Kokkari Establorio
USA	Rus	Hurry	Executive Chef	3400 Las Vegas Blvd South, The Mirage	NV	89109	(702) 791-7311	Kokomo's
USA	Robert	Smythe	General Manager	3400 Las Vegas Blvd South, The Mirage	NV	89109	(702) 791-7350	Kokomo's
USA	King	Projanakong	Chief, Owner	113 Ludlow Street, 2nd Fl	NY	10002	(212) 353-8866	Kumalin

USA	Noriyuki	Executive chef/Freelance	576-112 Room B, Rialto Ave	Venice	90291	(646) 338-8886	Kurumame
USA	Toshihiro	Caterer	7 E. 47th Street	Manhattan	10017	(212) 317-2802	Kurumazushi
USA	Brandon	Executive Chef	10142 Adams Ave.	Huntington Beach	92868	(714) 978-6161	La Brasserie
United States	Jean-Francois	Executive Chef/Owner	10506 Santa Monica Blvd.	Los Angeles	90025	(310) 470-4992	La Cuchette Bistro
USA	Mr.	Executive Chef/Owner	700 Tchoupitoulas St	New Orleans	70130	(504) 613-2364	La Cote Brasserie
USA	Mr.	Executive Chef	8 South Front Street	Philadelphia	19106	(215) 692-2803	La Famiglia Ristorante
USA	Mr.	Executive Chef	2316 Polk Street	San Francisco	94009	(415) 776-5577	La Folie
USA	Mr.	Executive Chef	Pier 1.112	San Francisco	94111	(415) 336-0251	La Mar Cabbleria
USA	Mr.	Executive Chef	48 Boylston St.	Brookline	02445	(617) 735-0007	La Motta
USA	Mr.	Executive Chef	2328 Magnesian Street	New Orleans	70115	(804) 891-3377	La Petite Grocery,
USA	Mr.	Executive Chef	908 North Shore Dr	Hedges	34115	(804) 891-3377	La Playa Beach and Golf Club Resort
USA	Mr.	Executive Chef	108 W. 11th Street	Chicago	60610	(773) 663-7089	La Prime House
USA	Mr.	Executive Chef	1314 McKinstry St	Napa	94659	(707) 623-5157	La Toque
USA	Mr.	Executive Chef	210 W. Rittenhouse Square	Philadelphia	19103	(215) 790-2533	Lacroix
USA	Mr.	Owner/Executive Chef	Pier 5, The Embarcadero	San Francisco	94111	(415) 407-3062	Lafitte
USA	Mr.	General Manager	5000 Kalaba Avenue	Lake Placid	96761	(808) 667-5117	Lahaina Grill
USA	Mr.	Exec Chef / owner	P.O. Box 550	Seattle	98121	(518) 652-82700	Lake Placid
USA	Mr.	Exec Chef / owner	2400 1st Ave	Seattle	98121	(206) 443-3301	Lampiera
USA	Mr.	Exec Chef / owner	3405 W 7th St.	Fort Worth,	76107	(817) 850-9996	Lanny's Alta Cocina Mexicana
USA	Mr.	Executive Chef	926 12th Ave	Seattle	98122	(206) 323-5275	Lark
USA	Mr.	Executive Chef, Owner	57 E.57th Street	New York	10022	(212) 350-6658	L'Atelier de Joel Robuchon - New York
USA	Mr.	Executive Chef	Monte Verde St. at 7th Avenue	Carmel-by-the-Sea	93921	(831) 624-8878	L'Auberge Carmel
USA	Mr.	Chef De Cuisine	3325 S. Las Vegas Blvd.	Las Vegas	89101	89101	L'avo
USA	Mr.	Executive Chef	3325 S. Las Vegas Blvd.	Las Vegas	89101	(702) 791-1823	L'avo
USA	Mr.	Executive Chef	100 East Ontario St	Chicago	60611	(312) 787-5000	Lawry's The Prime Rib - Chicago
USA	Mr.	Executive Chef	4043 Howard Hughes Pkwy.	Hughes Ctr	98109	(702) 893-2223	Lawry's The Prime Rib - Las Vegas
USA	Mr.	Executive Chef	60 W. 55th St.	New York	10019	(212) 688-6525	Le Bec-Fin
USA	Mr.	Executive Chef	1523 Walnut St.	Philadelphia	19102	(215) 697-1000	Le Bœuf
USA	Mr.	Exec Chef	425 NW Market St.	Seattle	98107	(206) 794-3463	Le Gourmand
USA	Mr.	Executive Chef	935 3rd Avenue	Seattle	98101	(206) 465-9999	Le Pichet
USA	Mr.	Executive Chef	5441 West 104th Street	Los Angeles	90045	(310) 642-0680	Le Petit U.S.A.
USA	Mr.	Exec Chef	507 Magnolia Avenue	Lakewood	98121	(212) 238-3100	Le Petit U.S.A.
USA	Mr.	Exec Chef	507 Magnolia Avenue	Lakewood	98121	(415) 927-3331	Le Petit U.S.A.
USA	Mr.	Executive chef	160 Pawluket Blvd.	Tyngsboro	94939	(978) 649-4400	Le Petit U.S.A.
USA	Mr.	President	33 Everett St.	Allston	02134	(617) 783-8084	Le Petit U.S.A.
USA	Mr.	Executive Chef	6230 Main Industry Dr	San Diego	92121	(858) 693-7561	Le Petit U.S.A.
USA	Mr.	Executive Chef	222 E Ontario	Chicago	60610	(312) 649-9010	Le Petit U.S.A.
USA	Mr.	Executive Chef/Proprietor	30 Gloucester Street	Boston	02115	(617) 262-3023	Le Petit U.S.A.
USA	Mr.	Executive Chef / Owner	524 Valencia St	San Francisco	94110	(415) 252-0918	Le Petit U.S.A.
USA	Mr.	Executive Chef	45 Tudor City Pl.	New York	10017	(212) 599-5043	Le Petit U.S.A.
USA	Mr.	General Manager	118 Colebrook River Road	Winsted	6098	(860) 483-7040	Litchfield Farms Organic & Natural
USA	Mr.	Executive Chef	691 Bridge Street	City Island	10464	(718) 885-1459	Lobster House - City Is
USA	Mr.	Executive Chef	2936 Elm Street	Dallas	75226	(214) 752-7500	Local
USA	Mr.	Executive Chef	377 Greenwich Street	New York	10013	(212) 925-2156	Local
USA	Ms.	Chef & Partner	3 Winter Place	Boston	02108	(617) 542-1340	Local
USA	Mr.	Executive Chef	800 Food Center Drive Unit #99	Bronx	10474	(718) 620-8409	Local
USA	Mr.	Executive Chef	1601 Collins Ave	Miami Beach	33139	(305) 606-1601	Local
USA	Mr.	Executive Chef	2117 Fairmount St	Dallas	75201	(214) 855-0700	Local
USA	Mr.	Executive Chef	2032 Harrison Street	Hollywood	33020	(854) 927-8851	Local
USA	Mr.	Executive Chef	2016 Main Street	Fort Worth,	32026	(817) 326-8888	Local
USA	Mr.	Executive Chef	2212 St. Ignace Pl	San Pedro	90731	(310) 623-4249	Local
USA	Mr.	Executive Chef	9990 Perkins Road	Baton Rouge	70810	(225) 767-9991	Local
USA	Mr.	Sales Manager	7195 Brylawke Circle	Charleston	29418	(843) 767-9600	Local
USA	Mr.	President	8325 NW 30th Terrace	Miami	33122	(305) 477-1968	Local
USA	Mr.	Executive Chef	76 Highway 98 E	Destin	32541	(850) 654-0900	Local
United States	Mr.	Executive Chef/Owner	1 Penn Plaza	New York City	10119	(646) 232-0721	Local
USA	Mr.	Executive Chef	333 St Charles Ave	New Orleans	70130	(504) 378-2840	Local
USA	Mr.	Executive Chef / Owner	2537 N Kedzie Blvd.	Chicago	60647	(773) 489-9554	Local
USA	Mr.	Executive Chef	2537 N Kedzie Blvd.	Chicago	60647	(773) 489-9554	Local
USA	Mr.	Executive Chef	142 Mercer Street	Manhattan	10013	(212) 431-7676	Local
USA	Mr.	Purchaser/Sales	16480 Railroad Avenue	Morgan Hill	95037	(408) 778-7200	Local
USA	Mr.	Executive Chef	16480 Railroad Avenue	Morgan Hill	95037	(408) 778-7200	Local
USA	Mr.	Executive Chef	1494 2nd Avenue	Manhattan	10021	(212) 249-2020	Local
USA	Mr.	Executive Chef	3900 Las Vegas Blvd S.	Las Vegas	89119	(702) 262-7196	Local

USA	Christopher Maria	Mahoney Foscari	Sous Chef Executive Chef	Las Vegas Anahaim Hills	NV CA	88119 92807	(714) 779-1777 (702) 812-3325	Luxor Steakhouse MFoscari
USA	Mr. Robert Herb	Katlowitz	Executive Chef	3900 Las Vegas Blvd S, 5645 East La Palma Avenue	NV CA	10474	(212) 233-4522	M Slavin & Sons - Fulton Fish Market
USA	Mr. Alex Peter	Rudolph	Exec Chef	800 Food Center Drive	NV	10474	(212) 233-4522	M Slavin & Sons - Fulton Fish Market
USA	Ben Perry	Barker	Exec Chef, Owner	14D Truro Center Road	MA	94025	(508) 349-9409	Mic's Seafood - Truro
USA		Bateman	Owner	2825 Sand Hill Road	CA	27705	(650) 561-1540	Madera
USA			Owner	1002 9th Street	NC	96779	(919) 286-3609	Magnolia Grill
USA	DAVA	ALFAMO	Owner	2159 Kalia Road	HI	07755	(808) 579-9248	Mama's Fish House
USA	Mr. Bruno	Dawallin	Executive Chef	2105 HWY 35 NORTH	NJ	75219	(732) 695-6009	MANHATTAN STEAK HOUSE
USA	Eric Felsbert	Ferrel	Exec Chef	2821 Turtle Creek Blvd	TX	32801	(407) 946-6580	Mansion on Turtle Creek
USA	Jean Daudet	Wickmair	executive chef	390 North Orange Ave, 28th Floor	FL	20837	(202) 296-1166	Maruell's On the 28th
USA	Florent	Daudet	Executive Chef	2403 Pennycuik Ave, NW	DC	89128	(702) 804-8008	Marche Bacchus
USA	Mr. Alex	Marnneau	Executive Chef	2620 Regatta Drive	NV	92626	(714) 434-7900	Marche Moderne
USA	Ms. Pamela Gregg	Asadulliev	Executive Chef	3333 Brickell St # 3001	CA	25313	(304) 776-1424	Mardi Gras Casino & Resort
USA	Barry Doug	Lewy	Chief de Cuisine	1 Greyhound Drive	WV	46970	(231) 386-5399	Mario Batali
USA	Mr. Mark	Biedlerbeck	Owner	12580 North Crystal Cove Court	MI	10010	(800) 826-7827	Marisol Restaurant
USA	Mark Lance	Cox	Executive Chef	71 W 23rd Street	CA	94111	(212) 255-6048	Mark Foods
USA	Larry	Kraebel	Exec Chef	1 Ferry Building	CA	77006	(415) 434-1100	MarketBar Restaurant
USA	Anna	LaValley	Exec Chef	1658 Westheimer Road	TX	33432	(713) 523 3800	Mark's American Cuisine
USA	Charles Eric	Weinberg	Owner	344 Plaza Real	FL	33139	(561) 395-0770	Mark's at the Park
USA	Jerry Mark	Moyhan	Executive Chef	1120 Collins Avenue	FL	94107	(305) 604-9050	Mark's South Beach
USA	United States	Billie Todd	Owner / Manager	330 Townsend Street, Suite 101	CA	70138	(415) 974-1836	Merlowe
USA	Mr. Ted	Humphries	Executive Chef	555 Canal Street	LA	70138	(504) 553-5519	Merriott Hotels - New Orleans
USA	Mr. Mary	Kulso	Owner	555 Canal Street	LA	70138	(504) 553-5584	Merriott Hotels - New Orleans
USA	Galen	Redding	Executive Chef	555 Canal Street	LA	70138	(504) 581-5614	Merriott Hotels - New Orleans
USA	Masa Gregory	Zamorra	Executive Chef	555 Canal Street	LA	70138	(504) 553-5519	Merriott Hotels - New Orleans
USA	Mr. Jim	Takayama	Executive Chef	555 Canal Street	LA	70138	(504) 553-5519	Merriott Hotels - New Orleans
USA	Kent Pawlowski	Short	Executive Chef	555 Canal Street	LA	70138	(504) 553-5519	Merriott Hotels - New Orleans
USA	Tadashi	Gregory	Corp.Chef	555 Canal Street	LA	70138	(504) 553-5519	Merriott Hotels - New Orleans
USA	Scott Mario	Unknown	Executive Chef / Partner	246 N. Canon Dr.	CA	90210	(949) 376-6990	Mertis Seafood Co
USA	Lucas Michael	Ono	Executive Chef / Owner	369 W 16th	NY	10011	(212) 243-6400	Mertin House
USA	Arthur	Yokellis	Executive Chef / Owner	3316 17th St.	CA	94110	(415) 863-3061	Mertin House
USA	Dick	Santiago	Exec chef	1145 W. Cermak	IL	60608	(312) 421-4442	Mery's Fish Camp
USA	Christopher	Shoemaker	President & Executive Chef	San Francisco	CA	94110	(415) 487-9871	Mesa Farmhouse
USA	Koji	Fuller	Exec chef	4505 Ashford Dunwoody Rd.	GA	90083	(770) 512-8888	Mesa Restaurant
USA	Matt Daniel	Gonzalez	Owner	190 North Marina Drive	CA	34947	(561) 464-8519	Mea Grill
USA	Bobby	McManus	Executive Chef	301 N 25th St	FL	94574	(707) 967-1205	Mecca Grill
USA	Mark	Kostov	Executive Chef	900 Meadowood Lane	CA	10013	(212) 964-7777	Mezzo Bistrot
USA	Marc	Imai	Owner/Proprietor	62 Thomas Street	NY	70112	(504) 524-1331	Melange - The Restaurant
USA	Ben	Murphy	Chief	921 Canal Street	LA	02112	(617) 649-3995	Mesa Grill
USA	Michael	Bruce	Executive chef	70 Fowes Wharf	MA	02467	(617) 673-0500	Mesopotamia Club
USA	Michael	Ray	Executive Chef	1316 Boylston Street	MA	98104	(206) 624-328	Mesopotamia Grill
USA	Michael	Wor	Executive Chef	820 Second Avenue	WA	88104	(202) 944-8880	Mezzo Bistrot
USA	Carl	Sgrizzi	Executive Chef	3600 Las Vegas Blvd	NV	89109	(702) 693-8199	Michael Mina Las Vegas
USA	Eberhard	Jenkins	Executive Chef	1147 Third St.	CA	90403	(310) 394-1830	Michael's - Santa Monica
USA	Michelle	McCarty	Executive Chef	130 N.E. 40th Street, Atlas Plaza,	FL	33137	(305) 573-5550	Michael's Genuine
USA	Alison	Wilson	Exec chef	Miami Design District	FL	33040	(305) 295-1300	Michael's Restaurant - Key West
USA	Hardy	Walson	3rd Floor Office, 3000 M St, NW	DC	20007	(571) 213-6868	Michel Richards Restaurant	
USA	Bernstein	Hardy	2199 Kalia Road	HI	96815	(808) 923 6552	Michel's at the Colony Surf	
USA	Hiro	Kintscher	6927 Bcayne Blvd	FL	33138	(305) 759-2001	Mibhy's	
USA		Bernstein	4301 Hazel Avenue	CA	95628	(916) 961-3115	Mikumi Sush	
USA		Hiro	817 Common Street	LA	70112	(504) 412-2580	Mila Restaurant	

USA	John	Wabeck	Chief	2317 Calvert St NW	Washington	DC	20008	(202) 234-4110	(201) 270-6441	(203) 933-7791 (323) 584-2431	New Heights Restaurant New Wave Seafood
USA	Msatosh (Mitt)	Peter	Account Executive	114 Smith Street	New London	CT	6320	(860) 444-2636			
USA	Mr. Ruben	Yoshida	HACCP Director	25 Knickerbocker Road	Moonachie	NJ	07074	(908) 933-9555	(201) 933-9555		New York Mutual Trading Inc
USA	Mr. Andy	Gallia	Executive Chef	4321 Boyle Avenue	Vernon	CA	90058	(323) 584-2400	(212) 873-6423		New Zealand Seafoods Nice Mattin
USA	Nicholas	Haray	Executive Chef	160 Route 35 South	Red Bank	NJ	07071	(732) 636-9577			Nicholas Nick and Stef's Steakhouse - LA
USA	George SHEN	Logan	Executive Chef	330 South Hope St	Los Angeles	CA	90071	(213) 680-0330			
USA	Mr. Jason	Gomes, Jr.	Owner	709 Poho Place	Wailea	HI	96753	(808) 879-7224			Nick's Fishmarket Maui NIKO 3 MEDITERRANEAN
USA	Mr. Jason	KEN	Exec Chef	2161 BROADWAY	NEW YORK	NY	10024	(212) 875-7060			
USA	Mr. Chris	Olivier	Executive Chef	255 Courtland Street, NE	Atlanta	GA	30303	(404) 221-6362			Nikoli's Beef Nine - Ten Restaurant
USA	Gregorio	Kobbb	Executive Chef	910 Prospect St	San Diego	CA	92037	(858) 864-5400			Nine One Five
USA	Gregorio	Ottren	Executive Chef	915 Duval St	Key West	FL	33040	(305) 296-0669			
USA	Gregorio	Stephenson	Executive Chef	3835 Cross Creek Road, #18A	Malibu	CA	90265	(310) 317-9140		(310) 317-9136	Nobur - Malibu
USA	United States	Hisa	Executive Chef	3835 Cross Creek Road, #18A	Malibu	CA	90265	(310) 317-9140		(310) 317-9136	Nobur - Malibu
USA	Nobu	Gregorio	Executive Chef	3835 Cross Creek Road#18A	Malibu	CA	90265	(310) 317-9140		(212) 219-1441	Nobur - Malibu Nobur - New York
USA	Matt	Matsushita	Executive Chef	105 Hudson St (Franklin St)	Tribeca	NY	10013	(212) 219-0500	(212) 219-1441		
USA	Matt	Holye	Executive Chef	40 West 57th Street	New York	NY	10019	(212) 757-3000	(646) 853-5244		Nobu57
USA	Matt	R	Executive Chef	400 Crescent Court	Dallas	TX	75201	(214) 252-7012	(214) 228-9103		Nobu Dallas
USA	Thomas	Buckley	Exec Chef	1901 Collins Avenue	Miami Beach	FL	33139	(305) 695-3232	(786) 554-8158		Nobu Miami
USA	Christopher	David	Executive Chef	Park Hyatt Chicago, 800 N Michigan Ave	Chicago	IL	60611	(312) 239-4030		(312) 239-4029	Nomi
USA	James	Richardson	Chief	11628 Santa Monica Blvd	Los Angeles	CA	90025	(310) 207-5160		(310) 207-5220	Nook
USA	Laurence	Jossal	Chief	560 Divisadero	San Francisco	CA	94117	(415) 864-8843			NOPA
USA	Mr. Josh	Schwartz	Sous Chef/Purchaser	2215 M St. NW	Washington	DC	20008	(202) 797-4860			Nora
USA	Ms. Nora	Poullion	Owner / Exec Chef	2215 M St. NW	Washington	DC	20008	(202) 797-4860			Nora
USA	Reyn	Lee	Owner	3310 7th Street	Oakland	CA	94601	(510) 552-7823			Norcal Seafood
USA	Norman	Van Aken	Chief / Owner	12248 Sycamore Street	Miami	FL	33185	(407) 206-2460			Norman 3 - Miami
USA	Norman	Van Aken	chef	The Ritz-Carlton Orlando, 4012 Tampa Blvd	Orlando	FL	32837	(305) 846-6767			Norman's - Orlando
USA	Mr. Scott	Fraser	General Manager	1535 Caburn Street	Honolulu	HI	96817	(877) 855-7238	(808) 398-3474		Norpac Fisheries Export
Canada	Mr. Marco	Fruong	Vice President, Purchasing	4900 rue Nelson	Montreal	QUEBEC	H1Y3J8	(514) 593-9999	(514) 821-4411	(514) 593-9805	Norref
Canada	Ms. Sandrine	Duong	Frozen Buyer	4900 rue Nelson	Montreal	QUEBEC	H1Y3J8	(514) 593-9999	(514) 593-8406	(514) 593-9805	Norref
USA	Mr. Yue	Tong	Seafood Buyer	2301 Century Center Blvd	Irvine	TX	9274453322	(972) 445-3322	(469) 360-4452	(972) 445-3322	North Food Group Inc
USA	Mr. Dewey	Loasso	Executive Chef	11052 Biscayne Blvd.	North Miami	FL	33161	(305) 893-4211			North One Ten North Pacific Seafood
USA	Bruce	Sherman	Chief	2610 N Cannon Dr.	Chicago	IL	60614	(773) 477-5845			North Pond
USA	Rick Billy	Burman Lo	President	2213 N.W. 30th Place, #7A 93 Madison Street	Pompano Beach New York	FL NY	33069 10002	(954) 984-0006 (212) 227-7888	(954) 612-6717 (917) 335-5176	(954) 984-5912 (212) 406-2035	North Star Seafood North East Lobster Seafood Wholesale
USA	Doug	Kern	President	21500 Alexander Road	Oakwood Village	OH	44146	(440) 439-0600			Northern Hazeret
USA	Rick	Marrino	President	16 Hassey Street	New Bedford	MA	02740	(508) 641-4597		(508) 990-8792	Northern Wind Inc
USA	Barry	Dakake	Executive Chef	4321 W. Flamingo Road	Las Vegas	NV	89103	(702) 942-7777	(702) 942-7777	(702) 942-6021	Novo
USA	Geno	Bernardo	Director of Purchasing	4321 W. Flamingo Road	Las Vegas	NV	89103	(702) 942-7777	(702) 942-7777	(702) 942-6021	Novo
USA	Ryan	Denno	Director of Purchasing	4321 W. Flamingo Road	Las Vegas	NV	89103	(702) 942-7777	(702) 942-6600	(702) 942-6021	Novo
USA	Adam	Richie	Executive Chef	4321 W. Flamingo Road	Las Vegas	NV	89103	(702) 942-7777	(702) 942-6600	(702) 942-6021	Novo
USA	Adam	Chilop	Executive Chef	43 W. 24th Street	New York	NY	10011	(212) 676-0211			Novo
USA	Mr. Adam	Chilop	Executive Chef	43 W. 24th Street	New York	NY	10011	(212) 676-0211			Novo
USA	Mr. Arnel	Alzamano	Chief Proprietor	61055 Atlantic Blvd	Manassas	VA	20108	(571) 654-9909	(617) 654-9900		Novo Restaurant Novo Seafood
USA	Peter	Partian	Executive Chef / owner	2029 P. St. NW	Washington	DC	20036	(202) 872-1180	(213) 305-9183		Novo Restaurant Novo Seafood
USA	Silvano	Mestas	Executive Chef	1403 Ocean Ave	Santa Monica	CA	90401	(310) 394-5669		(310) 394-7322	Oberlik Ocean Ave Seafood
USA	Mrs. Marianne	Marcinko	Purchasing Officer	1815 Trinity Valley Drive	Carrollton	TX	75006	(972) 241-7500	(972) 241-7500 x	(972) 243-3897	Ocean Beauty - Dallas
USA	Mr. Tom	Olson	Account Manager	1815 Trinity valley Drive	Carrollton	TX	75006	1051	(213) 629-0142	(972) 243-3897	Ocean Beauty - Dallas Ocean Choice
USA	Mr. Ricky	Ricky	Account Manager	506 Stanford Ave	Los Angeles	CA	90008	(858) 790-3200			Ocean Garden Products Inc
USA	Jawier	Collero	Account Manager	10085 Scripps Ranch Court	San Diego	CA	92131	(858) 790-3200			Ocean Garden Products Inc
USA	Mr. Ron	Boren	Account Manager	10085 Scripps Ranch Court	San Diego	CA	92131	(858) 790-3200			Ocean Garden Products Inc
USA	Mr. Shawn Ben	Hester Pollinger	Director of Marketing Executive Chef	10085 Scripps Ranch Court 55 E. 54th St.	San Diego New York	CA NY	92131 10022	(858) 790-3200 (212) 759-5941			Ocean Garden Products Inc Oceana

