

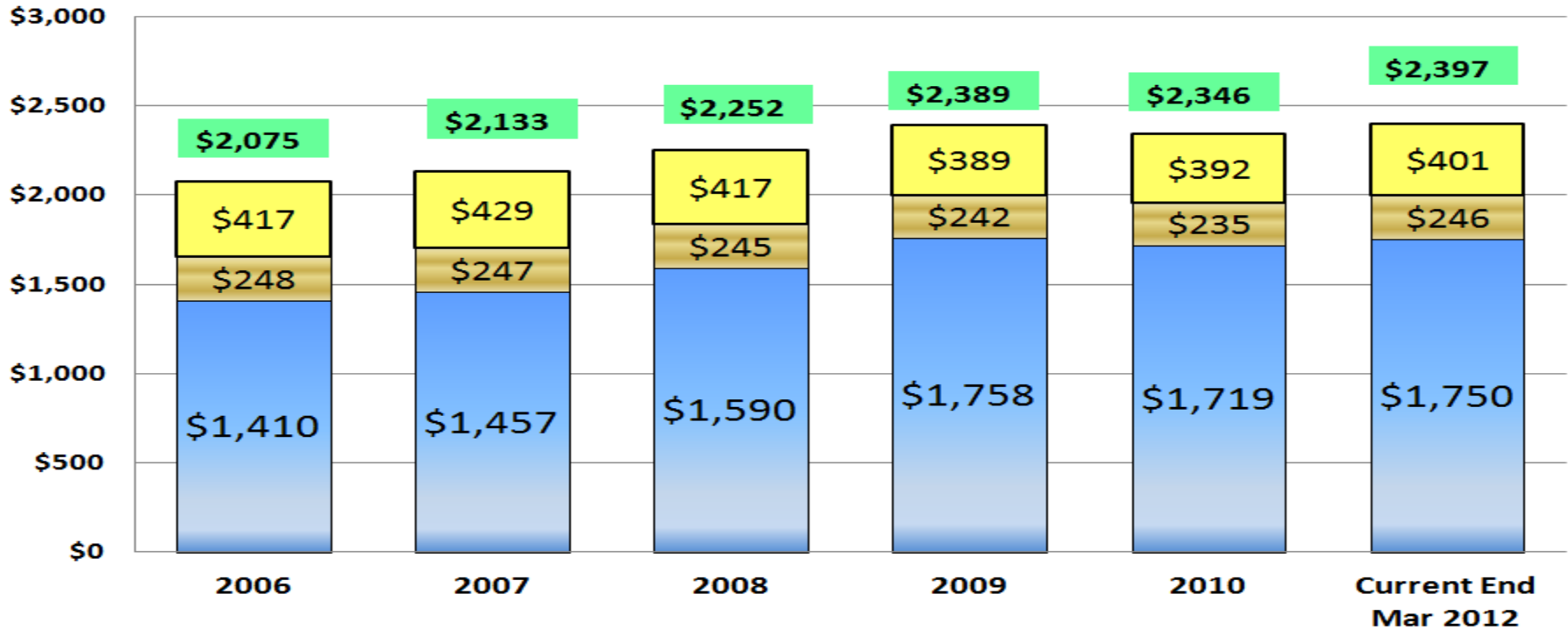


# U.S. Retail Market Overview

The Retail shelf-stable seafood category is comprised of tuna, salmon, sardines and other specialty seafood products. Category value has grown 15.5% from \$2.1 billion in 2006 to \$2.4 billion in 2012