USA	Mr.	Aaron	Valmont	Executive Chef/Operating Partner	13340 Dallas Parkway 400 J Street	Dallas San Diego	TX CA	75240 92101	(972) 759-2777 (619) 858-2777	Oceanaire Seafood Room - Dallas Oceanaire Seafood Room - San Diego
USA	Mr.	Sean	Linglais	Executive Chef	1805 Chestnut Street	Dallas	TX	75226	(214) 428-1091	Oceans Seafood
USA	Mr.	Eli	Khouiry	Partner	1912 E Vernon Ave, Ste 110	Vernon	CA	90058	(323) 231-1600	OH Mierksa
USA	Mr.	Brent	Church	Owner	1745 James Avenue	Miami	FL	33139	(305) 673-5455	Ola at Sanctuary
USA	Mr.	Douglas	Sortun	Chief	134 Hampshire St	Cambridge	MA	02219	(617) 661-0505	Olena
USA	Mr.	Mario	Oliver	Executive Chef	9601 Wilshire Blvd	Beverly Hills	CA	90210	(310) 888-8161	Oliver Cafe Lounge
USA	Mr.	Todd	English	Executive chef / owner	10 City Sq	Charlestown	MA	02229	(212) 353-8345	Olives - Charleston
USA	Mr.	Trish	English	Executive chef / owner	201 Park Ave. South	New York	NY	10003	(609) 385-2875	Olives - New York
USA	Mr.	Luke	Palladino	Chief	404 Stobrodridge Ct.	Albion	NY	88205	(415) 275-5019	Omnia
USA	Mr.	Jim	Bess	Director of Operations	500 California Street	San Francisco	CA	94104	(415) 273-3038	Omni San Francisco Hotel
USA	Mr.	Gerdly	Rodriguez	Executive Chef	10295 Collins Avenue	Bal Harbor	FL	33154	(305) 455-5400	One Bleu
United States	Mr.	Colt	Taylor	Executive Chef	17 Barrow Street	New York	NY	10014	(212) 228-0822	One If By Land Two If By Sea
USA	Mr.	Michael	McDonald	Executive Chef	1400 W Randolph Street	Chicago	IL	60607	(312) 850-0303	One Sixtyblue
USA	Mr.	Michael	Pollakis	Executive Chef	222 W 79th St.	New York	NY	10024	(212) 873-0200	Onera
USA	Mr.	Steve	Meek	Executive Chef	6410 E. Chapman Avenue	Orange	CA	92867	(714) 977-2910	Orange Hill Restaurant
USA	Mr.	Jason	Pena	Executive Chef	6410 E. Chapman Avenue	Orange	CA	92867	(714) 977-2910	Orange Hill Restaurant
USA	Mr.	Wong	Wong	Executive Chef	14 Elizabeth St.	New York	NY	10013	(212) 619-0085	Oriental Garden
USA	Mr.	Dennis	Kobzienski	Director of food and beverage	8710 World Center Drive	Orlando	FL	32821	(407) 448-8129	Orlando World Centre Marriott
USA	Mr.	Elizabeth	Faulkner	Executive Chef/Owner	508 4th Street	San Francisco	CA	94107	(415) 777-1508	Orson
USA	Mr.	Cindy	Hutson	Executive Chef	3655 Las Vegas Blvd	Las Vegas	NV	89109	(702) 948-6938	Oranique
USA	Mr.	Ken	Ken	Executive Chef	1923 Filmore St	San Francisco	CA	94115	(415) 346-6788	Oroaka Restaurant
USA	Mr.	Alberto	Morrille	Executive Chef	904 5th Avenue	San Diego	CA	92101	(619) 239-1800	Oroeta Fish House
USA	Mr.	Wayne	Stofford	IT Manager - Outback Steakhouse	2202 N. West Shore Blvd, 5th floor	Tampa	FL	33607	(813) 282-1225	Osi Restaurant Partners
USA	Mr.	Mile	Wynberg	Executive Chef	333 Pier	San Francisco	CA	94133	(415) 291-0156	Oprey Seafood
USA	Mr.	Rick	Tramonto	Executive Chef	601 N. Milwaukee Ave	Wheeling	IL	60090	(847) 777-6570	Osera Di Tramonto
USA	Ms.	Nancy	Shiverton	Chief / COOwner	641 N. Highland Ave	Los Angeles	CA	90036	(323) 297-0101	Osera Nozza
USA	Mr.	Daryl	Nash	Executive Chef	951 W Fulton Market	Chicago	IL	60607	(312) 691-5804	Otom
USA	Mr.	Mark	Ladner	Executive Chef	1 Fifth Ave	New York	NY	10011	(212) 955-9559	Oto Erotica Pizzeria
USA	Mr.	Tom	Alanti	Executive Chef	732 E Broadway	New York	NY	10014	(212) 380-1360	Otoko
USA	Mr.	Richard	Smith	Executive Chef	732 E Broadway	New York	NY	10014	(212) 380-1360	Otoko
USA	Mr.	Gregory	Smith	Owner	161 S Tamiami Trl	San Francisco	CA	34031	(415) 892-7939	Otoko Buns Of Saratosa
USA	Mr.	Peter	James	CEO	161 S Tamiami Trl	San Francisco	CA	94108	(415) 882-1794	Otoko Buns Of Saratosa
USA	Mr.	Coily	Smith	CEO	5524 South Santa Fe Ave	Vernon Hills	IL	60058	(312) 319-1517	Pacific American Fish Company
USA	Mr.	David	Lufkin	Frozen Purchaser	4520 107th Street SW	Mukilteo	WA	98275	(509) 860-6936	Pacific Seafood
USA	Mr.	Mike	Looney	Buyer	4520 107th Street SW	Mukilteo	WA	98275	(425) 740-5126	Pacific Seafood
United States	Mr.	Reggie	LaGuardia	Buyer	4520 107th Street S.W.	Mukilteo	WA	98275	(425) 740-5126	Pacific Seafood
USA	Mr.	Bruce	Bulcao	Buyer	800 Franklin Street	Oakland	CA	94607	(510) 834-8898	Pacific Seafood Trading Co
USA	Mr.	Mario	Gonzalez	Executive Chef	5040 Cass Street	San Diego	CA	92109	(858) 272-9938	Pacific Shellfish
USA	Mr.	Sarah	McCourt	Executive Chef	5040 Cass Street	San Diego	CA	92109	(858) 272-9940	Pacific Shellfish
USA	Mr.	Thomas	Hogan	Executive Chef	5040 Cass Street	San Diego	CA	92109	(858) 272-9940	Pacific Shellfish
USA	Mr.	Phillipe	Ruiz	Exec Chef	73505 El Paseo, Suit F 2608	Palm Desert	CA	92260	(760) 674-8666	Pacific Seafood Restaurant
USA	Mr.	Jacques	Gaulier	Chief / Owner	1200 Anastasia Avenue	Coral Gables	FL	33134	(305) 813-3200	Palmes d'Or
USA	Mr.	Jeffrey	Strauss	Executive Chef	652 Union St.	Brooklyn	NY	11215	(718) 636-6311	Pamplemousse Grille
USA	Mr.	Alex	Urena	Chief / Owner	514 Via de la Valle	Solana Beach	CA	92075	(949) 426-3662	Pamplemousse Grille
USA	Mr.	Gary	Donlick	Exec chef	37 E 28th St	New York	NY	10016	(212) 213-2328	Pamploña
USA	Mr.	James	Johnston	Executive Chef	1232 West Paces Ferry Road	Atlanta	GA	30327	(404) 261-3662	Pano's & Paul's
USA	Mr.	Michael	Velardi	Executive Chef	10477 Lombardy Lane	Dallas	TX	75220	(214) 366-2000	Pappas Bros Steakhouse - Dallas
USA	Mr.	Michael	Vallitto	Executive Chef	5839 Westminster Rd.	Houston	TX	77057	(713) 780-7352	Pappas Bros Steakhouse - Houston
USA	Mr.	ARNOLD	KRUCK	Corporate Chef	5839 Westminster Rd.	Houston	TX	77057	(713) 780-7352	Pappas Bros Steakhouse - Houston
USA	Mr.	GEDALTA	JACOBOWITS	Executive Chef	184 PARK AVENUE	FLORHAM PARK	NJ	07932	(973) 301-8233	Park Avenue Club
USA	Mr.	STEVEN	SANDBS	Executive Chef	1415 54TH ST	BROOKLYN	NY	11219	(718) 871-8620	PARKWAY CATERERS
USA	Mr.	Joshua	Schibol	Chief & Co-owner	234 E PLAZA STREET	Los Angeles	CA	90012	(651) 331-5335	PASTA PASTA
USA	Mr.	Francois	Poyard	Chief / Owner	141 South Grand Avenue	Los Angeles	CA	90012	(213) 972-3331	Pasta
USA	Mr.	Cedric	Tovar	Executive Chef	1032 Lexington Ave	New York	NY	10021	(212) 717-5252	Paupard Patisserie & Bistrot
USA	Mr.	Rebecca	Charles	Executive Chef	301 Park Ave	Las Vegas	NV	10022	(702) 882-4895	Peacock Alley
USA	Mr.	Frank	Rebecca	Executive Chef	3799 Las Vegas Blvd. South	Las Vegas	NV	89109	(702) 882-2828	Peart
USA	Mr.	LEO	MADRIGAL	Executive Chef	18 Cornelia St.	New York	NY	10014	(212) 691-8211	Pearl Oyster Bar
USA	Mr.	Mark	Lawley	Gen Mgr	940 WYNNEWOOD RD	PELHAM MANOR	NY	11083	(212) 965-9511	Pearl Oyster Bar
USA	Mr.	Ryan	Cooper	Executive Chef	2635 N Riverside Dr	Pompano Beach	FL	33062	(954) 788-2730	PELHAM COUNTRY CLUB
USA	Mr.	Thomas	Keller	Executive Chef	1201 First Street	Coronado	CA	92118	(619) 437-4474	Pelican Pub Inc.
USA	Mr.	Ryan	Poll	Executive Chef	10 Columbus Circle, 4th floor	New York	NY	10019	(212) 823-9335	Per Se
USA	Mr.	Jean-Georges	Vongerichten	Executive Chef	1800 North Lincoln Ave	Chicago	IL	60664	(312) 981-7070	Perennial Restaurant
USA	Mr.	Mark	Holley	Executive Chef	176 Ferry St.	New York	NY	10014	(212) 352-1900	Perry Street
USA	Mr.	Ruggero	Gaddidi	Chief/Owner	3029 Kirby Drive	Houston	TX	77098	(713) 522-4858	Pescce - Houston
USA	Mr.	David	Lee	Executive Chef	2227 Polk St.	San Francisco	CA	94109	(415) 928-8025	Pescce Seafood Bar - San Francisco
USA	Mr.	David	Lee	Executive Chef	33 west 60th st.	New York	NY	10019	(212) 644-8885	Phillippe
USA	Mr.	David	Lee	Executive Chef	33 west 60th st.	New York	NY	10019	(212) 644-8885	Phillippe

USA	Philippe Rispoli	Chief	1 Pelican Point	Townsend	GA	31331	(912) 832-4423	(912) 832-6228	Phillipe Rispoli
USA	Phillips	Owner	3600 S. Las Vegas Blvd	Las Vegas	NV	89109	(877) 234-6358		Phillips Seafood
USA	Serrano	Executive Chef	35 W. 64th St.	New York	NY	10023	(212) 724-8585	(212) 875-8979	Pleasant
USA	McGhee	Executive Chef	35 W. 64th St.	New York	NY	10023	(212) 724-8585		Pleasant
USA	Wickliffe	Executive Chef	Pier 45, #11B	San Francisco	CA	94133	(415) 717-0833		Pleasant
USA	Anthony	Executive Chef	63 Fishing Avenue Unit#B13	Brooklyn	NY	11205	(718) 222-4441	(718) 222-4449	Pleasant
USA	Robert	Executive Chef	63 Fishing Avenue # 7	Brooklyn	NY	11205	(718) 222-4441	(718) 222-4449	Pleasant
USA	EDUJO	Executive Chef	21 JAMES STREET	SHREWSBURY	NY	07702	(732) 866-3206		Pleasant
USA	Silbert	Executive Chef	70 West Burton Place, #807	Chicago	IL	60610	(773) 768-6677	(773) 768-4070	Pleasant
USA	Peters	Executive Chef	1143 WEST VALLEY	WYOMING	PA	19087	(610) 688-2111		Pleasant
USA	McCoy	Executive Chef	75 Charles St.	Boston	MA	02114	(617) 423-4944		Pleasant
USA	Allen	Executive Chef	42 Newton St.	Weston	MA	02456	(781) 894-3731		Pleasant
USA	Jack	Executive Chef	1301 Bay St SE	Saint Petersburg	FL	33701	(727) 823-4601	(727) 821-1643	Pleasant
USA	Joachim	Executive Chef	3355 Las Vegas Blvd S	Las Vegas	NV	89109			Pleasant
USA	Gerald	Executive Chef / Owner	1015 Battery St	San Francisco	CA	94111	(415) 391-2555		Pleasant
USA	Sergio	General Manager	112 North Market Street,	Charleston	SC	29401	E(843) 722E2345	(843) 577-2125	Planters Inn
USA	Wilcox	Owner	4749 Pennsylvania	Kansas City	MO	64112	(816) 753-0000		Plaza III
USA	Joseph	Owner	101 Phoenix Avenue	Lowell	MA	01852	(978) 970-3832	(978) 441-2528	Plenus Group
USA	Gust	Partner	1455 West Willow St	Chicago	IL	60622	(773) 276-2200	(773) 842-4144	Pitt Company North America
USA	Scott	Partner	1455 West Willow St	Chicago	IL	60622	(773) 276-2200	(773) 842-4066	Pitt Company North America
USA	Pete	Partner	40 Belden Place	Seattle & Victoria	BC	60662	(253) 867-2762	(253) 867-1445	Pitt Company North America
USA	Mark	Partner	3014 3rd Ave. North	San Francisco	CA	94104	(415) 986-6491	(415) 986-6492	Pitt Seafoods - Seattle
USA	Mark	Partner	3014 3rd Ave. North	Seattle	WA	98109	(206) 284-3000		Pleat
USA	Michael	Executive Chef / Managing	10 Columbus Circle 4th Floor	New York	NY	10019	(212) 823-9500		Pleat
USA	Timothy	Executive Chef	1440 Bancroft Avenue	San Francisco	CA	94124	(415) 595-8080	(415) 593-9393	Porter House New York
USA	Sherrin	Executive Chef	1188 Coastal Highway	Panacea	FL	32346	(850) 984-2784	(904) 984-2784	Porter House New York
USA	Mark	Executive Chef	3355 Las Vegas Blvd	Las Vegas	NV	89109			Porter House New York
USA	John	Executive Chef	3355 Las Vegas Blvd	Las Vegas	NV	89109			Porter House New York
USA	Michael	Executive Chef	545 Post Street	San Francisco	CA	94102	(415) 776-7825		Porto - Las Vegas
USA	James	Executive Sous Chef	1548 El Prado	San Francisco	CA	94102	(415) 776-7825	(619) 557-9441 x	Porto - Las Vegas
USA	Jeff	Executive Sous Chef	1548 El Prado	San Diego	CA	92101	(619) 557-9441 x		Porto - Las Vegas
USA	Sarah	Executive Sous Chef	1548 El Prado	San Diego	CA	92101	(619) 557-9441 x		Porto - Las Vegas
USA	Steph	Executive Sous Chef	601 Skokie Blvd	Northbrook	IL	60062	(847) 205-4433		Prado at Balboa Park
USA	Mark	Executive Sous Chef	700-76 Broadway, Suite 323	Westwood	CA	91361	(310) 391-9540	(201) 391-9540	Prado at Balboa Park
USA	Clayton	Executive Sous Chef	560 Nottingham Drive	Waples	FL	34109	(239) 435-1986	(239) 398-6834	Prado at Balboa Park
USA	Anthony	Executive Sous Chef	24 Fleet St	Boston	MA	02113	(617) 227-1577		Prado at Balboa Park
USA	Jose Carrasco	Executive Sous Chef	3599 NE 207th Street	Aventura	FL	33180	(305) 692-9392		Prado at Balboa Park
USA	Mile	Executive Sous Chef	112 Ocean Drive	Miami Beach	FL	33139	(305) 532-8112		Prado at Balboa Park
USA	Nazario	Executive Sous Chef	3600 Las Vegas Blvd, Bellagio Hotel	Las Vegas	NV	89109	(702) 693-7111	(702) 682-2257	Prime One Twelve
USA	Sean	Executive Sous Chef	3600 Las Vegas Blvd South	Las Vegas	NV	89109	17026938484		Prime One Twelve
USA	Jean-Georges	Executive Sous Chef	3600 Las Vegas Blvd, Bellagio Hotel	Las Vegas	NV	89109	(702) 693-7223		Prime One Twelve
USA	Brian	Executive Sous Chef	381 Park Avenue South @ 27th	New York	NY	10016	(212) 824-2765	(212) 824-2755	Prime One Twelve
USA	Melissa	Executive Sous Chef	171 Merrick, Orlando, 4040 Central	New York	NY	32837	(407) 893-4444		Prime One Twelve
USA	Elton	Executive Sous Chef	1800 Fenwick St. NE	Olando	FL	32837	(407) 893-4444		Prime One Twelve
USA	Robert	Executive Sous Chef	1800 Fenwick St. NE	Washington	DC	20002	(202) 528-2003		Prime One Twelve
USA	Tom	Executive Sous Chef	1800 Fenwick St. NE	Washington	DC	20002	(202) 528-2003		Prime One Twelve
USA	Mark	Executive Sous Chef	710 N Wells St	Chicago	IL	60610	(312) 951-9500	(312) 951-9507	Prime One Twelve
USA	Gabriel	Executive Sous Chef	800 Wilshire Boulevard	Los Angeles	CA	90017	(213) 489-1406		Prime One Twelve
USA	Michael	Executive Sous Chef	5955 Melrose Avenue	Los Angeles	CA	90038	(323) 460-4431	(213) 703-5890	Prime One Twelve
USA	Randy	Executive Sous Chef	161 North Jefferson	Chicago	IL	60661	(312) 669-9900		Prime One Twelve
USA	Gabriele	Executive Sous Chef	54 E. 1st St.	New York	NY	10003	(212) 677-6221		Prime One Twelve
USA	Matt	Executive Sous Chef	210 Elizabeth Street	New York	NY	10012	(212) 343-7011		Prime One Twelve
USA	Guy	Executive Sous Chef	PO Box 407	Lakehind	FL	33802	(863) 688-1188		Prime One Twelve
USA	Nate	Executive Sous Chef	282 Bowersy	New York	NY	10012	(212) 226-1966		Prime One Twelve
USA	Hector	Executive Sous Chef	656 N Highland Avenue, NE	Atlanta	GA	30306	(404) 870-9797		Prime One Twelve
USA	Scott	Executive Sous Chef	54 Irving Pl	New York	NY	10003	(212) 477-1010		Prime One Twelve
USA	Solomon	Executive Sous Chef	1511 Pike Palace	Seattle	WA	98101	(800) 392-3474	(206) 622-2050	Prime One Twelve

USA	Richard and	John	Owner	5 Fid Kennedy Ave	Boston	MA	02210	(617) 493-3474	(617) 330-9284	Puritan Fish Co
USA	Michael	Collard	Manager	130 S International Boardwalk	Redondo beach	CA	90227	(310) 374-2382	(310) 374-6030	Quality Seafood
USA	Michael	Larson	Executive Chef	600 F Street	San Diego	CA	92101	(619) 814-2000	(619) 531-7599	Quarter Kitchen
USA	Mr.	Carson	Chef de Cuisine	1198 Howell Mill Rd	Atlanta	GA	92101	(404) 365-0410		Quinones at Baccharella
USA	Michael	Schlow	Chief / Owner	8 High St	Boston	MA	02110	(617) 426-1234		Radius
USA	Bill	Raffield	President	PO Box 309	Port Saint Joe	FL	32856	(850) 229-8829	(850) 229-8865	Raffield Fisheries Inc
USA	Mr.	Morris	Executive Chef	820 4th Ave.	Seattle	WA	98104	(206) 296-6913		Rainer Chef
USA	Michael	Lofus	Director of Meat & Seafood	500 West Capitol Avenue	West Sacramento	CA	95605	(916) 373-6410		Raley's
USA	Barreto		Executive Chef	9 West White Horse Pike	Gateway	NJ	08025	(609) 652-1700		Ram 3 Head Inn
USA	Rehous		Executive Chef	78 301 Caspades Circle	La Orlais	CA	92353	(760) 771-7748		Rancho La Quinta Country Club
USA	Yoshino		Chief / Owner	842 Valencis St	San Francisco	CA	94110	(415) 282-8828		Rancho Serrano
USA	Ralph	Yonahana	Exec Chef	8400 International Dr.	Oakland	FL	32819	(407) 945-0044		Rancho-Gusta of Tokyo
USA	Jim	Perrazzo	Chief / Owner	8215 Rosewell Road, Build 600	Atlanta	GA	30350	(770) 999-9595		Rare Concepts
USA	Ms.	Lynn	Corporate Chef	1301 Bremen Avenue	Egg Harbor	MI	08215	(215) 888-8001		Rare Hospitality Intl. Inc
USA	Jimmy	Schmidt	Chief / Owner	300 River Pl	Detroit	MI	48207	(313) 567-4400		Rastall Seafood
USA	DEANNA	SNITGO		1768 PARK CENTER DRIVE	ORLANDO	FL	32835	(407) 294-6000		Rattlesnake Club
USA	Mr.	Glen	Exec Chef	7030 Point Inverness Way	Fort Wayne	Indiana	46804	(260) 402-5573		RAVALDO RESORT DEVCO
USA	Peter	McCormick	Exec Chef	6049 Sawview Ave.	Seattle	WA	98107	(206) 789-3770		Raymond James
USA	Maximo	Tejada	Executive Chef/Owner	165 Allen St	New York	NY	10002	(212) 253-8840		Ray's Boathouse
USA	Kristen	Seltzer	Banquet Chef	300 E. Wigwam Boulevard	Litchfield Park	AZ	85340	(623) 742-7337		Red Allen's at the Wigwam Resort
USA	Freddy	Escobar	Chief	9610 Old Cutler Road	Miami	FL	33156	(310) 756-9519		Red Fish Grill
USA	Jeff	Sladick	Executive Chef	9610 Old Cutler Road	Miami	FL	33156	(310) 756-9519		Red Fish Grill
USA	Tashi	Tong	Chief / Owner	317 Miracle Mile	Coral Gables	FL	33134	(305) 446-2690		Red Koi
USA	Kris	Wessel	Chief / Owner	7700 Biscayne Blvd	Miami	FL	33138	(305) 332-2490		Red Light Little River
USA	Ben	Hong	Exec Chef	Vicente Blvd	West Hollywood	CA	90069	(310) 289-1587		Red Seven - West Hollywood
USA	Richard	Hedding	Executive Chef/Owner	6480 Washington Street	Yountville	CA	94599	(707) 944-2222		Red Tavern
USA	Charles	Eschobar	Owner	17701 SW 232nd St	Homestead	FL	33070	(305) 248-1120		Reliable Tavern
USA	Allison	Wells	President	Marriott Resort and Spa	Kihiti	HI	96753	(808) 268-8843		Reliable Foods Inc
USA	Patrick	Wells Jr	Executive Chef	7902 Oceano Avenue # 62	Jessup	MD	20794	(410) 795-7555		Reliant Fish Co
USA	Charlie	Trotter	Executive Chef	3325 Las Vegas Blvd. South	Las Vegas	NV	89109	(702) 607-6330		Restaurant Charlie
USA	Christine	Brown	Executive Chef	2430 Hawthorne Blvd	Torrance	CA	90505	(310) 373-1932		Restaurant Christine
USA	Linton	Hopkins	Chief / Owner	2277 Peachtree Rd	Atlanta	GA	30309	(404) 955-0321		Restaurant Eugene
USA	Coline	Robbins	Chief Assistant	110 South Pitt St	Alexandria	VA	22314	(703) 706-0450		Restaurant Eve
USA	Carbal	Armstrong	Chief / Owner	110 South Pitt St	Alexandria	VA	22314	(703) 706-0450		Restaurant Eve
USA	Mr.	Savoy	Chief / Owner	3570 Las Vegas Blvd.	Las Vegas	NV	89109	(702) 731-7286		Restaurant Guy Savoy
USA	Scott	Staples	Chief / Owner	2137 2nd Ave	Seattle	WA	98121	(206) 256-2060		Restaurant Zoe
USA	Abbye	Freiman	Chief / Owner	716 State Highway 100	Port Isabel	TX	78578	(956) 943-9551		Retail broker
USA	Robert	Reyes	Executive Chef	JW Marriott Desert Ridge Resort & Spa, 5380 East Marriott Drive	Phoenix	AZ	85054	(480) 293-3737		Royes Seafood Products
USA	Brian	Jordi	Executive Sous Chef	465 Grand Bay Dr.	Key Biscayne	FL	33149	(904) 277-1100		Ristorante Tuscan
USA	Carlos	Mladenoff	Purchasing Manager	921 Canal Street	New Orleans	LA	70112	(504) 524-1331		Ritz Carlton Key Biscayne
USA	Matt	Murphy	Executive Chef	921 Canal Street	New Orleans	LA	70112	(504) 524-1331		Ritz Carlton of New Orleans
USA	Thomaz	Thomas	Executive Chef	One Lincoln Rd	Miami Beach	FL	33139	(786) 276-4000		Ritz Carlton South Beach
USA	Kirk	Gilbert	Executive Chef	476 Mount Pella Rd	Bluffton	NC	29910	(843) 706-6535		River House
USA	Ming	Charles	Executive Chef	301 Mission Street	San Francisco	CA	94105	(415) 543-7474		RN74
USA	Bohley	Majano	President	3998 Bonta Beach Rd	Bonita Springs	FL	33923	(941) 992-4040		Rodes Fresh & Fancy
USA	Renee	Stephien B.	Exec Chef	2257 S W 22nd St	Coral Gables	FL	33145	(305) 659-2228		Romes's Cafe
USA	William	Urbano	Executive Chef	175 Prospect St	La Jolla	CA	92037	(760) 939-4242		Ropping Restaurant
USA	Mr.	Perman	President	193 East Walton	Chicago	IL	60611	(312) 397-1000		Rosario Industries Inc
USA	Erin	Right	Corporate Chef	193 East Walton	Chicago	IL	60611	(312) 397-1000		Roseland Steakhouses
USA	Michael & Wendy	Jordan	Chiefs / Owners	8125 W Sahara Ave #110	Las Vegas	NV	89117	(702) 869-2251		Rosebud Steakhouse
USA	Doro	Rosy	Owner	17320 Monterey Rd	Morgan Hill	CA	95037	(408) 778-0551		Rosemary's Restaurant
USA	B	Thierry	Exec Chef	2882 Stony Rd	San Jose	CA	95127	(408) 272-2088		Roy's At The Beach Restaurant
USA	Thierry	Rautureau	Exec Chef	2808 East Madison Street	Seattle	WA	98112	(206) 325-7442		Rover's
USA	Monica	Lundberg	Purchaser	1155 Indiana Street	San Francisco	CA	94107	(415) 824-1530		Royal Hawaiian Seafood
USA	Percy	Roy	Yamaguchi	620 East Flamingo Road	Las Vegas	NV	89119	(702) 691-2053		Roy's - Las Vegas Flamingo
USA	Percy	Yamaguchi	Yamaguchi	250 Waikoloa Beach Drive	Waikoloa	HI	96738	(808) 886-4321		Roy's - Waikoloa Bar & Grill
United States	Stuart	Briozza	Exec Chef	558 Sacrament St	San Francisco	CA	64111	(415) 434-4100		Rubicon
USA	Mika	Sheri	President	252 N E Camino Real	Encinitas	CA	92024	(760) 632-7395		Rubios Restaurants Inc
USA	Jerry	Rudd	Owner	953 NW Sugarland Hh St	Clewiston	FL	33440	(941) 983-8053		Rudd's Fish Co
USA	DAVID	SNOCK		1111 PARVIN MILL RD	ELMER	NJ	08618	(856) 395-2000		RUNNING DEER GOLF CLUB

USA	James Buchanan	President	4331 Rawenswood Rd	FL	33312	(954) 387-7701	0954) 584-1660	Ruste Inn
USA	Steve Mannino	Executive Chef	827 Slaters Ln	VA	22314	(703) 224-5051		Ruste Restaurant & Bar
USA	Nawal Kekoolani	Executive Chef	2895 Kaliakaua Avenue	HI	96813	(808) 599-3860		Ruth's Chris Steak House - Honolulu
USA	Carlos Padilla	Executive Chef	6213 Richmond Avenue	TX	77057	(713) 789-2333		Ruth's Chris Steak House - Houston
USA	Chris Summers	Executive Chef	220 North Gulph Road	PA	19406	(610) 692-1818		Ruth's Chris Steak House - King of Prussia
USA	Chef Darcy Ambrosio	Ambrosio	1450 Ala Moana Blvd.	HI	96743	(808) 887-0800		Ruth's Chris Steak House - Kohala Coast
USA	Matt Paet	Paet	4100 Waihala Alapai Dr	HI	96761			Ruth's Chris Steak House - Lahaina
USA	Michael Burd	Chief	2201 E. Cornelback Road, Suite 106 A	AZ	85016	(602) 957-9600		Ruth's Chris Steak House - Phoenix
USA	Craig Doyle	Chief	7001 N. Scottsdale Road, Suite 290	AZ	85253	(480) 991-5988		Ruth's Chris Steak House - Scottsdale
USA	Leighton Miyakawa	Miyakawa	500 Ala Moana Blvd. #6C	HI	96815	(808) 648-7910		Ruth's Chris Steak House - Waikiki
USA	Adam Tabura	Tabura	68-1330 Mauna Lani Drive #121	HI	96753	(808) 874-8880		Ruth's Chris Steak House - Wailea
USA	Lou Guttilla	Guttilla		HI		(415) 515-0064		S&M Shellfish
USA	Adam Horton	Executive Chef	419 Cold Canyon Rd.	CA	91302	(818) 222-3888		Saddle Peak Lodge
USA	Anthony Susi	Chief / Owner	69 Prince St	MA	02113	(617) 248-8814		Sage
USA	Roy Breiman	Culinary Director	5501 Railroad Ave	WA	98065	(425) 888-2556		Salkh Lodge & Spa
USA	Daniel Mussulman	Sous Chef	545 Mission Street	CA	94105	(415) 543-8900		Salk House
USA	Roberta Leva	Chef de Cuisine	545 Mission Street	CA	94105	(415) 543-8900		Salk House
USA	Gabriel Bremer	Chief / Owner	798 Main St	MA	02139	(617) 876-8444		Salks
USA	Jeremy McLaughlan	Executive chef	1936 Harbor Avenue S.W.	WA	98126	(206) 937-1600		Sally's Aik Beach
USA	Gabriel Cabrera	Executive chef	28201 Redondo Beach Dr S	WA	98198	(206) 937-1600		Sally's Redondo Beach
USA	Abraham Salum	Chief, Owner	4152 Cole Avenue, Ste 103	TX	75204	(214) 252-9604		Salum Restaurant
USA	Colleen Cusack Nord	Cusack Nord	3400 S Lawrence Street	PA	19148	(800) 290-7810		Samuels & Son Seafood
USA	Emilia Sambroze	Sales Support	3400 S Lawrence Street	PA	19148	(800) 290-7810		Samuels & Son Seafood
USA	Scott Marshall	Purchasing	3400 S Lawrence Street	PA	19148	(800) 290-7810		Samuels & Son Seafood
USA	Joe LaSpaggiola	Buyer	3400 S Lawrence Street	PA	19148	(800) 290-7810		Samuels & Son Seafood
USA	Tom Kuehn	Chief Executive	1 Ferry Building, Suite 31	CA	94111	(415) 998-1111		San Francisco Fish Company
USA	Allen Howard	Filmonger	5700 East McDonald Drive	AZ	85253	(800) 245-2051		Sanctuary Cambreak Mountain
USA	PAM LAWRENCE	LAWRENCE	47 FULLAM CIRCLE	NH	03275	(603) 268-0460		SANDCASTLE CATERING
USA	Brian Collage	Collage	117 Harbor Way, Unit A	CA	93109	(805) 965-9564		Santa Barbara Fish Market
USA	Cathy Madeira	Sales Support	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Chance Batcheller	Sales Representative	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Cristi Dorry	Sales Support	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Danny Pryor	Purchasing	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Dave Little	Sales Manager	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Dora Lambrecht	Anthony PA/Support	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Fernando Gonzalez	Operations	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Jeff Unkel	Sales Representative	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Mychelle Fitzgerald	Sales Support	18531 S Broadwick Street	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Christopher Todd	Sales Representative	110 W. St. Julian St.	CA	90220	(310) 886-7900		Santa Monica Seafood
USA	Nason BERT	Exec chef	701 WAVE STREET	GA	31401	(912) 443-9962		Sapphire Grill
USA	Makoto Miglano	Executive Chef and Partner	451 Manhattan Beach Blvd. #234	CA	90266	(858) 259-0776		SARDINE FACTORY RESTAURANT
USA	Peter Hoffman	Chief / Owner	45208th Avenue S	FL	33711	(727) 321-0425		Sash Sush & Sake Lounge
USA	Alfred Schilling	Sales	70 Prince St	NJ	10012	(201) 215-8570		Save on Seafood
USA	Joseph Rudy	Owner/Chief	260A Securus Rd	CA	07094	(201) 422-0777		Savoy
USA	David Gerff	Owner	515 S. The Embarcadero	CA	94101	(415) 398-7444		Scandia Seafood
USA	David Herloff	Owner	1003 N US Highway 1 (A1A)	FL	32920	(407) 784-0522		Scilling & CO
USA	Dawn Lopke	Senior Buyer	7725 IERICH TURNPIKE	TX	11797	(561) 746-7658		Scissors Hair House & Subs
USA	Ricardo Romo	Sous Chef	3799 Las Vegas Blvd	NV	89109	(469) 366-5617		Scissors Restaurant
USA	Melody Wong	Sous Chef	3799 Las Vegas Blvd, MGM Grand	NV	89109	(702) 891-3189		Screen Door
USA	Michael Etnier	Manager	3570 Las Vegas Boulevard South	NV	89109	(702) 891-3182		Sea Blue
USA	Elena Rivellino	OWNER	3570 Las Vegas Boulevard South	CA	89109			Sea Blue
USA	Brodie Lang	Owner	4255 A1A South Ste 1&2	CA	92084	(702) 731-7110		Sea Harbor Restaurant Las Vegas
USA	Michael Dimin	Owner	3382 30th Street	FL	32084	(904) 461-9991		Sea Market Seafood & Restaurant
USA	Michael Sean	Dimin	1321 White Heron Lane	FL	32963	(800) 868-2575		Sea Rocket Bistro
USA		Dimin	1321 White Heron Lane	FL	32963	(800) 868-2575		Sea to Table
USA		Dimin	1321 White Heron Lane	FL	32963	(800) 868-2575		Sea to Table

USA	Stuart	Simmons	CEO	841 Pohukaina Street	Honolulu	HI	96813	(808) 591-8550	(808) 591-8445	Seaford Connections
USA	Mr. Cary	Blank	Owner	5 Indian River Avenue	Tiuxalle	FL	32796	(407) 716-3769	(407) 716-3769	Seaford Connections, LLC
USA	Ted Bill	Adams Dawson	Proprietor	400 Massachusetts Ave Ste 103 Pier 33	East Providence San Francisco	RI CA	02914 94111	(401) 435-4500 (800) 886-1900	(401) 435-4525	Seaford Resources Seaford World A Seafood Market & Restaurant
USA	Hugh	Ganter	Owner	4602 N Federal Highway	Lighthouse Point	FL	33864	(954) 942-0740	(954) 942-0771	Seafords.com
USA	Patrick	Lowler	Sales	13310 South Ridge Dr	Charlotte	NC		(704) 651-3204	(704) 358-8921	Seafords.com
USA	Chad	Hallingsworth	President	13310 South Ridge Dr	Charlotte	NC	10680	(704) 925-4631	(704) 358-8921	Seafords.com
USA	John	AMROSE	Owner	9010 188th Ave	RIE	NC	98004	(919) 926-3888	(919) 921-9326	SEAFIDE JOHNIES
USA	David	Deak	Chief/Owner	205 108th Ave	Rainier	WA	98004	(425) 465-0010	(425) 465-0010	Seattle Fish Company
USA	Yonaka	Yonaka	Sushi Chef	6211 East 62nd Street	Denver	CO	80216	(303) 328-9585	(303) 328-9585	SEI
USA	Noriki	Yonaka	Sushi Chef	444 7th St NW	Washington	DC	20004	(202) 738-7007	(202) 738-7007	Sol de la Terre
USA	Greg	Gardner	Executive Chef	255 State St	Boston	MA	02109	(617) 726-1300	(617) 726-1300	Sollet Cut Steakhouse
USA	Tony	Munoz	Executive Chef	2808 N. Healdstad	Chicago	IL	60657	(773) 244-1500	(773) 244-1500	Sollet Cut Steakhouse
United States	Andrew Scott	Zimmerman	Executive Chef	123 N Jefferson Street	Chicago	IL	60661	(312) 441-1920	(312) 441-1920	Serpa
USA	Mr. Mike Ivan	Serpas	Executive Chef		Atlanta	GA		(404) 688-0040	(404) 688-0040	Serpas
USA	Mr. Steven	Wiley	Chief de Cuisine	PO Box 54331	Irvine	CA	92619	(949) 552-6600	(949) 552-6600	Seven Seas
USA	Shawn	Greg	Chief/Owner	1029 Edgewood Avenue	Atlanta	GA	30307	(404) 577-4358	(404) 577-4358	Shawn's
USA	Bennett	Armstrong	Co Contact	16313 N Dale Mabry, Ste 100	Tampa	FL	33618	(757) 824-5517	(813) 961-0944	Shells Seafood Restaurants
USA	Stevan	Patrick	Executive Chef	5480 Grand Pacific Drive	Carlsbad	CA	92008	(760) 827-2400	(760) 827-2410	Sheraton Carlsbad
USA	Franklin	Becker	Executive Chef	138 Seventh Avenue S.	New York	NY	21663	(212) 352-2237	(212) 352-2237	Sheridan Square
USA	Mark	Slater	Executive Chef	308 Watkins Lane	St Michaels	MD	33016	(410) 745-2200	(410) 745-2200	Sherwood Landing
USA	Casey	Thompson	Chief	7715 Inwood Road	Dallas	TX	75209	(214) 352-0005	(214) 352-0005	Shitco
USA	Trace	Rathbun	Owner	7715 Inwood Road	Dallas	TX	75209	(214) 352-0005	(214) 352-0005	Shitco
USA	Jack	Esler	Executive Chef	609 Port Monmouth Road	Port Monmouth	NJ	07716	(732) 979-3139	(732) 979-3139	Shoal Harbor Lobster Co
USA	Robert	Smith	Exec Chef	399 Prince Street	New York	NY	10011	(212) 276-4325	(212) 276-4325	Shoal Harbor Lobster Co
USA	Michael	Tong	Chief	4868 West Kennedy Blvd.	Tampa	FL	33669	(813) 286-4366	(813) 286-4366	Shui's Steak House - Tampa
USA	David	Kinkad	Chief	155 E 55th	New York	NY	10020	(212) 371-8844	(212) 752-1936	Shun Lee Palace
USA	Ms. Amy	Stendell	Food & Beverage Manager	525 Tremont St.	Boston	MA	02116	(617) 338-5338	(617) 338-5338	Sibling Rivalry
USA	Donald	Le	Exec Chef	1292 Lisbon St	HELLERTOWN	PA	18055			Silver Creek Country Club
USA	Michelle	Jacques	Exec Chef	400 Squaw Creek Road	Lewiston	ME	04240	(800) 796-3189	(717) 656-9993	Simply Lobsters
USA	Donna	McDoughlin	Owner	413 10th Street	San Francisco	CA	94103	(415) 861-5080	(415) 861-5080	Six Peaks Grille
USA	Ms. Tindaro	Hans	Executive chef	19703 Gulf Blvd	Indian Shores	FL	33785	(727) 593-7733	(727) 593-7733	Skyler St John
USA	Nick	Zotos	Executive Chef	302 Washington Street #216	San Diego	CA	92103	(619) 896-1931	(619) 896-1931	Stammers Crab House
USA	Patrick David	Dwyer	General Manager	101 Arlington St. The Castle at Columbus Ave.	Boston	MA	02116	(617) 623-1112	(617) 623-1112	Slow Food Urban San Diego
USA	Victor	Chavez	Executive Chef / Manager	318 North State Street	Chicago	IL	60610	(312) 670-9900	(312) 670-9900	Smith & Wollensky - Boston
USA	Tom	Hart	Executive Chef / Manager	Highland Village 4007 Westheimer Rd	Houston	TX	77027	(713) 621-7555	(713) 621-7555	Smith & Wollensky - Houston
Canada	Shawn	McMurter	Procurement Director	210 West Rittenhouse Square (in the Rittenhouse Hotel)	Philadelphia	PA	19103	(215) 656-1700	(215) 656-1700	Smith & Wollensky - Philadelphia
USA	David	Myers	Owner	1112 19th Street NW	Washington	DC	20036	(202) 466-1100	(202) 466-1100	Smith & Wollensky - Washington DC
USA	Johnny Luis	Lopez	Chief	797 Third Ave	Manhattan	NY	10022	(212) 753-1530	(212) 753-1530	Smith & Wollensky - New York
USA	Henry	Gonzalez	Executive Chef	797 Third Ave	Manhattan	NY	10022	(212) 753-1530	(212) 753-1530	Smith & Wollensky - New York
USA	Tetsu	Yahagi	Chief de Cuisine	1680 Tech Avenue Unit 1	Mississauga	ON	14W 5S9	(905) 214-7009	(905) 214-7009	Sobeys Inc
USA	Cameron	Lewark	Lewark	50 Avenue L	Newark	NJ	07105-3841	(973) 576-2820	(973) 576-2820	Sona Inc
USA	Fredy	Escobar	Executive Chef	401 N. La Ciemega Blvd.	Los Angeles	CA	90048	(310) 659-7708	(310) 659-7833	Sona Restaurant
USA	Info Mark	Info Mark	Owner	2550 NW 72nd Ave, Suite 310	Miami	FL	33122	(305) 374-6679	(305) 477-6463	South Pacific Specialties
USA				5556 NE 4th Court	Miami	FL	33137	(305) 759-3117	(305) 759-4115	Soyka
USA				1651 W. Foothill Blvd	Upland	CA	91786	(909) 579-0497	(909) 579-0397	Spaggi's
USA				176 North Canon Drive	Beverly Hills	CA	90210			Spago - Beverly Hills
USA				226 Lewers Street #L233	Wailea	HI	96753	(808) 879-2999	(808) 879-2999	Spago - Maui
USA				9575 West Pico Blvd	Beverly Hills	CA	90035	(310) 277-0133	(310) 277-0208	Spark Woodfire Grill Beverly Hills
USA				137 Newmarket Square	Boston	MA	02118	(617) 427-3200	(617) 427-3400	Specialty Foods Boston
USA					Boston	MA		(424) 237-2688	(818) 484-2122	Specific Pacific Foods

USA	Matthew	Carndall	Exec Chef	255 S West Temple	Salt Lake City	UT	84101	(801) 238-4748	(801) 715-8015	Spencer's for Steak and Chops - Salt Lake City
USA	John	Huey	General Manager	255 S West Temple	Salt Lake City	UT	84101	(801) 238-4748	(801) 715-8015	Spencer's for Steak and Chops - Salt Lake City
USA	Sarah	Grueneberg	Executive Chef	980 N. Michigan Ave	Chicago	IL	60611	(312) 280-2750		Spigalla
USA	Tony	Mantuano	Chef / Partner	980 N. Michigan Ave	Chicago	IL	60611	(312) 280-2750		Spigalla
USA	Gray	Kunz	Executive Chef	403 West 13th Street	New York	NY	10004	(212) 675-2322		Spice Market
USA	Frederic	Casari	Executive Chef	One Monarch Beach Resort	Dana Point	CA	92629	(949) 248-3200	(310) 241-0054	St Regis Hotel - Dana Point
USA	Ms.	Anne	Owner	2202 Signa Place	San Pedro	CA	90731	(310) 241-0016		Standard Fisheries Corp
USA	Ms.	Quattrano	Executive Chef, Owner	1198 Howell Mill Road	Atlanta	GA	30318	(404) 365-0410		Star Provisions
USA	Bryan	Dillon	Director of Luxury Culinary							Steak Casinos
USA	Scott	Bozell	Executive Chef	1024 Chartres St	New Orleans	LA	70119	(504) 872-0091		Steakhouse
USA	Stephan	Pike	Chief, Owner	1807 Ross Ave, Suite 200	Dallas	TX	75201	(469) 232-9151		Steakhouse
USA	Jeff	Moschetti	Executive Chef	1807 Ross Ave, Suite 200	Dallas	TX	75201	(214) 806-7000		Stephen Pyles
USA	Robert	Lang	Exec Chef	151 East Weicker Drive	Chicago	IL	60601	(312) 239-4480	(312) 239-4575	Stephen's Chop House
USA	Steve	Hograff	Exec Chef	3708 Las Vegas Blvd South	Las Vegas	NV	89109	(702) 698-7990	(415) 794-1595	STK Las Vegas
USA	Larry	Greenwood	Executive Chef	755 North La Cienega	Los Angeles	CA	90069	(310) 659-3535	(310) 493-6882	STK Los Angeles
USA	Mr.	Humberto	Executive Chef	26 Little West Street	New York	NY	10014	(646) 624-2444	(347) 238-2022	STK New York
USA	Alex	Carballo	Exec Chef	1999 Citracado Parkway	Escondido	CA	92029	(760) 294-7899		Stone Brewing Co
USA	Irwin	Sawitz	President	227 Biscayne St	Miami Beach	FL	33139	(305) 673-0367		Stone Crabs Inc
USA	Gabriel	Frasca	Chef	6 Harbor Square	Nantucket Island	MA	02554	(508) 228-4499		Straight Wharf Restaurant
USA	Amanda	Lydon	Chef / Owner	6 Harbor Square	Nantucket Island	MA	02554	(508) 228-4499		Straight Wharf Restaurant
USA	John	Schenk	Executive Chef	1200 McKinney St	Houston	TX	77001	(713) 659-6000		Strip House Houston
USA	Craig	Strong	Executive Chef	30801 Coast Hwy	Laguna Beach	CA	92651	(949) 715-6085	(949) 715-6130	Studio
USA	Sue	Torres	Chef / Owner	311 W 27th St	New York	NY	10011	(212) 243-1333		Suenes
USA	Raymond	Dial	Executive chef	1795 East River Road	Tucson	AZ	85718	(520) 299-4275	(212) 989-0421	Sullivan's Steakhouse - Tucson
USA	Josh	Dicchiellis	Executive Chef	154 West 13th Street	New York	NY	10011	(212) 989-7699		Sumile
USA	Lawrence	Unknown	Executive Chef	412 Dundas Street West	Toronto	ON	M5T1G7	(416) 532-3328		Sun Ming Hong (Canada) Ltd
USA	Mr.	BRIAN	Executive Chef	PO BOX 1090	WINTHROP	WA	98062	(509) 896-4704	(604) 272-8873	SUN MOUNTAIN
CANADA	Raymond	Unknown	Executive Chef	60-8251 Macgregor Hwy	Richmond	BC	V6X1A7	(604) 272-8873		Sun Ming Enterprises Ltd
USA	Mr.	RODOLFO	Executive Chef	110 West Illinois St	Chicago	IL	60654	(312) 644-0500	(312) 385-5348	Sunda Chicago
USA	Dan	Silverman	Executive Chef	35 Shore Rd	Shelter Island	NY	11965	(631) 749-2001		Sunset Beach
USA	Gillaume	Burlin	Executive Chef	1200 Alta Loma Road	West Hollywood	CA	90069	(310) 657-1333		Sunset Marquis
USA	Ali	Alum	Sales	440 Stamford Ave	Los Angeles	CA	90013	(310) 600-2415		Superior Seafood
USA	Andrew	Goodman	Executive Vice President	6065 S. Polaris Avenue	Las Vegas	NV	89118	(702) 739-6020	(702) 334-2853	Supreme Lobster and Seafood Company
USA	Suzanna	Foo	Chef/Owner	1512 Walnut Street	Philadelphia	PA	19102	(215) 945-2666		Susanna Foo
USA	Msatoshi	"Gari"	Executive Chef	402 E. 78th St.	New York	NY	10021	(212) 517-5340	(212) 288-9235	Sushi of Gari
USA	Scott	Whitman	Executive Chef	107 Caledonia Street	Sausalito	CA	94965	(415) 332-3620	(415) 332-3940	Sushi Ram
USA	Jason	Yamazaki	Head Sushi Chef	1401 Ocean Avenue	Santa Monica	CA	90401	(310) 458-4771	(310) 458-4746	Sushi Roku
USA	Manzo	Kitaura	Sous Sushi Chef	1401 Ocean Avenue	Santa Monica	CA	90401	(310) 458-4771	(310) 458-4746	Sushi Roku
USA	Mr.	Fernando	Corporate Chef	600 Lincoln Rd	Miami Beach	FL	33139	(305) 673-5451	(305) 673-5451	Sushi Samba Corp HQ
USA	Naoimichi	Yasuda	Executive Chef	204 E. 43rd St	New York	NY	10017	(212) 972-1001	(212) 972-1717	Sushi Yasuda
USA	Koji	Terano	Executive Chef	2309 Wisconsin Ave. NW	Washington	DC	20007	(202) 333-4187		Sushiko
USA	Kevin	Weber	Exec Chef	1090 Point Lobos	San Francisco	CA	94121	(415) 386-3330		Suro's at the Cliff House
USA	Patrick	Munster	Chef de Cuisine	313 Las Vegas Blvd S, Wynn, Las Vegas	Las Vegas	NV	89109	(702) 770-3326		SW Steak House
USA	Sam	Sancinno	Exec Chef	1517 Polk St	San Francisco	CA	94109	(415) 673-1101		Swan Oyster Depot
USA	Paul	Anders	Executive Chef	193 East Gore Creek Dr, Suite 201	Vail	CO	81657	(970) 676-0125		Sweet Basil Restaurant
USA	Stephien	Attoe	Executive Chef	1007 Leaning Ave.	New York	NY	10021	(212) 535-6000	(212) 535-1406	Swiry's
USA	Rene	Langer	Executive Chef	3131 Las Vegas Blvd S	Las Vegas	NV	89109	(702) 416-1880		Switch Restaurant
USA	David	Pruitt	Chief	2158 W Northwest Hwy	Dallas	TX	75220	(972) 401-9600		Synset Seafood Food
USA	Chris	Turano	Exec Chef	75 W Algonquin Rd	Arlington Heights	IL	60005	(847) 364-7600		Sysco - Chicago
USA	Patrick	Simon	Exec Chef		Las Vegas	NV		(702) 632-3754		Sysco - Las Vegas
USA	Andrew	March	Account Executive Sales	1 Whitney Dr, PO Box 1000	Armony	PA	16037	(724) 452-210	(724) 452-8023	Sysco - Pittsburgh
USA	WALT	HARRIS		520 E HYMAN	ASPEN	CO	81611	(970) 925-3700		SYZGY
USA	Lee	Hillson	Executive chef	5200 East Gamelback Road	Phoenix	AZ	85018	(602) 808-0766	(602) 840-6927	T. Cook's Dining
USA	Floyd	Cardoz	Executive Chef	11 Madison Ave.	New York	NY	10010	(212) 889-0667	(212) 889-0914	Tabla
USA	Ray	Villalobos	Chef	52 West Elm St	Chicago	IL	60610	(312) 573-4000		Table 52
USA	Mark	LoRusso	Executive Chef	3131 Las Vegas Blvd.	Las Vegas	NV	89109	(702) 770-3330		Tableau
CANADA	Davy	Lam	President	13691 Bridgport Rd	Richmond	BC	V6V1J6	(604) 231-9966		Tai Fong International
USA	Mr.	Davy	President	PO Box 84668	Seattle	WA	98124	(206) 515-9688		Tai Fong USA Inc

USA	Tommy Takashi BOBBY Meli Frank	Li Yaghashi	Chief	38 Locust Street 1952 N. Damien Ave 78 TIPPING DRIVE 10600 E. Crescent Moon Drive 210 23rd St.	Brooklyn Chicago BRANFORD Scottsdale Miami Beach	NY IL CT AZ FL	11206 60647 6405 85263 33139	(718) 919-1388 (773) 772-6170 (203) 483-8049 (480) 513-5085 (305) 672-0778	718) 968-5581	(718) 732-2017	Tayo Food International Takashi TAKEOUTNIGHT.COM Talavera Restaurant Tulu Restaurant & Bar
USA	Andrea Aimee Todd	Randazzo Olexy Fuller	Exec Chef Owner Executive Chef	210 23rd St. 102 W. State St 232 Market Street	Miami Beach Kennett Square Philadelphia	FL PA	33139 19106	(305) 672-0778 (610) 444-8255 (215) 627-5116			Tulu Restaurant & Bar Tulu's Table Tangerine
United States		Cher JD	Executive Chef Executive Chef	6272 E. Pacific Coast Highway 6272 E. Pacific Coast Highway	Long Beach Long Beach	CA	90803 90803	(562) 431-1414 (562) 431-1414			Tandulum Restaurant Tandulum Restaurant
USA	Michael Mike Bill	Menshan Olexy Telepan	Buyer, Frozen Meat and Food Safety/Quality Chef / Owner	1000 Nicolet Mall, TPS-0885 1000 Nicolet Mall, TPS-0885 72 W. 68th St.	Mineapolis Mineapolis New York	MN MN NY	55403 55403 10023	(612) 696-0841 (612) 696-0841 (212) 360-4300			Target Target Telepan
USA	Matthew Cliff	lyman Wharton	Chief / Co-Owner Chef	9523 Culver Blvd. 1001 Pennsylvania Ave, NW	Culver City Washington	CA DC	90232 20004	(310) 842-8300 (202) 393-4500			Tender Greens TonPoth
USA	Hiro Mark Ted	Sone Gordon Fluey Dunlop	Executive Chef / Owner Executive Chef Executive Chef	1345 Railroad Ave 3011 Steiner St 1725 Haight Street Main Street	Saint Helena San Francisco San Francisco Sag Harbor	CA CA CA NY	94574 94123 94117 11963	(707) 963-8931 (415) 441-3200 (415) 666-0822 (631) 725-3535			Terra Terzo The Alembic Bar The American Hotel
USA	Tarver James Corey	King McDonough Heyer	Executive chef Executive chef Executive Chef	692 Federal Street 50 Beach Plum Lane 27 Mine Brook Road,	Paris Menemsha Bernardville,	VA MA NJ	20130 02552 07924	(540) 592-3900 (508) 645-9454 (908) 766-0002			The Ashby Inn The Beach Plum The Bernards Inn
USA	Rolando Jonah Cory	Cruz-Taura Oakden Obenour	Executive Hotel Chef Chef / Owner	1200 Anastasia Ave 3218 Mission St 3218 Mission St	Coral Gables San Francisco San Francisco	FL CA CA	33134 94110 94110	(305) 913-3203 (415) 282-6777 (415) 282-6777			The Biltmore Hotel The Blue Plum The Blue Plate
USA	Brooke James	Vosita Sakatos	Executive chef Executive Chef	200 Boylston St. 35 E-76 Street	Boston Manhattan	MA NY	02116 10021	(617) 351-2172 (212) 570-7193			The Bristol Lounge The Carlyle
USA	John Christie	Knoff Reed	Executive Chef General Manager	401 9th Street NW, Market Square North 27 South Summer St.,	Washington Edgartown	DC MA	20004 02539	(202) 393-1300 (508) 627-6451			The Caucus Room The Charlotte Inn
USA	Carol L. JAMES	Smith COLLADO Glin	General Manager President Executive Chef	27 South Summer St., PO Box 288 41 RIVER TERRACE 74950 Country Club Drive	Edgartown Cedar Key NEW YORK Palm Desert	MA FL NY CA	02539 32635 10282 92260	(508) 627-6451 (852) 843-5392 (917) 520-9913 (760) 779-0123			The Charlotte Inn The Charlotte Inn The Clam Shack Inc THE COOKING CONNECTION The Cork Tree
USA	Chad Michael	Stochorn Osterman	Chief Chef	300 W San Juan Ave, PO Box 3587 241 North Highway 89A	Telluride Sedona	CO AZ	81435 86336	(970) 728-1292 (928) 204-803			The Cosmopolitan - Telluride Colorado The Cowboy Club
USA	Jeff	McInnis	Chief	1 Lincoln Road	Miami Beach	FL	33139	(786) 276-4000			the Dillido Beach Club
United States		Ron	Executive Chef	600 Stockton Street	San Francisco	CA	94108	(415) 773-6168			The Dining Room at The Ritz-Carlton
USA	Arnaud	Bertheller	Executive Chef	3434 Peachtree Rd	Atlanta	GA	30326	(404) 237-2700			The Dining Room at The Ritz-Carlton - Atlanta The Dining Room at The Ritz-Carlton - San Francisco
USA	Andrew BOBBY Deb	Coco Carthy TRIGG Porter	Executive Chef Executive Chef Mike's assistance	600 Stockton Street 25 Jackson St 32 WITHERSPOON STREET 301 Royalston Ave N.	San Francisco Cafe May PRINCETON Minneapolis	CA NJ NY MN	94108 08204 08540 55405	(415) 296-7465 (609) 884-5700 (609) 924-2488 (612) 339-7720			The Ebbitt Room THE FERRY HOUSE The Fish Guys
USA	Mike Pennie Nashish Andrew	Higgins Lockhart Kumar Swensky	Co-Owner Accounts payable Exec Chef	301 Royalston Ave N. 301 Royalston Ave N. 3724 Main Street 432 Forky First Street	Minneapolis Minneapolis Pittsburgh Miami Beach	MIN MIN PA FL	55405 55405 15120 33140	(612) 339-7720 (612) 339-7720 (412) 664-9000 (305) 536-8533			The Fish Guys The Fish Guys The Fishin' Company The Forge
USA	Steven John	De Bruyn Toulze	Director Executive Chef / Wine Executive Chef	45 Seventh Street Garden City 110 W Spain St	Long Island Sonoma	NY CA	11520 95476	(516) 877-9467 (707) 398-3634			The Fish Guys The Garden City Hotel The Girl & The Fig
USA	Camron	Woods Scott	Chief	5300 Grand Del Mar Court	San Diego	CA	92130	(858) 314-1980			The Grand Del Mar
USA	William	Bradley	Exec Chef	5300 Grand Del Mar Court	San Diego	CA	92130	(858) 314-1981			The Grand Del Mar
USA	Stephen Amanda Keith	Rouelle Freitag Luce	Rouelle Executive Chef Exec Chef	3750 Waller Almiral Dr. 355 Greenwich Street 14590 NE 145th Street	Kohala Coast New York Woodville	HI NY WA	96743 10013 98072	(808) 885-2000 (212) 274-9310 (425) 485-5300			The Grill - The Fairmont Orchid - Kohala Coast The Harrison The Herbfarm
USA	David Angel Nicolas	Lutz Guzman Peter	Chief & Owner Executive Chef Executive Chef	1535 N Vine St. 6608 Hollywood Blvd. 8164 West Third Street	Hollywood Hollywood Los Angeles	CA CA CA	90028 90028 90048	(323) 462-2155 (323) 785-5015 (323) 951-1210			The Hungry Cat The Kress The Little Door

USA	Mr.	Robert	McCormick	Executive Chef	675 E Durant Avenue	Aspen	CO	81611	(970) 920-4600	The Little Nell
United States		Maigle	Baich	Business Manager	90 Bedford St	New York	NY	10014	(212) 741-4695	The Little Owl
USA		Carey	Overton	Chef de Cuisine	Montage Spa and Resort, 30801 South Coast Highway	Laguna Beach	CA	92651	(949) 295-1662	The Loft
USA	Mr.	Aaron	Janus	Executive Chef	1100 South Ocean Blvd.	Palm Beach	FL	33480	(561) 822-5057	The Mar-a-Lago Club
USA	Mr.	Bernard	Gullis	Executive Chef	2000 Spindrift Drive	La Jolla	CA	92037	(858) 551-4666	The Marine Room
United States	Mr.	Bernard	Gullis	Executive Chef	2000 Spindrift Drive	La Jolla	CA	(858) 551-4666		The Marine Room
USA		CEMGIZ	KAYUT	Executive Chef	301 EAST 94TH STREET	NEW YORK	NY	10028	(212) 348-2700	THE MARMARA MANHATTAN
USA		Gabriel	Kreuther	Executive Chef	9 West 54th St	New York	NY	10019	(212) 408-6632	The Modern
USA		Joseph	Ildori	Executive Chef	The Ritz Carlton Resort & Club, 501 East Camino Real	Boca Raton	FL	33431	(561) 447-3640	The Old Homestead Steak House
USA		Michael	Ellis	Executive Chef	Palo Alto	Palo Alto	CA	94301	(650) 326-1446	The Old Pro
USA		Tony	Conte	Chief	801 Ramona Street	Washington	DC	20006	(202) 463-8700	The Oval Room
USA		Jon	Tice	Chief de Cuisine	4110 MacArthur Blvd	Newport Beach	CA	92660	(949) 955-1123	The Pacific Club
USA		Jesse	Lupitan	Executive Chef	2 New Montgomery St.	San Francisco	CA	94105	(415) 512-1111	The Palace Hotel
USA	Mr.	Hoos	Fuentes	Executive Chef	1225 19th Street, NW	Washington	DC	20036	(202) 429-5607	The Palm Restaurant - Washington DC
USA		Mark	Stebbins	General Manager	P.O. Box 1327	Saranac Lake -	NY	(518) 891-1152	(518) 891-1152	The Point
USA		Robert	Allen	Culinary and Food and Beverage Services	9641 Sunset Boulevard	Beverly Hills	CA	90210	(310) 281-2942	The Polo Lounge
USA		Victor	Ossorio	Executive Chef	1701 Locust Street	Philadelphia	PA	19103	(215) 772 1701	The Prime Rib
USA		Bill	McDaniel	Executive Chef / Partner	227 Tenth Ave	New York	NY	10011	(212) 242-1122	The Red Cat
USA	Mr.	Steve	Eckler	Managing Partner/Chef	227 Tenth Ave	New York	NY	10011	(212) 242-1122	The Red Cat
USA	Mr.	Daniel	Manrique	Executive Chef	741 West Washington Street	San Diego	CA	92103	(619) 787-2717	The Red Door
USA		Douglas	Dodd	Executive Chef	701 Stone Canyon Road	Los Angeles	CA	90077	(310) 472-1111	The Restaurant at The Hotel Bel-Air
USA	Mr.	David	Werry	Executive Chef	2001 Collins Ave	Miami Beach	FL	33139	(305) 520-6400	The Restaurant at The Setai
USA		Brad	Steelman	Exec Chef	1 Water Street	BROOKLYN	NY	11201	(718) 522-5200	The River Cafe
USA		Jonathan	Levine	Executive Chef	9065 Gaylord Drive	Houston	TX	77024	(707) 770-3288	The Rub
USA		Craig	Shelton	Executive Chef	115 Old Highway, 28E Whitehouse Station	Cambria	NJ	08889	(888) 634-4011	The Ryland Inn
USA	Mr.	Steve	Shifflin	CHIEF / OWNER	6216 Monroeville Beach Drive	Cambria	CA	93428	(805) 927-4514	The Sea Chest Oyster Bar
USA		Jawn	Chasteen	Chief de Cuisine	Rockefeller Center, 19 West 49th St	New York	NY	10020	(212) 332-7677	The Sea Grill
USA	Mrs.	Bonnie	Axelton	Owner/Founder	900 Forest Edge Drive	Vernon Hills	IL	60061	(847) 634-0900	The Seafood Merchants
USA	Mr.	Chris	Sullivan	Owner/Founder	900 Forest Edge Drive	Vernon Hills	IL	60061	(847) 634-0900	The Seafood Merchants
USA	Mrs.	Gayle	Janes	Owner/Founder	900 Forest Edge Drive	Vernon Hills	IL	60061	(847) 634-0900	The Seafood Merchants
USA	Mr.	Roy	Axelson	Owner/Founder	900 Forest Edge Drive	Vernon Hills	IL	60061	(847) 634-0900	The Seafood Merchants
USA	Mr.	Tim	Ferguson	Sales	900 Forest Edge Drive	Vernon Hills	IL	60061	(847) 634-0900	The Seafood Merchants
USA		C	Murphy	Sales	9513 Elm Ave	Mokena	IL	60448	(773) 936-7271	The Secret Ingredient
USA		Charles	Phan	Exec Chef	The Ferry Building, 1 Ferry Plaza	San Francisco	CA	94111	(415) 861-8032	The Slanted Door
USA		Grace	Nguyen	Chief/Co-owner	The Ferry Building, 1 Ferry Plaza	San Francisco	CA	94111	(415) 861-8032	The Slanted Door
USA		Glenn	Harris	Chief/Co-owner	55 Third Avenue	New York	NY	(212) 420-9800	The Smith	
USA		Scott	Drevno	Exec Chef	575 Pennsylvania Avenue, NW	Washington DC	DC	20001	(202) 637-6100	The Source - Washington DC
USA		Kyle	Ketchum	Executive chef	117 Memorial Blvd	Newport	RI	02840	(401) 840 2244	The Spiced Pear
USA		April	Bloomfield	Executive Chef	314 W. 110th Street	New York	NY	10014	(212) 620-0393	The Spotted Pig
USA	Mr.	Mark	Zelbunt	Executive Chef	40 Island Ave	Miami Beach	FL	33139	(305) 672-1717	The Standard Spa Miami Beach
USA		Mark	Quinn	Chief of Ops	98 South St.	New York	NY	10003	(212) 955-0099	The Standard Spa
USA		Ernie	Quinn	Executive Chef	235 Franklin Street	Boston	MA	02110	(617) 327-3030	The University of Massachusetts Club
USA		Khalid	Benghallem	Exec Chef	8103 World Center Drive	Orlando	FL	32821	(407) 238-8060	The Venetian Room
USA		John	Johnson	Executive Chef	1 Renaissance Way	Atlantic City	NJ	08401	(212) 889-7100	The Water Club
USA		Ginger	Lin	Sous Chef	Pier 7, The Embarcadero	San Francisco	CA	94111	(415) 391-2696	The Waterfront Restaurant
USA		Nicolas	Legret	Executive Chef	1401 Pennsylvania Avenue NW	Washington	DC	20004	(202) 637-7440	The Willard Room
USA		Yvon	Goetz	Executive Chef	2647 Park Avenue	Tustin	CA	92782	(714) 258-7676	The Winery at the District
USA	Mr.	Gary	Alewine	Owner	1209 Streets Run Rd	Pittsburgh	PA	15236	(412) 885-1395	Thee Olde Place Inn
USA		Ruben	Garcia	Director of Research & Developments	425 8th St. NW Suite 1131	Washington	DC	20004	(202) 638-1910	Think Food Group
USA		Kurt	Gutenbrunner	Executive Chef	107 Rivington St.	New York	NY	10002	(212) 475-2600	Thor

USA	Derek	Blair	Owner	CA	33160	(818) 281-7277	(818) 252-3363	Three Kings Foods
USA	Tim	Andriola	Executive Chef / Co Owner	FL	33160	(305) 936-1008	Timo	
USA	Jerry	Lauren	San Diego	CA	92101	(619) 238-8100	Tin Fish	
USA	Jerry	Lauren	San Diego	CA	92101	(619) 238-8100	Tin Fish	
USA	Tom	Tobin	1291 East Hillside Blvd, Suite 300	CA	94404	(650) 573-9937	TM Tobin Co., Inc.	
USA	Marcos	Moreira	1 E 15th Street	NY	10003	(212) 674-1515	Toqueville	
USA	David	Coleman	1 East 15th Street	NY	10003	(212) 675-4908	Toqueville Restaurant	
USA	Jillian	Medina	251 West 50th St	NY	10019	(212) 581-1818	Tobache	
USA	Mr.	Proctor	800 Brighton Street, Prudential	MA	02199	(617) 546-1775	TOP OF THE HUB	
USA	FRANK	VALERZA	60 BABY ROAD	MA	07032	(732) 538-8025	TORRESIA S DELICASIES, INC.	
USA	Michael	Ibbidin	Beaver Creek Resort	CO	81620	(866) 395-3185	Toscanni	
USA	WAYNE	BRASSEL	5 TUPOLEV LANE	FL	08881	(856) 629-0988	TOUCH RAYOU CATERING	
USA	Sean	WASHINGTON	910 Lincoln Rd	FL	33139	(305) 758-7191	Touch Catering	
United States	Mitchell	Rosenthal	342 Howard St	CA	94105	(415) 908-3700	Town Hall	
USA	Steven	Rosenthal	342 Howard St	CA	94105	(415) 908-3700	Town Hall	
USA	Mr.	Bryan	350 West Orchard Drive	WA	98225	(425) 741-4290	Trans-Ocean	
USA	Eduardo	Peraz	Mandalay Bay Resort & Casino	NV	89119	(702) 740-5533	Trattoria del Lupo LV	
USA	Doug	D'Avico	3950 Las Vegas Blvd. South	IL	60602	(312) 984-1718	Trattoria No 10	
USA	Tre	Wilcox	10 N. Dearborn	TX	76002	(415) 984-1718	Tre Wilcox	
USA	Brian	Scheebs	220 Kirkland Ave	MA	02118	(425) 284-5800	Trellis Restaurant	
USA	Andy	Husbands	647 Tremont St	MA	02118	(617) 266-466	Tremont 647	
USA	Stephen	Lewandowski	375 Greenwich Street	NY	10013	(212) 941-3900	Tribeca Grill	
USA	Gale	Gand	Partner & Exec Pastry Chef	IL	60611	(312) 202-0001	TRU	
USA	Mr. Abe	Mr. Abe	676 North Saint Claire	CA	90058	(323) 846-3300	True World Foods - Los Angeles	
USA	Tadato	Kitanaka	32-34 Papeti Plaza	NY	07206	(908) 351-9090	True World Foods - New Jersey	
USA	John	Mingolaine	32-34 Papeti Plaza	NY	07206	(908) 351-9090	True World Foods - New Jersey	
USA	Tomomitsu	Nishinaga	32-34 Papeti Plaza	NY	07206	(908) 351-9090	True World Foods - New Jersey	
USA	Michio	Sato	32-34 Papeti Plaza	NY	07206	(908) 351-1400	True World Foods - New Jersey	
USA	Joseph	Ikdori	2000 Fashion Show Drive, NE	NV	89109	(702) 869-3117	Trump Hotel Collection	
USA	Kurtis	Jantz	18001 Collins Ave	FL	33160	(305) 692-5751	Trump International- Florida	
USA	Graham	Unknown	225 W Plaza Street	CA	92075	(808) 667-4800	TS Restaurants Hawaii and California	
USA	Mr.	Bill	225 W Plaza Street	CA	92075	(858) 720-2380	TS Restaurants Hawaii and California	
USA	Shimichi	Shiba	320 E 42nd Street Suite 2910	NY	10017	(646) 545-9128	TTD Service Inc - New York	
USA	Yuki	Tomitaga	38 Locust Street	NY	11206	(646) 454-9128	TTD Service Inc - New York	
USA	Karen	Smith	5218 Patrick Road	NY	13478	(917) 515-7119	Turning Stone Resort & Casino Oneida Nation Enterprises	
USA	Sean	Mohammed	433 Washington Ave	FL	33130	(305) 534-2233	Tuscan Steak(Chinagrill rest.)	
USA	Nick	Otarsh	361 17th St.	GA	30363	(404) 961-7370	Twelve Atlantic	
USA	Bill	Brodsky	Route 28 Pleasant Bay	MA	02645	(508) 630-3000	Twenty Eight Atlantic	
USA	William	Sandefur Jr	4501 SW 44th Ave	FL	33314	(954) 792-2080	Two Bills Seafood	
USA	Nick	Baranica	1260 Channel Drive	CA	93108	(805) 969-2261	Tydes at the Four Seasons Santa Barbara	
USA	Tyson	Cole	801 South Lamar	TX	78704	(512) 916-4808	Uchi	
USA	William Jack	Degal	440 9th Ave	NY	10001	(212) 244-0005	Uncle Jack's Steakhouse	
USA	Stephen	Sherman	1357 Washington St	MA	02118	(617) 423-0555	Union Bar and Grille	
USA	Michael	Romano	21 E 16th Street	NY	10003	(212) 243-4020	Union Square Cafe	
USA	Danny	Meyer	21 E 16th Street	NY	10003	(212) 243-4020	Union Square Cafe	
USA	Keith	Parkerson	407 Kent Narrows	MD	21638	(410) 827-8171	United Shellfish Co	
USA	Swinski	Swinski	407 Kent Narrows	MD	21638	(410) 827-8171	United Shellfish Co	
USA	Andrew	Erickson	1317 NE 47th Street	WA	98105	(206) 632-3900	University Seafood	
USA	Hiroyuki	Urasawa	218 N. Redco Dr	CA	90210	(310) 247-8939	Urasawa	
USA	EDWARD	HOLLAND	1084 QUEEN ANNE RD.	NY	07666	(203) 833-8100	US FOOD PRODUCTS	
United States	Vincent	Chirico	225 West 77 St	NY	10023	(212) 737-7300	Vai Restaurant & Winebar - SOHO	
United States	Cunningham	West	2525A West Loop South	TX	77027	(713) 850-9200	Valentino - Houston	
USA	Kristen	Nygard-Evans	PO Box 19630	NV	89109	(702) 414-3040	Valentino Las Vegas	
USA	Tomaso	Taranino	3115 Pico Boulevard	CA	90405	(310) 825-4313	Valentino Santa Monica	
USA	Shannon	Gallucha	555 Aloha St. #1100	WA	98109	(206) 216-0600	Veil	
USA	Scott	Bryan	43 E. 20th St.	NY	10003	(212) 353-3700	Veritas	
USA	Anthony	Chittum	1120 King St	VA	22314	(703) 684-9669	Vermillion	

USA	Paola	Padrazzani	Owner	569 S. Pacific Coast Hwy 101.	Encinitas	CA	92024	(760) 479-9757	(760) 479-0880	Via Italia Trattoria
USA	Mr.	Tony DeBajo	Executive Chef	1819 Ocean Avenue	Santa Monica	CA	90401	(310) 434-2832	(310) 434-2857	Viceroy Santa Monica
USA	Mr.	Miguel John	Executive Chef	2521 Arroyo Drive	Riverside	CA	92506	(951) 683-5323	(951) 683-6545	Victoria Club
USA	Mr.	Melvin	Executive Sous Chef	1990 M St. NW	Washington	DC	20036	(702) 659-1990		Vie Restaurant
USA	Mr.	Paul	Chief / Owner	4477 Lavan Ave	Western Springs	IL	10011	(708) 246-2082		Village
USA	Mr.	Stephen	Chief / Owner	62 W 9th St.	New York	NY	10011	(212) 905-3355	(941) 463-6001	Villers Seafood Co Inc
USA	Mr.	Joe	VP	1200 Main St.	Fort Myers Beach	FL	33931	(941) 463-7000		Vincenti Restaurant
USA	Mr.	Nicola	Executive Chef	11930 San Vicente Blvd	Los Angeles	CA	90049	(310) 207-0127	(310) 207-0057	Vincenti Restaurant
USA	Mr.	Vincenzo	Owner	150 South Fifth Street	Louisville	KY	40202	(502) 580-1350	(502) 580-1355	Vincento's
USA	Mr.	Scott	Executive Chef	2092 N Virginia Rd	Long Beach	CA	90807	(562) 777-9724		Vineyard County Club
USA	Mr.	Andrew	Executive Chef	2092 N Virginia Rd	Long Beach	CA	90807	(562) 777-9724		Vista View Country Club
USA	Mr.	William	P & B Manager	2092 N Virginia Rd	Long Beach	CA	90807	(562) 777-9724		Volare
USA	Mr.	LAUREN	Exec Chef	2092 N Virginia Rd	Long Beach	CA	90807	(562) 777-9724		Volare RISTORANTE
USA	Mr.	DAN	Exec Chef	1505 OCEAN AVENUE	SPRING LAKE	MI	48762	(734) 359-7122		Vk
USA	Mr.	Vincent	Executive Chef	1144 Ocean Drive	Miami Beach	FL	33139	(305) 6779 8888		Vk
USA	Mr.	Bryan	Executive Chef / Owner	2248 North Market St	Frederick	MD	60612	(301) 696-8658		Volt
USA	Mr.	John	Environmental Affairs	2249 West Hubbard	Chicago	IL	60612	(312) 733-5070		Wabash Seafood
USA	Mrs.	Suzanne	Administrative	33 Northfield Avenue	Edison	NC	28818	(732) 906-5083		Wakefern Food Corporation
USA	Mr.	Kurt	Executive Chef	433 W. 11th St.	New York	NY	10014	(212) 352-2300		Wallise
USA	Mr.	Jimmy	Purchasing	6281 Regio Avenue	Buena Park	CA	90620	(714) 670-8899	(714) 670-6688	Walabing
USA	Mr.	Walter	Mancke							Walters Mancke
USA	Mr.	Nancy	Executive Chef	310 N. Yale Ave	Claremont	CA	91711	(909) 624-2779	(909) 624-4364	Walters Restaurant
USA	Mr.	Andrew	Executive Chef	201 Main Street	Seal Beach	CA	90740	(562) 598-4083		Walt's Wharf
USA	Mr.	Erick	Executive Chef	1001 Belleair Road	Clearwater	FL	33756	(727) 381-2640	(727) 518-8731	Wards Seafood Market
USA	Mr.	Robert	President							Warren Schwartz
USA	Mr.	Warren	Chief							Warren Schwartz
USA	Mr.	David	LeFevre	544 South Grand Ave	Los Angeles	CA	90071	(213) 891-0900	(213) 629-1891	Water Grill
USA	Mr.	Eric	Executive Chef	399 The Embarcadero	San Francisco	CA	94105	(415) 281-1218	(415) 284-0161	Waterbar
USA	Mr.	Steve	Executive Chef	1105 W. Morena Blvd	San Diego	CA	92110	(619) 276-8803		Water's Catering
USA	Mr.	Joseph	Executive Chef	1525 BOSTON POST RD	WESTBROOK	CT	6498	(860) 395-5901	(860) 399-8644	Waters Edge Resort & Spa
USA	Mr.	Kristine	Executive Chef	644 N. Lakeshore Dr.	Chicago	IL	60611	(312) 255-4660		Wave Restaurant
USA	Mr.	John	Executive Chef	16 Bank Street	New York	NY	10014	(212) 245-7500	(917) 533-7050	Wavery Jim and Garden
USA	Mr.	Wynne	Consulting Chef							Wendy's
USA	Mr.	Wylie	Executive Chef	50 Clinton Street	New York	NY	10002	(212) 477-2900		Wendy's
USA	Mrs.	Jeanne	Communications & Media	1500 Brooks Avenue, PO Box 30844	Rochester	NY	14603	(585) 464-4760		Wegmans Food Markets
USA	Ms.	Ellen	Specialist	30844	Los Angeles	CA	90049	(310) 598-7859		West Restaurant & Lounge
USA	Ms.	Ellen	Restaurant Manager	170 N. Church Lane	Los Angeles	CA	90049	(310) 598-7859		West Restaurant & Lounge
USA	Mr.	Manuel	Executive Chef	170 N. Church Lane	Los Angeles	CA	90049	(310) 598-7859		West Restaurant & Lounge
USA	Mr.	Kiyonori	Sales Manager - Crab	2101 4th Avenue Suite 1700	Seattle	Washington	98121	(206) 682-5949	(206) 682-1825	Westward Seafoods
USA	Mr.	CAROL	Executive Chef	1902 DORCAS LANE	WILMINGTON	DE	19806	(302) 653-6114	(610) 269-5087	WHITFORD COUNTRY CLUB
USA	Mr.	CARL	Executive Chef	90 GOLD STREET	NEW YORK	NY	10038	(917) 548-8939		Whole Foods Market - New York
USA	Mr.	John	Exec Chef	4120 Brighton Blvd. B-35	Denver	CO	80216	(720) 348-0868		Whole Fresh Foods, Inc
USA	Mr.	John	Exec Chef	1370 Becon Ave	Newport Beach	CA	92660	(949) 720-9925		Wildfish Seafood Grille - Newport
USA	Mr.	John	Executive Chef	7135 East Camelback Rd, Suite 130	Scottsdale	AZ	85251	(480) 994-4040	(480) 994-3838	Wildfish Waterfront
USA	Mr.	Will	Chief / Owner	7217 34th Avenue, 1 K	Jackson Heights	NY	11372	(212) 941-5405		WillPowder
USA	Mr.	XianMing	Executive Chef	3133 Las Vegas Blvd. S	Las Vegas	NV	89109	(702) 770-3336		Wing Lei - Wynn
USA	Mr.	Richard	Executive Chef	3133 Las Vegas Blvd. S	Las Vegas	NV	89109	(702) 770-3336		Wing Lei - Wynn
USA	Mr.	Dustin	Executive Chef	Crystals at City Center 3720 Las Vegas Blvd S Suite 240	Las Vegas	NV	89158	(702) 238-1000	(702) 238-1001	Wolfgang Puck Pizzeria & Cucina Las Vegas
USA	Mr.	Amro	Executive Chef	455 N Canon Drive	Beverly Hills	CA	90210	(310) 385-0640	(310) 858-8441	Wolfgang's Steakhouse - Beverly Hills
USA	Mr.	Dylan	Executive Chef	2075 Market Street	San Francisco	CA	94114	(415) 497-2722		Woodhouse Fish Company
USA	Mr.	Andrew	Executive Chef	225 Parsons Road,	Summerville	SC	29515	(803) 875-2600	(843) 875-2603	Woodlands Inn
USA	Mr.	James	President	Town Wharf	Providence	RI	02906	(308) 746-0261		Wood's Seafood
USA	Mr.	Spencer	Unknown					(312) 933-5397		Words on a Plate
USA	Mr.	Ali	Purchasing	3132 Las Vegas Blvd S, Wynn Las Vegas	Las Vegas	NV	89109	(702) 770-2923		Wynn Las Vegas
USA	Mr.	Althea	Purchasing	3132 Las Vegas Blvd S, Wynn Las Vegas	Las Vegas	NV	89109	(702) 770-2906		Wynn Las Vegas
USA	Mr.	Jason	Executive Chef	181 Third Street	San Francisco	CA	94103	(415) 817-7836		XYZ at The W hotel
USA	Mr.	Paul	Executive Chef	181 Third Street	San Francisco	CA	94103	(415) 777-5300		XYZ at The W hotel
USA	Mr.	Shinohara	Owner	43 Edward Hart Drive	Jersey City	NJ	07305	(201) 433-3888		Yama Seafood
USA	Mr.	Joji	Owner	512 Stanford Avenue	Los Angeles	CA	90013	(213) 243-0735	(213) 243-0745	Yamamoto Fish Co
USA	Mr.	Brock	Executive Chef	1995 N. Sycamore Avenue	Los Angeles	CA	90068	(323) 337-9650	(323) 462-4523	Yamashiro - Hollywood
USA	Ms.	Denise	Chief	12205 Scripps Poway Parkway	Poway	CA	92064	(858) 527-0011	(858) 527-0286	Yanni's Bistro
USA	Ms.	Vicky	McCaffree	1270 Corillon Pt	Kirkland	WA	98033	(425) 889-9052		Yarrow Bay Grill

USA	Sharon	Hage	6047 Lewis St.	Dallas	TX	75206	(214) 826-0968	York Street
USA	David	Fansler	1520 E Champlain Dr	Fresno	CA	93720	(559) 434-4403	Yosemite Ranch
USA	Yoshinori	Ishii	228 West 13th Street, #3c	New York	NY	10011	(609) 649-8607	Yoshinori Ishii
USA	Anly	Matsuda	3257 N Halsted	Chicago	IL	60657	(773) 248-6160	Yoshi's Cafe
USA	Tim	McCaw	3347 Fillmore Street	San Francisco	CA	94123	(415) 775-1873	Yuzu
USA	Dunkle	Estes	Beaver Creek Resort	Avon	CO	81620	(866) 395-3185	Zachs Cabin
USA	Francisco	Schintu	3535 Guerneville Road	Santa Rosa	CA	95401	(707) 523-4814	Zazu Restaurant & Farm
USA	Zarela	Martinez	3955 Las Vegas Blvd.	Las Vegas	NV	89109	(702) 414-3500	Zeffirino
USA	Zoi	Antonicas	953 2nd Ave	New York	NY	10022		Zereba Restaurant
United States	Judy	Rodgers	1658 Market St	San Francisco	CA	94102	(415) 352-2522	Zhuber
USA				San Francisco	CA			Zuni Cafe

APPENDIX 25: SRL CHINA REPORT – STRATEGIES FOR EXPORT OF AUSTRALIAN SOUTHERN ROCKLOBSTER DIRECTLY INTO CHINA USING A COORDINATED “IMPORT PLATFORM”.



Australia China Agricultural Cooperation Agreement (ACACA)

Project Report

Strategies for export of Australian Southern Rocklobster directly into China using a coordinated “import platform”.

Prepared by:
Southern Rocklobster Limited
Level 1, 16 Unley Rd
Unley 5061 South Australia
Telephone 1300853880
Facsimile 08 82727766
Email: roger@corvel.com.au

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Executive Summary

- At the end of the mission in a meeting with Ministry of Agriculture and trade representatives, the following question was put to our group:

“What do we expect for Southern Rocklobster in China - when there is no investment in:

- ***differentiation(branding) in the market,***
 - ***promotion,***
 - ***quality control,***
 - ***support information and training for the chain participants,***
 - ***relationships and***
 - ***no information flow in Chinese between the industry and the market?!”***
- The purpose of the Southern Rocklobster Limited (SRL) mission was to investigate the scope for more efficient distribution channels and supply strategies that reduce costs and meet market requirements in China.
 - Currently, Hong Kong is the main market for Australian Southern Rocklobster and official statistics indicate that of the 4,500t harvest, around 300t is imported directly into mainland China. As such China is an undeveloped or new market.
 - Living standards and consumption are increasing in China – it was apparent in the 3 majors cities visited Beijing, Shanghai and Guangzhou that very high living standards exist.
 - The high end restaurant and hotel market is expanding and examples of superfine, non-traditional and Fusion cuisine were identified. Continued level of development in China will see the segment grow.
 - In particular in Beijing and Shanghai the desire for efficient direct supply of Southern Rocklobster was apparent.
 - Competition is increasing from other species including aquaculture product.
 - Examples of niche branded, high value and fully traceable seafood and a Government organic standards system were identified.
 - Two examples of confusion about the species (brand) were experienced.
 - There was no evidence that current importers and distributors are investing in developing and positioning Southern Rocklobster and the need for industry investment in market development via a coordinated and supported “import platform” was reinforced.
 - The scope, structure and operations of such an “import platform” need to be determined by the industry and could range from solely promotion through to an industry joint venture import, processing, distribution and re-export platform.
 - The mission was a success in that the objectives have been met and it has laid groundwork to allow SRL to commence follow up development work on the concept.

Recommendations

1. SRL establish a market efficiency taskforce to define the scope of an import platform.
2. SRL undertake additional research on the price points in relation to super fine dining restaurants in China.
3. SRL Board develops its policy concerning managing a China import platform.
4. SRL Board establishes a specific China Free Trade project team.
5. SRL scopes China supply management models including:
 - Licence holder corporate entity,
 - Contracted supply with licence holders and
 - Market efficiency legislation in Australia directing supply to an import platform.
6. SRL involves relevant State Governments, the Commonwealth Government, the FRDC, exporters and licence holders in developing the supply management options.
7. SRL implements a specific communication program to stakeholders as part of the supply model development process.
8. SRL needs to investigate the scope and funding for developing and implementing a supply chain quality program with partners in China.
9. SRL undertakes research into the key festivals/happy times in the market.
10. SRL scopes the high end market size and location and establishes a database of top end restaurants.
11. SRL researches the detail of the Government organic standards and traceability and assess the place of the Clean Green program.

Project objectives

The key objectives of the project were to:

- 1. Evaluate the benefits of establishing a single platform import capacity in China to coordinate the import of Australian Southern Rocklobster and manage and develop linkages to the wider China market**
- 2. Evaluate new high end niche market opportunities**
- 3. Identify peak demand times for lobster**
- 4. Scope issues facing potential exporters, including supply chain, logistics, import duties, tariffs, quality and food safety**
- 5. Scope any emerging environmental concerns of retailers, manufacturers and consumers, and assess the positioning opportunities for a branded “clean green” Australian Southern Rocklobster**

Itinerary

Dates 10 – 22, September 2005

10/09	Sat	10.10 22.50	Depart Melbourne Arrive Beijing - transfer to Hotel Huadu.
11/09	Sun	10.00 12.00 13.00 14:00	Meeting and briefing Lin Luogeng – Mission facilitator/interpreter Briefing My Humble House for industry profiling and tasting. Deliver product to Chef Sam Leong (Singapore Airlines Culinary Panel) Visit mid range traditional seafood restaurant Visit to the Great Wall
12/09	Mon	09:00 14:00 20.00 24.00	Visit to wholesale seafood market- data gathering Meeting with officer responsible for WTO – Department of International Cooperation Meet National Institute of Accountants (NIA) team Wholesale market – observe arrival of Australia product
13/09	Tue	09:00 14.00 15.00 16.30 18.30 19.00 19.30	Team de-brief prior to industry event Meet Department of Finance Set up industry event Industry briefing and lobster tasting My Humble House Finish event Debrief Elders, Department of Finance, NIA Dinner – super fine dining My Humble House
14/09	Wed	09.00 10.00 13.00 17:00	Team debrief Visit Atrium - Aria restaurant superfine dining Visit Tiananmen Square and Forbidden City Depart for Shanghai by fl. CA1855
15/09	Thu	09.00 14:00 17.00	Visit Free Trade Zone - Elders Shanghai New Star Import and Export Co Ltd Coreen Ang – Customs Clearance expert Briefing Laris for industry profiling and tasting
16/09	Fri	09:00 14.00 16.30 18.30 19.00	Team debrief Set up industry event Industry briefing and lobster tasting Laris Shanghai Finish event Dinner – super fine dinner display Laris

17/09	Sat	09:00 11:00 14:00 20:00	Meeting with niche seafood distributor Visit Hyatt Visit to Seafood market – meet with wholesalers Westin fine dining display
18/09	Sun	09:50	Departure for Guangzhou by FM 9369
19/09	Mon	09:00 10.00 14:00 19.00	Briefing White Swan for industry profiling and tasting Visit to Seafood market Meeting with local bureau of fisheries Visit Traditional top end Chinese seafood restaurant
20/09	Tues	09.00 19.00	Team debrief Ministry of Agriculture hosted event
21/09	Wed	09:00 14.00 16.30 18.30 19.00	Team debrief Set up industry event Industry briefing and lobster tasting Finish event Dinner – super fine dinner display White Swan
22/09	Thu	10:30	Depart for Australia
23/09	Fri	06.00	Arrive Melbourne

Mission achievements

Southern Rocklobster Limited (SRL) is considering development of direct export of a product that meets market specifications into China through a coordinated and industry supported “import platform”.

The mission was a substantial first step in achieving SRL’s overall objectives. Achievements against each objective of the mission are presented below.

A comprehensive database including members of the supply chain, high end restaurants/chefs, Australian and Chinese Government trade representatives and Australian businesses was established and this is presented in Appendix 1.

1. *Evaluate the benefits of establishing a single platform import capacity in China to coordinate the import of Australian Southern Rocklobster and manage and develop linkages to the wider China market*

1.1 Benefits

The potential benefits identified from establishing an import platform include the following:

- New business opportunity for the Australian exporters and the Chinese distribution chain, particularly in Northern China.
- Economies of scale in import and distribution – i.e. more efficient and lower cost.
- Strategic and targeted market development.
- Critical mass/resources to fund market development going forward.
- Savings through development partnerships with other Australian industries e.g. wine, other seafood, meat and tourism etc.
- Improved price through expanded markets and demand, in particular in Northern China.
- Improved price through market positioning rather than the current commodity approach.
- Improved certainty of supply, payments and margin for all chain participants through contracts.
- Low costs through direct imports.
- Ongoing market intelligence about trends, market needs, quality and other supply issues and new opportunities.
- Improvements in quality through direct market feedback to catchers and all participants in the chain about their individual impact product quality, mortality etc.

- Importantly the platform would see high levels of involvement and influence in the major long term export destination for Southern Rocklobster.

In one situation a memorandum of understanding (MOU) was put forward to the mission as a way to enhance trade. It was proposed that the MOU would cover:

1. Info exchange between the respective trade and industry associations,
2. Joint activities to pursue ongoing reduction of the import tariff,
3. Joint investment in promotion and awareness raising in market,
4. Investment in branding and differentiation,
5. Managed supply & distribution and
6. Lower costs converting to a lower price.

Various other discussions were held with importers about the potential for joint venture arrangements with the industry.

The mission identified initiatives such as the Shanghai Free Trade Zone which offer the prospect of establishing industry infrastructure to support value added and live product processing for distribution in China and for re-export. This could take the form of:

- A wholly industry owned,
- A joint venture and/or
- Contracted service providers.

Establishing such capacity in China would open up a myriad of new transport, handling and distribution efficiencies and options including:

- Re-export to Europe,
- Cost effective processed valued added product and
- Direct transport from boat to tanks in China.

The extent to which these potential benefits are realised will depend upon the scope of operations embedded in an import platform. This could range from a simple industry profiling and promotion program through to a fully integrated platform that is involved in facilitating all aspects of distribution, product quality and communication program.

It should be noted that the latter model is in line with the broader SRL Market Development Program V8 of August 2005.

The SRL Board needs to consider and define the scope of an import platform should it decide to proceed in China.

1.2 Market Considerations

1.2.1 Product Information

Southern Rocklobster is exported live to Hong Kong where it competes with numerous species from around the world. Species observed in the China market include:

- Maine
- New Zealand Southern Rocklobster
- South Africa
- Vietnamese aquaculture (tropical) and
- Various tropical species

Information was provided that there had been substantial growth in volumes of the tropical lobster from Vietnam in recent years causing downward price pressure. It was the dominant species by volume and locations observed during the mission.

Evidence was gained that supply to mainland China is controlled in Hong Kong and that wholesale customers want direct access to Southern Rocklobster through Shanghai and Beijing. Contracted direct supply is a possibility.

In all circumstances observed during the September visit, Southern Rocklobster primarily from New Zealand was the price leader (see price section below).

Information was sought about the reason for the premium for the Southern Rocklobster – taste, colour and robustness where offered as the basis. The white or speckled lobster were viewed as weak, lobster that are too small were viewed as watery losing the juice, and animals that are too big were viewed as tough.

Interestingly at the Shanghai wholesale market there was limited awareness of the white or “porcelain” Southern Rocklobster.

The lobster is received by major importers where it is placed in holding tanks. From here it is distributed to wholesale markets again held in recirculation tanks. The lobster are then packed in foam boxes, at times individually wrapped in newspaper for insulation and distributed to restaurants and placed in aquariums for customers to select.

The lobsters observed were always separated by species in tanks, with no animals individually branded.

Traditionally the lobster is served at a banquet where it is cooked and served whole with a sauce.



Figure 1: New Zealand Southern Rocklobster Beijing Wholesale Seafood Market

As part of the mission the concept of small portions with an emphasis on Fusion style was trialed with chefs and individuals from the seafood trade and Government in two super fine dining restaurants and one 4 star restaurant. Frozen sashimi grade lobster was used.

Some “conFusion” was apparent about the Fusion style and two of the chefs expressed their initial doubts and then surprise about frozen product.

Southern Rocklobster culinary capabilities were confirmed to fit with the Fusion philosophy and position in the highest segment. The challenge identified is education, awareness building and market support with samples and menu development, to position the product in the market segment.

This being said, Fusion style in some cases may hide or smother the natural sweetness, taste colour and texture of Southern Rocklobster which already differentiate the product in the market.

1.2.2 Price

Price observations were taken wherever possible throughout the mission. The Southern Rocklobster (New Zealand) was the highest priced product through the chain wherever it was observed.

The beach price in New Zealand was Beach A\$42 equivalent at the time of the mission (September 2005).

Beijing wholesale market pricing (September 2005)

- Southern > 400y/kg (A\$71/kg)
- Tropical > 300y/kg (A\$53/kg)
- South Africa > 280y/kg (A\$50/kg)
- Main > 250y/kg (A\$44/kg)

At a Beijing middle tier restaurant the retail price was:

- Southern 536y/kg (A\$96/kg)
- South African 400y/kg (A\$71/kg)

The highest retail price observed was 600y or A\$107 in a traditional high end Chinese live seafood restaurant.

A key question to be resolved is the price point where the super fine dining restaurants will not buy and will use alternatives.

1.3 Establishment and operating costs

The cost of establishing and then operating an import platform could not be established as the scope and function of such a platform is yet to be determined. The costs of establishing and maintaining an import platform for a fully integrated model would include:

- Entity development,
- Facility set up,
- Ongoing entity operating and management costs,
- Project management,
- Species brand development materials and brand management,
- Quality system development and management,
- In-market programs e.g. development activities, industry profiling and promotion,
- Supply management in Australia,
- Chain contract management.

An alternative approach of a platform simply focusing on industry profiling and promotion would involve:

- Project management,
- Species brand development materials and brand management,
- Development and implementation of industry profiling programs, and
- Implementation of promotion programs.

1.4 Legal, social and Government considerations

The legal, social and Government consideration involved in the establishment of an import platform would be determined by the structure and scope of the platform.

For example, a platform with the sole function of industry profiling and promotion program would encounter few if any issues of this nature. However, a platform involved in managing all aspects of distribution, product quality and communication programs will face a number of key challenges.

The overarching issue highlighted many times during the mission was that of the import tariff of 15%. A 15% VAT exists as well. While the VAT is a given the tariff was viewed as a major obstacle to more efficient distribution. It was noted that the tariff has reduced considerably since 1997 when it was 47% including the VAT.

Removal of the tariff can be expected to be a long process and success cannot be assumed. The current free trade discussions with China can be expected to progress the issue, albeit slowly.

An approval document of State Council is required and such a decision would involve the Department of Finance in collaboration with the Ministry of Agriculture.

SRL needs to detail the case e.g. no impact on local industry by removal of the tariff and determine appropriate strategic alliances within China on the issue.

To support an effective import platform removal of the tariff is seen as critical. SRL will need to establish a specific project to deal with the issue.

The other key consideration is that of an import licence. Market partners with a licence and/or a Chinese joint venture partner would overcome this obstacle. Further investigation about import licenses may be required depending on the final scope of the import platform.

1.5 Organisation logistics

In moving to such an import platform model, a number of critical success factors were identified. These include:

1. Catcher commitment to coordinate supply – potentially market efficiency legislation may be required.
2. The interaction with New Zealand with its 2,500t harvest.
3. Mechanism to guarantee the “offer” quality systems, traceability and branding.
4. Australian exporter support for the model.

Most importantly the capacity of the platform to manage the process and be supported by a robust financial model will be essential. Such a platform could be an industry body or a corporate and would need:

- Assured and substantial funding covering operations, market development and promotion and
- Capacity to manage/facilitate the “import platform” function in a commercial environment.

Options going forward include:

1. Australian entities exist that could manage distribution in China for the ASRL industry e.g. Elders.
2. SRL could establish a joint venture with the Chinese – it was apparent that joint venture partners could readily be identified, and
3. SRL could establish its own capacity and develop over time.

Establishing an import platform entity/capacity did not emerge as a major impediment to moving forward and SRL will need to consider its role going forward as a possible entity managing such a platform.

The single most significant impediment to the successful operation of an import platform model is the capacity to guarantee supply. To improve efficiency in the market and create the benefits on offer, volume economies of scale will be essential.

The need for a supply management model is apparent and a number of options exist including:

1. Licence holder corporate entity,
2. Contracted supply with licence holders and
3. Market efficiency legislation in Australia directing supply to an import platform.

Developing such a model needs to involve the relevant State Governments, the Commonwealth Government, the FRDC, exports and licence holders. A

supporting communication process to the industry will be important to build awareness and support for the model.

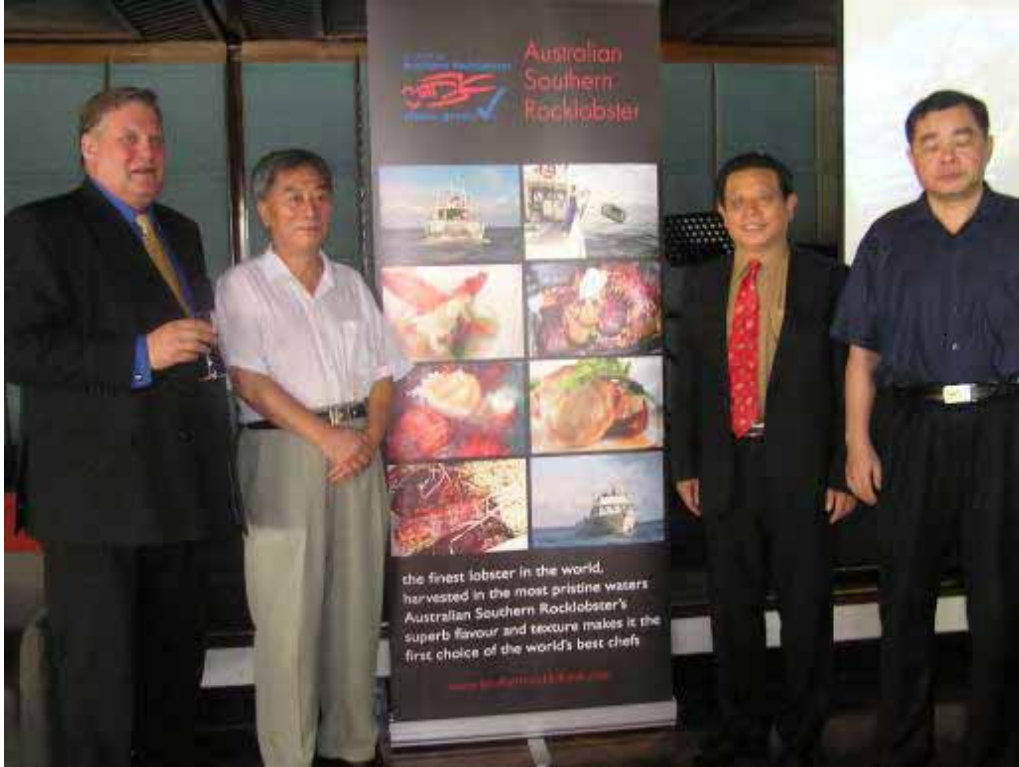


Figure 2: Industry Profiling Event, Guangzhou, September 2005

Should the industry move with an import platform model? The mission concluded the do nothing alternative will perpetuate uncertainty, instability, declining market share, and see limited differentiation, positioning and chain development.

In moving forward SRL needs to draw on the experiences of previous cooperative market development, e.g. SAFCOL and SELF nominees, and more clearly understand why the current "Small" corporate model has not lead to investment and development of the Chinese market.

Finally, with regards to logistics, the need for in-market training programs was identified as a minimum in product handling and storage. A quality based approach to market development in China would require a parallel training program through the chain for success.



Figure 3: Lobster being prepared for local distribution – wholesale market to retail

Regardless of the development of an import platform model, SRL needs to investigate the scope and funding for developing and implementing a chain quality program with partners in China.

2. Evaluate new high end niche market opportunities

The mission did not have the resources to quantify the high end niche market opportunity. It is known however that living standards and consumption are increasing in China. This was apparent in the 3 major cities visited (Beijing, Shanghai and Guangzhou) where examples of very high living standards exist.

The high end restaurant and hotel market is expanding and examples of superfine, non-traditional and Fusion cuisine were identified, often involving international chefs.

The mission was involved in industry profiling activities in two high end restaurants, My Humble House (Beijing) and Laris (Shanghai), and one high end Hotel, White Swan (Shanghai). The invitations and display materials/banners are presented in Appendix 2.

The target audience included members of the seafood distribution chain, top end chefs, Australian and Chinese Government trade representatives and Australian Corporates. The activities involved the following components:

1. Industry Profile presentation – Chairman Roger Cotton
2. Display materials – brochures and banners
3. Industry images – PowerPoint presentation
4. Fusion style lobster presentation – venue chefs
5. Complimentary Australian wines - Elders

The approach taken was non-traditional use of lobster, and Fusion style lobster was introduced. The mission was supported by Ms Ann Oliver who developed a suite of Fusion style lobster recipes for the activities (see Appendix 3 for the menu and images and Appendix 4 for the recipes). Ms Oliver also assisted in identifying target high end venues and audiences.

The Fusion style lobster and the format of the event being non-traditional caused some confusion with some people in attendance. There were a range of responses from the need to see the whole lobster through to excitement about the product and food style.

The style was however appropriate in My Humble House and Laris and immediate opportunity to develop Southern Rocklobster was apparent. Similar development opportunities were discussed at the Grand Hyatt and the Ari Restaurant.

One elite food magazine was identified, as was one example of value added, branded and traceable live seafood. The underlying theme of this product was “clean and safe” environment. These are indications that some change from traditional approaches is occurring.

The SRL Market Development Program V8 August 2005 involves strategies targeting high end chefs and use of high end food magazines. It is apparent that a similar strategy would be appropriate for the high end non-traditional dining market in China.

The need to present the industry, product and representatives and operate as “high end” was apparent. This has important implications for SRL budgets and investment levels.

It can be concluded that many high end hotels and restaurants exist that form a target segment and the level of new development in China will see the segment grow. If an import platform is to be established, SRL needs to establish a database of top end restaurants.

3. *Identify peak demand times for lobster*

The mission did not have the resources to quantify demand, however advice was received that demand is highest in September/early October, in particular for the Moon festival. The other high demand time is the lead up to the Chinese New Year in January/early February.

It was apparent that many festivals/happy times exist and the industry needs to develop strategies to deliver lobster to the market aimed at these key events. Further research is required to support development of such a strategy.

4. *Scope issues facing potential exporters, including supply chain, logistics, import duties, tariffs, and quality and food safety*

A range of issues exist for exporters, many of which have been canvassed above and an industry import platform presents as a vehicle to assist in overcoming in-market impediment to efficient and profitable trade.

Evidence was gathered that, from the wholesale level to customers, chain logistics are in place to handle expansion of Southern Rocklobster in China e.g. live tanks, packaging transport etc.

The main issues identified were more structural in nature and can be summarised as follows:

1. Tariff - as mentioned this is the main impediment to more efficient trade,
2. Tanking Infrastructure for direct access to Northern China e.g. Shanghai and Beijing,
3. Training - chain training programs covering handling for quality,
4. Relationships – ongoing industry presence to build long term relationships,
5. Support – in-market development activities are needed to build and position the brand,
6. Strategy – the size of the market dictates that a focused strategic approach to development is required, and finally
7. Supply – coordinated and guaranteed supply is essential.

An import platform would need to focus on dealing with these key long term structural issues.

5. Scope any emerging environmental concerns of retailers, manufacturers and consumers, and assess the positioning opportunities for a branded “clean green” Australian Southern Rocklobster

Evidence was gathered during the mission that branding is the norm in the cities visited and that most major international brands are in the market. One impressive example of valued added branded live seafood product was identified.

The packaging was green and specifically that way to present an environmental focus. The products are positioned at the high end gift market (see Figure 4).

Discussions held with the business owners indicated that environmental awareness is growing and some higher end customers are demanding quality/safety guarantees. A system of Chinese Government managed organic standards and traceability via individual animal tags was discussed.



Figure 4: Branded (yellow tag), traceable (white tag), gift packed live hairy crab in environmental packaging (green)

As part of a dedicated market development program in China, SRL needs to research the details of the Government organic standards and traceability system.

The mission encountered 2 examples where confusion existed at the chef level about Southern Rocklobster, that is alternative species were believed to be Southern Rocklobster. A clear indication that product differentiation and/or awareness building about the species is needed.

The mission concluded the following:

- Environmental/green is a factor,
- Organic standards exist
- Traceability for live seafood exists,
- Branding of live seafood occurs, and
- Brand awareness issues exist for Southern Rocklobster.

An import platform would be well placed to develop and manage the Australian Southern Rocklobster brand in China. It would need to assess the resonance and applicability of the current “Clean Green” mark and underlying environmental values.

Any problems encountered

The mission was highly successful and encountered no problems of any great significance. It is a credit to the program and in particular our hosts throughout China. The only minor issue was miscommunication on arrival in Beijing, but this did not impact adversely on the mission.

The SRL team learned some important information for future SRL programs in China:

1. The Fusion style lobster and the industry profiling format of the events being non-traditional caused some confusion with some people in attendance. Additional planning may be required.
2. The need to present the industry, product and representatives and operate as “high end” was apparent. This extends to the cultural exchange of gifts as well, and has important implications for SRL budgets and investment levels.
3. Name badges were needed in Chinese.
4. All information should be in Chinese as well as English, e.g. fact sheets, videos etc.
5. Protocol for entertaining needs to be better understood.

Any recommended improvements

The mission considered areas for potential improvement and has only two comments. The first relates to communication between the group and the facilitator in China prior to the mission. It was felt that this could have been focused more clearly on logistics and activities. A phone hook up would have assisted rather than all parties relying on email. The difficulty with email found

was in interpretation and speed of response, given that other missions were being conducted just prior to the SRL mission.

The second relates the “pitch”, “style” and/or image of the mission. Hind sight has informed SRL that if it seeks to position the industry and product as the “finest in the world” everything it does must reflect this including activities, behaviour, information style and presentation, product style, accommodation used, etc.

This is not a reflection on the program but has implications for the other groups. It is suggested that some thought be given to the “style” desired for future missions and that options be explored for the mission to invest funds above those offered in the program, to achieve a “style” that suits their aspirations. This naturally will change for each mission.

In closing, these comments in no way reflect on the mission. SRL was delighted with the program and grateful for the opportunity. SRL was provided great support and much flexibility to assist the mission to achieve its objectives.



Figure 5: L-R Andrew Ferguson – SRL Director, Roger Cotton – SRL Independent Chair, Lin Luogeng – Ministry of Agriculture, Dave Johnston – SRL Director
Absent: Roger Edwards – SRL Executive Officer (on camera)

Any follow-ups to ensure continued benefits from missions

The mission has provided sufficient information for SRL to plan the next stage of development in China. A series of recommendations for follow up have been provided for consideration by the SRL Board meeting in March 2006. At that meeting the Board is conducting an internal workshop specifically to develop the import platform concept further.

In addition funding has been sought from the FRDC for a follow up project involving the national lobster industry, aimed at preparing a detailed long term market development strategy in China. This will commence in July 2006.

Planning is underway for a return visit as part to Shanghai as part of Sauchin 2006 and the outcomes from the mission will underpin the approach taken.

Finally, the mission has resulted in direct follow up involvement with DFAT with regards to the China Free Trade Agreement.

Identification of possible commercial flow-on effects generated by the mission

The potential long term commercial flow-on effects are detailed in section 1.1 above.

Facilitation of flow-on effects to project team's broader industry/ies in Australia

SRL maintains a dedicated whole of industry communications/extension program to ensure flow of benefits from all programs accrue to the wider industry. The key activities to date aimed at disseminating the outcomes of the mission are as follows:

1. Summary findings paper prepared and disseminated to SRL and via Board members to the respective State member organisations.
2. Two feature articles in the Southern Rocklobster Industry Newsletter (see Appendix 5). This is distributed to all licence holders and other members of the industry (circulation 1200).
3. Port visits – a series of presentations of the key finding have been made at ports across the industry.
4. 4th National Congress Hobart – a briefing on the SRL market development program was made including key outcomes of the mission to 190 Congress participants.

The next step with industry engagement will follow the SRL Board Workshop.

Appendix 1 Contact Database

Name	Position	Company	Address 1	Address 2	City	Country	PC
Adam Wong	Senior Business Development Manager	Government of SA Commercial representative office	Unit A, 21F Jui Shi Renaissance Mansion	918 Huai Hai Road Middle	Shanghai	CHINA	200020
Alan Thomas	Ambassador	Australian Embassy	21 Donzhimen Wei Dajie	Sanlitun	Beijing	CHINA	
Albert Cheung	Chief Purchasing Officer	Three on the Bund	5 The Bund 4th Floor	5 Zhong Central Rd	Shanghai	CHINA	200002
Alessandro Colombus	Executive Chef	Vabene Shanghai	House 7, North Block, Xintianndi	Lane 181, Taicang Rd	Shanghai	CHINA	200021
Andrew J McGregor	President	Australia & New Zealand Banking Group Ltd	Level 39, Shanghai Senmao International Building	101 Yin Cheng East Rd, Pudong New Area	Shanghai	CHINA	200120
Andrew Mc Kee	Chef de Cuisine	ARIA	No 1 Jianguomenwai Ave	Beijing		CHINA	100004
Annie Lundin	Director of Sales	ASC Fine Wines	6th Floor, Tower B, East Gate Plaza	29 Dongzhong St, Dong Cheng District	Beijing	CHINA	100027
Antonio Sciaraffa							
Bai Hua	Director	The American Club Shanghai	Guangdong Provincial Bureau of Ocean & Fisheries		Guangzhou	CHINA	510220
Bao SiLei	Purchase Manager	Beijing Wan Long Zhou Seafood Restaurant	No. 88, Street An Ding Men Wai	Dong Cheng	Beijing	CHINA	100011
Bernard G Muller	Executive Chef	The Peninsula Palace	8 Goldfish Lane	Wangfujing	Beijing	CHINA	100006
Bruce Chu		Shanghai Bing Sheng Import & Export Company	Unit 1404 Jingxiao Building	36 Biquan Rd Minghang District	Shanghai	CHINA	
Campbell Thompson	Marketing Director	ASC Fine Wines	6th Floor, Tower B, East Gate Plaza	29 Dongzhong St, Dong Cheng District	Beijing	CHINA	100027
Cao Li Hua	Economic & Trade Division	100 Da Gu Road			Shanghai	CHINA	200003
Carlo Kim	Shanghai Fuzun Trading Co Ltd		14B Yintang Mansion (North)	1016 Dingxi Road	Shanghai	CHINA	200051

Name	Position	Company	Address 1	Address 2	City	Country	PC
Chen Jinjiang	General Manager	Beijing Hongqiao Mifa Abolone and Seafood Co Ltd	No 029 & No 030, Basement 1	Hong Qiao Market Chong Wen	Beijing	CHINA	100061
Chen Min Ru	Assistant Manager	White Swan Hotel	The Silk Road Room/ Garden Barbeque	Shamian Island	Guangzhou	CHINA	510133
Chen Yan Yan	Manager - North China	Elders China	Apartment 18H, New Yoark Tower	Great Mall 6 XiaZhuang	Beijing	CHINA	100026
Chris Wang	Laris Restaurant superviosr	Laris	3 The Bund 6th floor	3 Zhong Shan Dong Yi Road	Shanghai	CHINA	200002
Chrison Zhang	Deputy Manager, Sales & Marketing Dept	Guangdong Guangyuan Fishery Group Co Ltd	20 Nancun Rd	Tongfu East	Guangzhou	CHINA	510222
Christina Erne	Laris Restaurant Head of Reservation & Sales	Three on the Bund	3 The Bund, 6th Floor	3 Zhong Shan Dong Yi Road	Shanghai	CHINA	200002
Christina Erne	Laris Head of Sales & Reservations						
Coreen Ang		Shanghai New Star Import & Export Co Ltd	1500 Century Boulevard	4th Floor Dongfang Building	Pudong, Shanghai	CHINA	200122
Da Guai	Editor Gourmet Column	Shanghai Weekly	1902, No 222 Middle Huai Hai Rd		Shanghai	CHINA	200021
Dario Congera	Italian Chef	Prego Restaurant	The Western Shanghai, Bund Center	88 Henan Central Rd	Shanghai	CHINA	200002
David & Liz Johnston			47 Pascoe Rd	Port MacDonnell		SA	5291
David Tseo	Assistant Director of Food & Beverage	Grand Hyatt Shanghai	Jin Mao Tower	88 Century Boulevard	Pudong, Shanghai	CHINA	200121
Debe Hoo	Producer/Resear cher	Three Six Zero Productions	42b Boat Quay			SINGAP ORE	049831
Deng Jiazhou	Secretary General	Guangdong Aquatic Productd Processing and Marketing Association	10 Nancun Rd	Tongfudong Rd	Guangzhou	CHINA	510222
Edmund Toh	Executive Chef	Portman Ritz Carlton					
Eduardo Jalijali	Executive Chef	Sheraton Donguan					

Name	Position	Company	Address 1	Address 2	City	Country	PC
Eliza Kurtz	Business Development Consultant	Elders Limited	Beijing Representative Office	Room 1110 China Textile Mansion	19 Jianguomen Nei Dajie, Beijing	CHINA	100005
Elvin Lim	Sales Manager	Elders China	Part B, Floor 3, No 4	288 Fute Rd Middle, Waigaoqiao Free Trade Zone	Shanghai	CHINA	200131
Eric Johnson	Executive Chef	Jean Georges	Level 4, Three on the Bund				
Felix Ho	Director of Food & Beverage	Guandong International Hotel	339 East Huanshi Rd	Guangzhou	Downtown	CHINA	
Gao Yan	Chef General	Plaza Royal Beijing	Nr. 23, Road Xi Da Wang	Chao Yang	Beijing	CHINA	100022
Gareth Smith	Operations Manager	Adelaide Shores	PO Box 69		Glenelg	SA	5045
Gary Chan	Director	Luckybay Limited	A10-A11 Western Wholesale Food Market	Western Reclamation, Sai Ying Poon		HONG KONG	
Gerhard Passruggner Heping Yu	Laris Restaurant Head Chef Professor, Vice Dean	Three on the Bund College of Distance Learning and Continuing Education	3 Zhong Shan Dong Yi Road 44 Gao Liang Qio Xie Jie	Street Hai Dian District	Shanghai Beijing	CHINA CHINA	200002 100044
Hong Jianwei Huang Gui Ding	F&B Manager Vice General Manager	The Garden Hotel Shenzhen Honghai World Industrial Co Ltd	368 Huanshi Dong Lu RM H, 13/F, Hu Bo Building	Guangzhou Lake View Garden, Hong Hu Rd	Luo Hu District, Shenzhen	CHINA CHINA	518020
Huang WenHua	General Manager	Beijing Xiexing Aquatic Products Co Ltd	180 Xi Nan Jiao Market	Zheng Wang Fen	Feng Tai, Beijing	CHINA	
Irene Zhou Jack Hua	Senior General Manager (China Operations)	Tung Lok Restaurants (2000) Ltd					
Jane Law							
Jean-Claude Weibel	Executive Chef	Grand Hyatt Shanghai	Jin Mao Tower	88 Century Boulevard	Pudong, Shanghai	CHINA	200121

Name	Position	Company	Address 1	Address 2	City	Country	PC
Jiang Peng	General Manager	Beijing Kingfisher Seafood Co	No 909, 3rd building, Tian Min Seafood Market	No 91, Fa Hua Si Street	Chong Wen, Beijing	CHINA	100061
Jing Guocheng	Purchase Manager	Beijing Yunglong Jinge Grand Restaurant	No. 106, Dong San Huan Nan Lu	Chao Yang	Beijing	CHINA	100021
Joe Yipp	Banquet Manager	Guangdong International Hotel					
John Alberghini		Pines The Market Place	No 18 Lane	896 Jian He Road	Shanghai	CHINA	200336
John Jiang	Account Manager	Hotel Yummy					510080
John Roberts	Marketing Manager, Shanghai Representative Office	BWK Elders Australia Pty Ltd	Level 12B Qi Hua Tower	1375 Huai Hai Middle Rd	Shanghai	CHINA	200031
Judy Situ	Canon Sky Holdings Ltd Marketing Coordinator						
Jue Jue Huang		Elders Limited	Shanghai Representative Office	Level 12B Qihua Tower	No 1375 Huai Hai Middle Rd, Shanghai	CHINA	200031
Karlheinz Ritter	Executive Chef	The Westin - Shanghai	Bund Center	88 Henan Central Rd	Shanghai	CHINA	200002
Ken Xu	Chief Representative	Government of SA	Unit A, 21F	Jui Shi Renaissance Mansion	918 Huai Hai Road Middle, Shanghai	CHINA	200020
Kevin Magee	Consul General	Australian Consulate General, Guangzhou	15F Main Building GITIC Plaza	339 Huanshi Dong Road	Shanghai Guangzhou	CHINA	510098
Kong Fan Jing	Executive Chef	My Humble House	Podium Level, Beijing Oriental Plaza	W3 (Office Building) Unit 01-07	1 East Chang An Avenue	CHINA	
Leith Tilley	Manager - China	Meat & Livestock Australia	Office C612B, Beijing Lufthansa Center	50 Liangmaqiao Rd	Chaoyang District, Beijing	CHINA	100016
Leng Weidong	Chef General	Huang Yuan Hotel	No. 19, Chang Wa Road	Hai Dian	Beijing	CHINA	100089
Li Gui Hong							

Name	Position	Company	Address 1	Address 2	City	Country	PC
Li Xin	Chef General	Diecui Caffe Pub, Taiwan Hotel	Jinyu Hutong No 5	Wangfujing Street	Dongcheng District, Beijing	CHINA	
Liang Jianzhong	Purchase Manager	Beijing Shun Feng Seafood Restaurant	No. 16, Dong San Huan Bei Lu	Chao Yang	Beijing	CHINA	100026
Liang Lei	Chef General	The Atrium Café	Gloria Plaza Hotel Beijing	No 2 Jianguomennan Avenue	Beijing	CHINA	100022
Liang Yu Ying			21 Tianhe Rd		Guangzhou	CHINA	510075
Lin Kuan	Vice Manager of Sales	Beijing Huadu Hotel	8 Xinyuan South Rd	Chaoyang District	Beijing	CHINA	100027
Lin Luogeng	Department Associate Advisor	Center of International Cooperation Service, Ministry of Agriculture	11 Nongzhanguan Nanli		Beijing	CHINA	100026
Lin Mei Jin	Manager	Shanghai Lin Min Trading Co Ltd	311, 800 Tongchuan Rd	Putuo District	Shanghai	CHINA	
Liu Shu Xian	Manager	Guangzhou Wei Huan Trading Co Ltd	21 Tianhe Rd	Guangzhou	Guangzhou	CHINA	510075
Long Xinran	Senior Sales Manager	Beijing Huadu Hotel	8 Xinyuan South Rd	Chaoyang District	Beijing	CHINA	100027
Ma You Xian	Director, Deputy General Manager	Guangdong Guangyuan Fishery Group Co Ltd	20 Nancun Rd	Tongfu East	Guangzhou	CHINA	510222
Manny Lucio	F&B Director	The Garden Hotel	368 Huanshi Dong Lu	Guangzhou	Shanghai	CHINA	200050
Marco Barbieri	Chef Patron	Da Marco	11 Golden Bridge Garden 103	East Zhu, An Bang Rd	Shanghai	CHINA	
Mark Mosiman	Laris GM	Three on the Bund	3 The Bund, 6th Floor	3 Zhong Shan Dong Yi Road	Shanghai	CHINA	200002
Mark Wu	Executive Chef	Dong Fang Hotel Guangzhou	120 Liu Hua Rd	Guangzhou	Downtown	CHINA	510016
Mary Huang	Managing Editor	Shanghai Business Review	Room 12C, 12/F May-Fair Tower	89 Fumin Lu	Shanghai	CHINA	200040
Meilian Yu	Deputy Director	Shanghai Academy of Agricultural Sciences	2901 Beidi Road	Shanghai	Shanghai	CHINA	201106
Melinda Kater Moore	Managing Editor	Shanghai Business Review	Room 12C, 12/F May-Fair Tower	89 Fumin Lu	Shanghai	CHINA	200040
Michael Roper		M on the Bund	7/F No 5 The Bund		Shanghai	CHINA	200002

Name	Position	Company	Address 1	Address 2	City	Country	PC
Moon Ng	Restaurant Manager	My Humble House	Podium Level, Beijing Oriental Plaza	W3 (Office Building) Unit 01-07	1 East Chang An Avenue, Beijing	CHINA	
Ng Man Yung (Marcus)	Greater China Representative	National Institute of Accountants	PO Box 18204	Collins St East	Melbourne	VIC	8003
Nicholas Hunt	Manager (North-East Asia)	Elders Limited	Room 1110, China Textile Mansion	19 Jianguomen Nei Dajie	Beijing	CHINA	100005
Nick Major	Executive Sous Chef	JW Marriott					
Paul Gao	Western Kitchen Chef	Plaza Royale	23 Xi Da Wang Rd	Chaoyang District	Beijing	CHINA	100022
Philip Chan	Executive Chef - Western Kitchen	The Garden Hotel	368 Huanshi Dong Lu	Guangzhou		CHINA	
Pieke Zhu	Representative	Government of South Australia	Unit A, 21F	Jui Shi Renaissance Mansion	918 Huai Hai Road Middle, Shanghai	CHINA	200020
Qiao Shuing		National Institute of Accountants	No. 1, 3 District	An Yuan Dong Li	Chao Yang, Beijing	CHINA	100029
Qin Lu	Foreign Economic Cooperation Centre	Ministry of Agriculture	55 Nong Zhan Bei Road	Chaoyang	Beijing	CHINA	100026
Rachel Zhang	Sales Supervisor-South China	Elders China	6N, Block B, Fortune Plaza	7060 Shennan Rd	Futuan District, Shenzhen	CHINA	518040
Sam Gerovich	Consul General	Australian Consulate General	Level 22, CITIC Square	1168 Nanjing West Rd	Shanghai	CHINA	200041
Sam Song	Executive Sous Chef	The Peninsula Palace	8 Goldfish Lane	Wangfujing	Beijing	CHINA	100006
Sandro Falbo	Executive Chef	Va Bene	House 7, North Block, Xintiandi	Lane 181, Taicang Rd	Shanghai	CHINA	200021
Shao Haitao	Purchase Manager	Da Zhong Hotel	No. 20, Mai Zi Dian Street		Beijing	CHINA	100026
Shen Yajun	General Manager	Beijing Shenshi Aquatic Products	No 908, 3rd building, Tian Min Seafood Market	No 91, Fa Hua Si Street	Chong Wen, Beijing	CHINA	100061

Name	Position	Company	Address 1	Address 2	City	Country	PC
Simon S. Q. Wu	Manager Food and Beverage Department	Western White Swan Hotel	Shamian Island	Guangzhou		CHINA	510133
Stephane Calvat	Executive Pastry Chef	St Regis Hotel Beijing	21 Jian Guo Men Wai Da Jie		Beijing	CHINA	100020
Steve Hitchcock	Key Accounts Manager	Montrose Food & Wine	4F Building No2	No 876 Jiangsu Rd	Shanghai	CHINA	200052
Tang Yandi		Department of Asian Affairs, Ministry of Commerce	2 Dong Chang An Jie		Beijing	CHINA	100731
Terrance Wong	Chime Long Hotel	Deputy General Manager	Chime Long Hotel	Yingbin Road	Panyu, Guangzhou	CHINA	511430
Tiffany Zhen							
Tiger Liang	Chief Representative	National Institute of Accountants	8 Chaoyangongyuan Nanlu		Beijing	CHINA	100026
Walter Fan	Executive Chef	Guangdong International Hotel					
Walter Zhaner	General Manager	Sommelier T8	No 8 Xintiandi North Part	Lane 181, Taicang Rd No 2	Shanghai	CHINA	200021
Wang Mingxi	Chef General	The Atrium Café	Gloria Plaza Hotel Beijing	Jianguomennan Avenue	Beijing	CHINA	100022
Wang Ziyuan (Dennis)	President Secretary, Foreign Secretary	Shanghai National Accounting Institute	No 200 Panlong Rd	Qingpu District	Shanghai	CHINA	201702
Wu Liansheng	Chef General	Panorama Grill Room	Xiyuan Hotel	No. 1, Sanlihe Road	Beijing	CHINA	100044
Wu Rong Hui		Mr Wu Marine Products					
Xie Zhongxian	Managing Director	Tang Yan Restaurant					
Xu Hongyuan	Director	Division of Agricultural Trade	11 Nongzhanguan Nanli		Beijing	CHINA	100026
Xue Cong Fa	General Manager	Loong Da Marine Product Corporation	22-23 Tongchuan Rd	Putuo District	Shanghai	CHINA	

Name	Position	Company	Address 1	Address 2	City	Country	PC
Ye Bin	Manager-South China	Elders China	6N, Block B, Fortune Plaza	7061 Shennan Rd	Futuan District, Shenzhen	CHINA	518040
Ye Huanqiang	Assistant Inspector	Administration of Ocean & Fisheries of Guangdong Province	10 Nancun Rd	Tongfudong Rd	Guangzhou	CHINA	510220
Yu Jian Hua	Coffee Shop Chef	1 Sanlihe Rd	Haidian District		Beijing	CHINA	100044
Yu Wumin		Shanghai New Star Import & export Co	1500 Century Boulevard	4th Floor Dongfang Building	Pudong, Shanghai	CHINA	200122
Zang Qinsong	Chef General	The Atrium Café	Gloria Plaza Hotel Beijing	No 2 Jianguomennan Avenue	Beijing	CHINA	100022
Zhang Xioling	Director, Vice General Manager	Guangdong Guangyuan Fishery Group Co Ltd	20 Nancun Rd	Tongfu East	Guangzhou	CHINA	510222
Zhang Xueming	Chef General	The Atrium Café	Gloria Plaza Hotel Beijing	No 2 Jianguomennan Avenue	Beijing	CHINA	100022
Zhao Hui		Beijing Xicheng Local Taxation Bureau	23 Zhuba Bao Hutong	Xinjie Kou Ave	Xicheng District, Beijing	CHINA	100035
Zhao Qing Min	General Manager	Beijing Long Teng Aquatic Products Co	No 17, 2nd Building, Tian Min Seafood Market	No 91, Fa Hua Si Street	Chong Wen, Beijing	CHINA	100061
Zhou Ming	Managing Director	Jinhai Corporation	1486 Kaixuan Rd	Changning	Shanghai	CHINA	200052
Zheng Jian Guo	Executive Director	ZAP	7F Aquatic Products Building	3131 Renmin Rd N	Shenzhen	CHINA	518001
Zheng Jian Guo	Executive Director	ZAP	31 Alredale Way	ROWVILLE	VIC		3178
Zhigiang Lu	Vice Chef General	Hong Kong Food City	No. 18, Street Dong An Men	Dong Cheng	Beijing	CHINA	100006
Zhou Jun Gui	Manager	Jintai Seafoods	B29-31 Huangsha Sea Produce Wholesale Market	Guangzhou		CHINA	510140

Name	Position	Company	Address 1	Address 2	City	Country	PC
Zhou Rui Lian	Vice-Director, Senior Engineer	Division of Scien-Tech, Foreign Affairs and External Economic	Guangdong Province Ocean & Fishery Bureau	10 Nancun Rd	Guangzhou	CHINA	510222
	The Executive Chef	China Marriott Hotel Grand Hyatt Beijing	Guangzhou 1 East Chang An Avenue	Guangdong	Beijing	CHINA CHINA	510015 100738
	The Executive Chef	Hotel Kunlun	No. 2 Xin Yuan Nan Lu	Chaoyang District	Beijing	CHINA	100004
		Hotel New Otari Chang Fu Gong	26 Jianguomen Wai Dajie		Beijing	CHINA	100022
	The Managing Director	Jenny Lou's Supermarkets	0413, 39 Jianwai SOHO	Chaoyang District	Beijing	China	
	The Executive Chef	Kempinski Hotel Beijing	Lufthansa Center	No. 50 Liangmagiao Road	Chaoyang District, Beijing	CHINA	100016
		Laris Shanghai	Three on the Bund	No 3 The Bund 6th Floor	3 Zhong Shan Dong Ti Road, Shanghai	CHINA	200002
	The Executive Chef	Loong Palace Hotel & Resort	Huilongguan, Changping District		Beijing	CHINA	102208
	Chef General	Panorama Grill Room	XIYUAN HOTEL	1 Sanlihe Rd	Beijing	CHINA	100044
	The Executive Chef	Presidential Plaza Hotel	9 Fuchengmenwai Road	Xicheng District	Beijing	CHINA	100037
	The Executive Chef	Swissotel Beijing	No. 2 Chao Yang Men	Bei Da Jie	Beijing	CHINA	10027
		Tanfu Cuisine Restaurant					

Appendix 2
Industry Profiling Invitation



Australian Southern Rocklobster

THE FINEST IN THE WORLD




The Southern Rocklobster Limited Board
request the pleasure of your company at an
industry briefing and Australian Southern Rocklobster tasting
at My Humble House, Tuesday September 13, 2005

The Australian Ambassador to China
Dr Ian Hall

4.30pm - 6.30pm
My Humble House
Beijing Oriental Plaza
Podium Level W3 (Office Towers)
Unit 1 - 7, No 1 East Chang An Avenue
Beijing

RSVP Danni Lum <danni.lum@corvel.com.au> or Telephone 0061 8





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unrivalled quality harvested in the
world's cleanest waters
Australian Southern Rocklobster
is the first choice of the world's
best chefs

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the finest lobster in the world,
harvested in the most pristine waters
Australian Southern Rocklobster's
superb flavour and texture makes it the
first choice of the world's best chefs

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Appendix 3
Fine Dining Fusion Style Menu

Cocktail menu (other than My Humble House)

1. Lobster And Truffle Croquette With Truffle Mayonnaise
2. Lobster Sushi
3. Crispy Lobster, Mushroom And Tofu Parcels
4. Lobster Custards With Chilli Oil And Spicy Flying Fish Roe
5. Lobster On Pastry With Candied Chilli Lime And Salmon Roe
6. Vegetarian Option

Examples of Super Fine Dining Lobster Dishes Presented



Appendix 4

China Mission Super Fine Dining recipes

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 AUSTRALIAN SOUTHERN ROCKLOBSTER LIMITED
 FERUGSON LOBSTER AUSTRALIA
www.annoliver.com Trading as Mistress Augustine's Restaurant

please note

1. *Making the medallions is very simple images will follow. We have had wooden presses made but you can just as easily use a flat-bottomed glass*
2. *There are ample step by step images of methods if you want them*

**LOBSTER AND TRUFFLE CROQUETTE
 WITH TRUFFLE MAYONNAISE**

makes 48

2400g starch potatoes such as Desire *peeled weight*
 12g salt
 cold water
 200ml cream
 4g white pepper *freshly ground*
 96g truffle paste
 4 egg yolks (61g eggs)

Cook the potatoes in the water with the 12g salt until they are tender, Drain and mash, add the cream, pepper, truffle paste and egg yolk and mix well. Spread on a tray and contact cover with plastic and allow to cool completely.

4 Ferguson's sashimi lobster tail *chopped roughly*
 120g shallot *peeled weight finely chopped*
 120g butter or oil
 8g salt
 2g white pepper *freshly ground*

plain flour
 whole eggs
 Japanese breadcrumbs

Sauté the shallot with the oil or butter and seasoning until it is golden. Stir through the lobster and continue cooking until it is just set, remove from the heat and allow to cool stirring over a couple of times

to assemble the croquettes

Weigh out the lobster in 19g portions. Flatten 29g of the potato mix on plastic, put a portion of lobster in the middle and roll up unto a ball. Cover and chill over night.

Before cooking roll the croquettes through flour, egg and coat with breadcrumbs and stand on paper towel.

Deep fry at 160C (low heat) until they are golden drain and serve with the truffle mayonnaise – *recipe follows*.

Truffle Mayonnaise

sufficient for 48 croquettes

2 whole eggs COLD (61g)
 50g truffle paste
 50g whole grain mustard
 750ml vegetable oil
 6g salt
 2g white pepper
 2 limes *strained juice*

Put the eggs, truffle paste and mustard into a food processor and with the motor running slowly add the oil. When completely incorporated and emulsified add the salt, pepper and lime juice. Mix well – *store covered in the fridge*.

LOBSTER SUSHI

makes 40

500g sushi rice *wash several times in cold water, sit in cold water 5 minutes and then drain well*
 640g cold water
 50g sugar
 50g mirin
 2 drops sesame oil
 40g vegetable oil
 40g shallot *peeled weight finely chopped*
 16g ginger/garlic *(equal weight finely chopped)*
 2 Ferguson's sashimi lobster tail *shaved*
 8g salt
 2 sheets nori *roasted ad finely shaved*
 roasted sesame seeds
 250ml lime and chilli dipping sauce *recipe follows*

Put the sushi rice in the water, cover tightly with two layers of plastic and put on low heat. When it starts to cook turn the heat to the lowest point. Mix together the mirin and sugar and set to one side.

Sauté the shallot and ginger/garlic in the vegetable oil and sesame oil.

When the rice is cooked stir the sugar/mirin, then stir through the lobster, shallot and nori – the heat of the saucepan will just cook the lobster. Cover with plastic and allow to cool completely – *best not refrigerated*.

Portion into 40g lots, shape into balls and roll through roasted sesame seeds. Serve with the lime and chilli dipping sauce.

CHILLI AND LIME SAUCE

makes about 500ml keeps indefinitely

2 limes
 500g sugar
 500ml white wine vinegar
 2 Thai chillies *very finely chopped*

Using a vegetable peeler, peel the limes strips and then julienne the peel finely. Put a small pan of hot water onto the stove on high heat. When the water boils add the lime rind and cook just long enough to bring it to the boil again. Tip the lime rind into a sieve and refresh it under cold running water. Repeat the process another two times. Put the sugar and vinegar into a saucepan and place it on high heat. Sit a sieve over the saucepan and strain the juice of the limes into the pot. Stir just long enough to lift the sugar from the bottom and bring to the boil. Add the chilli, simmer for a minute, then add the lime rind and continue cooking gently until the rind goes translucent. Store in an airtight container in the fridge.

**CRISPY LOBSTER,
MUSHROOM AND TOFU PARCELS**

makes 54

100g cellophane noodles
 20g shredded black wood fungus
 10g dried sliced shitake mushrooms
 2 Ferguson's lobster tail *finely shaved*
 10g spring onion *cleaned and finely sliced*
 10g light soy
 10g fish sauce
 400g fresh soft tofu
 20g ginger/garlic *finely minced*

54 fresh bean curd sheets cut into rectangles 140mm x 120mm
 wilted chives or tiny spring onions

Soak the cellophane noodle in hot water for 10 minutes and drain thoroughly. Soak the fungus and mushroom until they are softened then drain well. Mix everything together.

Wrap 30g of the filling into a square of bean curd sheet and tie with a wilted chive. Lay on paper towel – deep-fry in hot oil until crispy serve with orange and chilli dipping sauce – *recipe follows*.

ORANGE AND CHILLI DIPPING SAUCE

makes approximately 250m

500ml fresh strained orange juice
 250g white sugar
 125ml rice wine vinegar
 2 large red chillies *seeded, shaved and very finely julienned*
 2 limes leaves *very finely chopped*
 10 sacred basil leaves *very finely sliced*

Put the orange juice, sugar and vinegar into a sauce pan and stirring bring to the boil. When the sugar has lifted from the bottom, simmer gently until you have a good sauce consistency. Allow to cool and stir through the remaining ingredients – *keeps indefinitely.*

LOBSTER CUSTARDS WITH CHILLI OIL AND SPICY FLYING FISH ROE

makes 50

50 x 14g pressed lobster medallions – 35mm cutter *lightly brushed with vegetable oil and seasoned with sea salt and white pepper – refrigerated for 4 hours*

1L crustacean stock
 12g fish sauce
 12g light soy
 400g egg yolks

Chilli oil – *mild*
 flying fish roe *spicy*
 watercress garnish

Ser up a steamer and have shot glasses ready to go. Bring the stock, soy and fish sauce to the boil, whisk into the egg yolk and strain through a fine sieve. **Without delay** divide into the shot glasses, cover with baking parchment and steam for 4-5 minutes or until just set. Turn the hat off and let stand for another minute, then allow to cool.

Just before cooking, using a spatula slide a lobster medallion on top of the custards. Cover with baking parchment and steam 4-5 minutes until the lobster is just cooked and the custard warm.

Garnish with a tiny amount of chilli oil, spicy flying fish roe and a watercress sprig – *serve warm with teaspoons in a glass.*

LOBSTER ON PASTRY WITH CANDIED CHILLI LIME AND SALMON ROE

50 x 14g pressed lobster medallions – 35mm cutter *lightly brushed with vegetable oil and seasoned with sea salt and white pepper – refrigerated for 4 hours*

50 x 50mm puff pastry *baked in tart tins to keep bottoms flat*
 candied chilli *recipe follows*
 50 x ½ lime segment
 large salmon roe moistened with a little mirin

Set the bake puff on trays and reheat it. Quickly lay the lobster on top and 2 slices of candied chilli. Return to oven @ 180C for 3-4 minutes until the lobster is just cooked. Garnish each one with a lime slither and 4-5 pieces of roe – *serve immediately.*

CANDIED CHILLI

1L water
 500g white sugar
 30 large red chillies *seeded, shaved and finely julienned*

Put the sugar and water into a saucepan and place it on high heat. Stir just long enough to lift the sugar from the bottom of the pan, add the chilli julienne and continue simmering until they are translucent.

Strain of the syrup, which can be used for making dipping sauces.

DINNER COURSES**LOBSTER WITH SCALLOPS, CRISP PANCETTA
 LEMON BEURRE BLANC AND SALMON ROE**

makes 12

12 x 80g lobster medallions pressed in an 80mm ring *960g sashimi tail*
 vegetable oil
 black sesame/roasted cumin seeds
 salt
 white pepper
 24 scallops *rolled through oil and seasoned lightly with salt and pepper*

24 slices of fatty pancetta *crisped in the oven standing on a rack*
 60g large salmon roe *moistened with 1 teaspoon mirin*

LEMON BEURRE BLANC

80g fresh strained lemon juice
 80g white wine
 360g COLD unsalted butter *cut into small pieces*
 2 pinches salt
 1 pinch white pepper

Brush the lobster medallions with vegetable oil, season with salt and pepper and lightly scatter with black sesame/roasted cumin and chill for at least four hours.

Put the lemon juice and white wine into a pan and place on high heat – whisk in the butter until the sauce is thick and glossy, season and keep warm.

Team the lobster medallions for 4-6 minutes or until just set. Using a little oil, sear the scallops. Place the medallion in the middle of a warm plate, a slice of warm pancetta on top and to one side and put a scallop on top of each piece of pancetta. Spoon the sauce around the medallion and garnish with the salmon roe,

SALAD OF LOBSTER, GRAPEFRUIT AND CANDIED CHILLI

serves 12

12 x 80g lobster medallions pressed in an 80mm ring *960g sashimi tail*

vegetable oil

salt

white pepper

72 grapefruit segments

120g julienne cucumber

celery leaves *washed and crisped*

coriander leaves *washed and crisped*

dill *small sprigs*

candied chilli

sea salt

white pepper

watercress oil and puree *recipe follows*

mild chilli oil

4 limes *cut at the last minute, quartered and cleaned up*

Steam the lobster but do not refrigerate. Carefully lift into the centre of the plates. Put all of the salad components into a bowl, season gently toss together. Using an 80mm ring to keep the salad in position, divide the salad between the medallions, keeping some of the chilli and grapefruit to the top.

Put three dabs of the watercress puree around the medallion, then drizzle with chilli and watercress oil, garnish with the lime and serve.

Watercress oil

150g watercress tops *no thick stalks*

150ml vegetable oil

pinch salt

Puree in a blender and strain through a fine sieve keeping both the puree of watercress and the oil.

Appendix 5 Southern Rocklobster Industry Newsletter



News

SEPTEMBER 2005 ISSUE 09



Australian **Southern Rocklobster** Industry

Positive Feedback from China

HOT SPOTS

- ∴ Potential exists to further capitalise on market presence
- ∴ Outstanding feedback on quality
- ∴ Need for traceability, branding, promotion & partnerships

Various presentation styles at industry profiling events conducted in China - September 2005



A delegation of four Southern Rocklobster Limited (SRL) Board Members, led by Chairman Roger Cotton, has recently returned from China. The purpose of the visit was to investigate opportunities for the establishment of a long-term market development capacity on behalf of the industry.

The delegation's visit was funded through the Australia China Agriculture Cooperation Agreement (ACACA) program administered through the Federal Department for Agriculture, Fisheries and Forestry.

David Johnston, SRL Board Member, committee member of the Victorian Rock Lobster Association and Victorian Western Zone licence holder, was a member of the delegation and commented that the visit to China, although not his first, was a learning experience and one from which the Australian Southern Rocklobster Industry could derive a number of positives.

"We spent time in Beijing, Shanghai and Guangzhou during our two week visit and hosted industry profiling events in each of these locations, the feedback we received was very constructive and extremely encouraging," said Mr Johnston.

"The activities provided an opportunity for us to profile our industry to Chinese seafood buyers, top-end chefs and Government representatives."

In addition, the delegation also visited a number of the key wet markets around the country to meet with the key seafood buyers and see first hand how the product is handled throughout the supply chain and gain an understanding of the marketplace. As part of this process, prices through the entire chain were documented.

Although Southern Rocklobster was prominent in the market place, the significant volume of the tropical species was apparent. The need to work with countries such as New Zealand, who catch the same lobster, was tabled during discussions with buyers and officials.

"From talking with the buyers it was evident that an initiative such as the Clean Green program with its product quality standards and branding potential definitely has a role to play in expanding the market opportunity for our live product," commented Mr Johnston.

"I think that this visit will assist in establishing the partnerships required for the Australian Southern Rocklobster Industry to further capitalise on its market presence in China, and also highlighted areas in which effort could be concentrated in order to build awareness of our first class product," he said.

Tassie Catch Sampling Technology

HOT SPOTS

- :: New equipment streamlines catch sampling in Tasmania
- :: Equipment being used in areas regarded as 'data poor'
- :: Equipment provides low-cost method for data collection



Fishermen on board the 'Wautika' during a conventional tagging trip around southern King Island - March 2005.

The Tasmanian Aquaculture and Fisheries Institute (TAFI) have been collecting length and sex information from the Tasmanian rocklobster fishery for a number of years with assistance from industry. Now with new equipment, and continued industry support, TAFI has streamlined the process and is obtaining data from areas previously regarded as data poor.

Mr Shane Fava, Senior Technical Officer with the TAFI Wild Fisheries Program - Crustacean Section said, "The new gear consists of a set of digital callipers connected to a small data storage unit with a capacity to record up to 5000 entries."

"Once an animal's length has been measured, the device has three options to assign a sex to the animal; male, female and berried female. This is done by the press of a button," said Mr Fava.

The 12 data loggers are currently being used in areas around Tasmania from which there has been very little lobster information recorded due to a lack of potting in the area, low catches or an inability to regularly access the area due to inclement weather conditions. The efficiency of the new sampling gear allows researchers and fishers alike to build up a considerable data set from only a small number of trips to an area.

"Once the unit is full, it is sent back to us for downloading and interpretation. This data provides us with the sex and size data we need to make judgements



Waterproof calliper data loggers.

concerning lobster stocks around the State," commented Mr Fava.

"The units provide an extra data source as opposed to our traditional methods of either placing a researcher on a commercial vessel to tag and measure lobsters or even potting from our own research vessel," Mr Fava said.

"A number of fishermen based on both King Island and the mainland have been using the loggers in the waters surrounding King Island for several months and have been able to provide us with much needed raw data from this area," he said.

The loggers are used in both the crab and lobster fisheries, and reduce the need to have a researcher present. This provides a low-cost method for the collection of size-structure data to be used in stock assessments and is a critical input in conjunction with catch and effort data from compulsory paper logbooks.

For further information please contact the Tasmanian Aquaculture and Fisheries Institute on (03) 6227 7277.

Clean Green Update

Following on from the recent success of Southern Rocklobster Limited's Clean Green program at the 2005 World Environment Day Awards, the program has continued to receive accolades for its comprehensive approach to addressing the issues currently faced by industry.

Most recently the program received a certificate of merit in the 2005 - 2006 National Landcare Awards under the Australian Government's Coastcare Community Award. September 2005 also saw Clean Green named as a finalist in the Australian Seafood Industry Awards Environment category presented at the Seafood Directions conference in Sydney.

Clean Green Program Manager, Matthew Muggleton, said that the commendations received by Clean Green at the national level provide further evidence of the program's credibility, in addition to the independent audit process undertaken by certified fishers.

"I'm pleased that the Clean Green program continues to gain recognition at such a prominent level. It really is something for fishers who have participated in the program to get excited about and it highlights the proactive approach our industry has adopted to overcome these important issues," Mr Muggleton said.



Matthew Muggleton (left) and Roger Edwards, of Southern Rocklobster Limited, pictured with event sponsor Sue Schmitt of Westpac Business Bank, following the award presentation.

The value of demonstrating industry's endeavour to minimise any environmental impacts has been further emphasised following the recent closure of the pilchard fishery around Port Lincoln in South Australia. Extreme action by Government such as this highlights the importance in being able to demonstrate industry's commitment to actively minimising environmental impacts.

In addition to the environmental component of the Clean Green program receiving recognition, other important aspects such as occupational health and safety are also attracting attention.

The program has been named as finalist in the National Safety Council of Australia's Awards of Excellence, with the winner to be announced at a gala dinner in Sydney. The program is also in the running to receive an award for excellence in occupational health and safety under the South

HOT SPOTS

- :: Landcare acknowledges Clean Green
- :: Clean Green finalist in national OHS&W award
- :: Clean Green in Victoria - 2006

Australian Government's Safe Work Awards 2005 - to be announced in November 2005.

In other Clean Green news, the 14 boats which participated in the program on King Island have now completed the independent audit process, all meeting or exceeding the standard with fishers to receive final certification in the coming weeks. Courses are to be conducted in early October for the South Australian Northern Zone with training workshops on Kangaroo Island and in Port Lincoln.

Mid October will see Clean Green return to Tasmania with training to be conducted in Hobart - participants for this course have already been finalised.

"It's envisaged that the training will be made available to fishers in Victoria some time in 2006, with work already underway on the development of training materials specific to operators within that fishery," Mr Muggleton said.

For further information on the Clean Green program, contact Southern Rocklobster Limited on 1300 853 880.

SARDI Completes 2nd Southern Zone May Fishing Trial Assessment

A second biological assessment of the May fishing trial (2004 Season) has been completed by the South Australian Research & Development Institute (SARDI) Aquatic Sciences Division in the Southern Zone Rocklobster Fishery.

HOT SPOTS

- :: Second May fishing trial completed
- :: Participation rates high
- :: Total of 16.5 tonnes of TAC landed

Setting pots during the May trial.



Dr Adrian Linnane, Rocklobster Sub-Program Leader for SARDI Aquatic Sciences, noted that as for 2003, fishermen participating in the latest trial were limited to fishing for existing quota allocations by holding back quota – no new quota allocations were made for the trial.

"Generally, participation in the trial was good with a total of 27 licence holders landing 16.5 tonnes of their allowable catch," said Dr Linnane.

"The information gathered from fishers who participated in the trial showed that the proportion of catch taken in deeper waters generally increased as the season progressed."

The trial revealed that Catch Per Unit Effort (CPUE) was at its lowest in October at 1.63kg per pot lift with a maximum of 2.18kg per pot lift taken in January. The CPUE for May was 1.86kg per pot lift.

CPUE was also at its greatest in depths above 90m reaching up to 4.37kg per pot lift in January.

"Our findings showed that catches of both octopus and dead lobsters were highest in November, and lowest in May," he said.

The data collected on female lobsters is summarised as follows.

- The proportion of females in the catch was lowest in May (40%) and highest in November (62%).
- 35% of the female catch in October consisted of spawning females. This declined to 2% in December.
- No spawning females were observed from March to May.

"The results from the 2004 season trial compared well with those from 2003, and results from the 2005 season should confirm and consolidate overall findings," concluded Dr Linnane.

Compliance for the Future



Workmen installing the surveillance equipment at the port of Robe, South Australia.

Over the past few years, the South Australian Southern Zone Fishery Management Committee (FMC) in conjunction with Primary Industries & Resources SA (PIRSA) Fisheries has been evaluating innovation in compliance arrangements for the fishery.

Mr Roger Edwards, Extension Officer for the fishery said, "The purpose of the work is to ensure effective protection of stock while delivering programs cost effectively."

Trials already implemented within the fishery include the use of electronic scales and 24 hour prior reporting which has also been in place since the introduction of May fishing trials during the last two seasons.

"The industry members, through their involvement on the FMC, have also been pursuing efficiency gains through the testing of new technology such as video surveillance," said Mr Edwards.

The Southern Zone FMC has initiated a video surveillance trial to be established in the port of Robe this season. Cameras will be located to provide vision covering the port, landing and weighing activity 24 hours a day, 7 days a week.

"The industry members of the FMC are attracted to such an approach as technology costs are likely to decline in the future compared to compliance arrangements involving labour costs which generally

HOT SPOTS

- :: Surveillance to cover the port, landing & weighing activity
- :: Surveillance 24hrs a day, 7 days a week
- :: Aims to improve compliance cost effectiveness



increase over time," continued Mr Edwards.

The purpose of the trial is to assess the contribution video can make to the overall compliance program and determine the set-up and operating costs for implementation in all ports.

"It's planned that information from the video trial will be made available in each port over the course of the season in order for the fishers to gain a feel for how the system might work," said Mr Edwards.

Indications are that the trial will cost around \$40,000 to set-up and operate.



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Australian Southern Rocklobster Industry

Board Members

Independent Chair Roger Cotton

John Sansom

PO Box 69
ST HELENS TAS 7216
T: 03 6247 7284
E: tranmere@trumpnet.com.au

Rodney Treloggen

Chief Executive Officer
Tasmanian Rock Lobster
Fishermen's Association
PO Box 69
ST HELENS TAS 7216
T: 03 6376 1796
F: 03 6376 1800
E: rocklobsterexo@bigpond.com.au
www.tasrocklobster.com.au

David Johnston

PO Box 259
PORT MACDONNELL SA 5291
T: 08 8738 2410
F: 08 8738 2296
E: elusive2@bigpond.net.au

David Lucas

Executive Officer
Victorian Rock Lobster Association
PO Box 7
QUEENSLIFF VIC 3225
T: 03 5258 1701
F: 03 5258 3719
E: davidlucas@pacific.net.au

Andrew Ferguson

95 Cambridge Terrace
MALVERN SA 5061
T: 08 8357 7555
F: 08 8346 8729
E: andrew@fergusonaustralia.com

Kym Redman

PO Box 69
RENDELSHAM SA 5280
T: 08 8735 4241
F: 08 8735 4228
E: kymred@bigpond.com

Roger Edwards

Executive Officer
South Australian Rock Lobster
Advisory Council
Level 1, 16 Unley Road
UNLEY SA 5061
T: 08 8272 7766
F: 08 8272 7767
E: roger@corvel.com.au
www.seafoodsau.com



Australian Government
Marine Research and
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FRDC Project Number 2002/313



Roger Cotton
Independent Chair

Cotton's Comment: Industry to Overcome Double Trouble

The Southern Rocklobster Limited (SRL) Board's recent market research project undertaken in China (September 2005) has, for me, rammed home two serious structural flaws in our industry. The first relates to market price and the impact of competition through the chain.

The second point relates to the capacity of the industry, in the absence of any large corporations with venture capital to invest, to raise the substantial capital that is required to successfully fund long term investments in industry development – in particular market development. SRL has made a start at raising funds to kick start the pilot international market development program but more is needed.

The resources committed to the program are insignificant when we consider the marketing spend that various companies



Various presentation styles at industry profiling events conducted in China - September 2005

The industry comprises around 700 licence holders who catch an average of 6 tonnes per season and effectively take the price on offer at the jetty. This competition creates downward price pressure at the beach. The lobster is sold to about 30 major processors who compete with each other into the same market, selling to a limited number of importers. This competition also creates downward price pressure. Whilst in China we identified that the product is then sold to numerous wholesaler/distributors who also compete with each other to supply the end market, again creating downward price pressure.

There is no doubt that the key market drivers are all instrumental in affecting downward price pressure. The challenge I believe this industry needs to tackle immediately, and head on, is to effectively gain control of supply through some form of coordinated action, and use supply management to reverse negative market forces into upward price pressure.

This is a daunting and challenging task, but as we were advised in China, if we want to improve market efficiency we and New Zealand need to readjust our strategies. SRL, at the Board level, will be moving to immediately assess the industry's options on this critical issue which is clearly impacting on your bottom line.

dedicate to support other ultra premium products. For example the citrus industry with its "single import desk" marketing program in the USA, devotes approximately 10% of the market return to the marketing support program.

The recently completed market research has shown that market opportunities exist throughout the world in the Super Premium Fine Dining (SPFD) segment. Our work in China has identified this segment is also emerging there with non-traditional dishes being served at top end restaurants such as "My Humble House" in Beijing and the Atrium and Laris in Shanghai.

To effectively develop these opportunities our industry, without doubt, requires dedicated, substantial and sustainable marketing funds. This needs to be tackled at the whole of industry level and I am strongly in favour of the SRL Board assessing our options.

In closing, we are delighted to be co-hosting the 4th National Rocklobster Congress with member organisation TRLFA in Hobart from the 11th - 13th October. The Congress is set to be a watershed for the national lobster industry and I am sure the rapid progress made by your industry will present as a leadership model nationally. I look forward to catching up with you then and am happy to talk with you about our learning thus far.

APPENDIX 26: INTRODUCTION TO EXPORT EFFICIENCY POWERS

INTRODUCTION TO EXPORT EFFICIENCY POWERS

As part of the industry agreement for the formation of Horticulture Australia Ltd (HAL) industries requested the continuation of export control powers previously held by the Australian Horticultural Corporation.

The *Horticultural Marketing and Research and Development Services Act 2000* was passed by the federal parliament which enables HAL to enforce regulations in regard to specified horticultural products and specified horticultural export markets.

Currently the products and markets where HAL has implemented its Export Efficiency Powers (EEPs or the Powers) are:

- Oranges to the USA, South Korea, Taiwan and Thailand
- Mandarin, tangelo, grapefruit, lime and lemon to the USA
- Apples, pears, dried grapes and oranges – general provisions
- Summerfruit – No current provisions apply
- Dried Grapes – for all destinations however no current conditions apply

The Powers are exercised through the issuing of a Licence Conditions Document that sets out the compliance criteria for licensees exporting to destinations covered by the Powers. The Licence Conditions Document may be amended as necessary to ensure that the Powers are effective and meet the desired outcomes for the industry.

HAL uses the Powers in conjunction with other marketing tools for the stated purposes of sustainable development of export markets and achieving a higher return for growers.

Consistent with the Deed of Agreement between the Commonwealth of Australia and HAL there is an obligation on HAL to undertake:

1. An Annual Review
which is designed to assess how effectively the export control is working from year to year in providing benefits to the industry. It is to be conducted by HAL in consultation with the industry sectors subject to the Power.
2. A Three Year Review
in the form of a Regulation Impact Statement (RIS) prepared under National Competition Policy guidelines. This review is conducted by HAL and DAFF. The focus of the report is on the use of the powers to provide net public benefits and the need for the retention of the power to achieve continued benefits. The review must involve consultation with all key stakeholder groups and provide the opportunity for public comment.
3. A Ten Year National Competition Review
It is standard Government policy that every 10 years all regulations are reviewed against National Competition Policy principles.

A 3-year Review has just been conducted and a final report is to be released in early 2005.