### Total US Shelf-Stable Seafood Dollars (in \$ Millions)

■ Tuna ■ Salmon ■ All Other



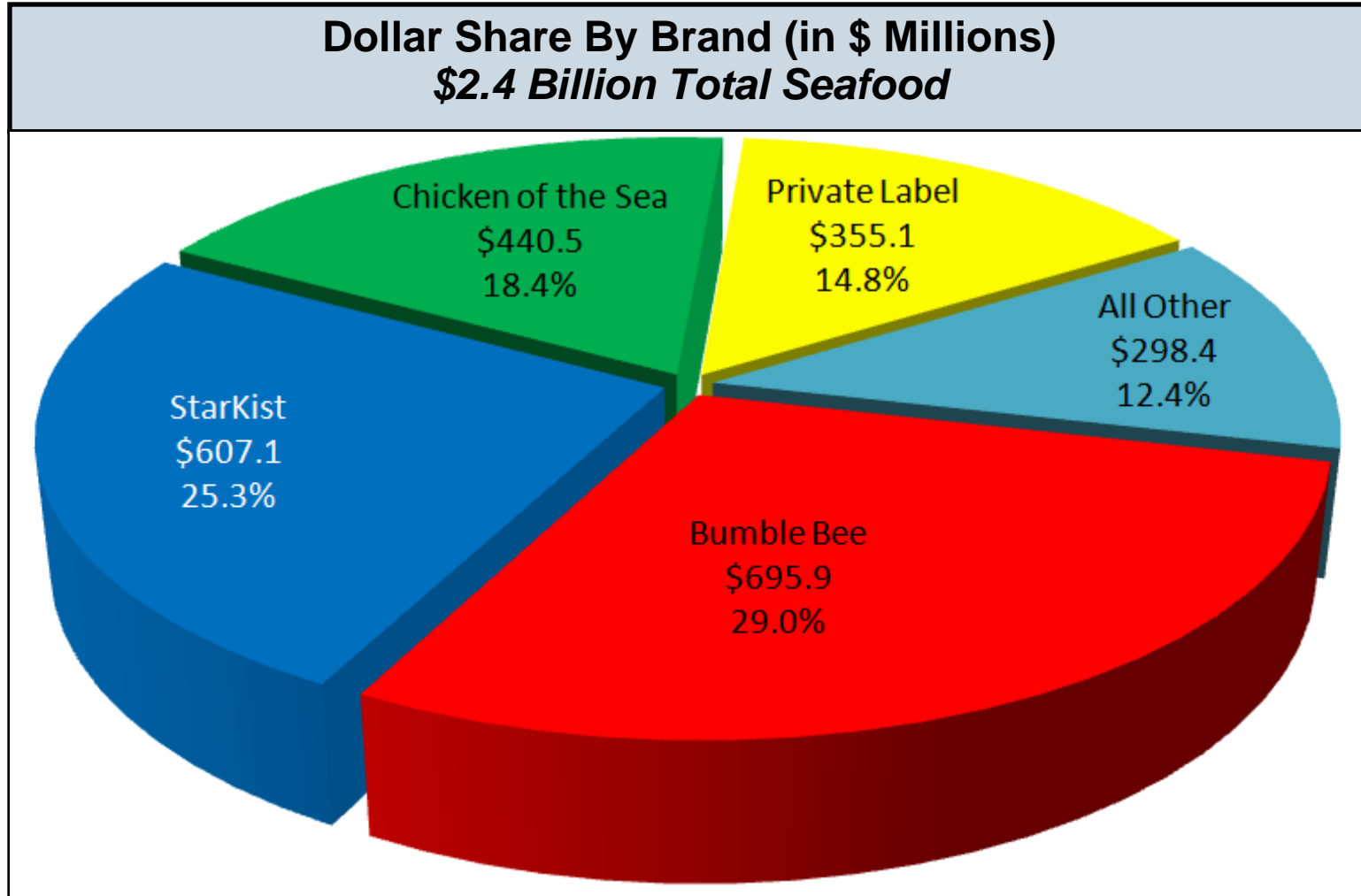
**Tuna represents 73% of total category dollar sales**

Note: Data represents Retail shelf-stable seafood sales and DOES NOT include the foodservice sector

Source: Nielsen U.S. All Channels, 52-week trends ending 3/24/2012



**Bumble Bee is the #1 brand of total shelf-stable seafood with a 29% Value share followed by StarKist and Chicken of the Sea – at 25% and 18% respectively. Private label accounts for 15% of total dollar sales**

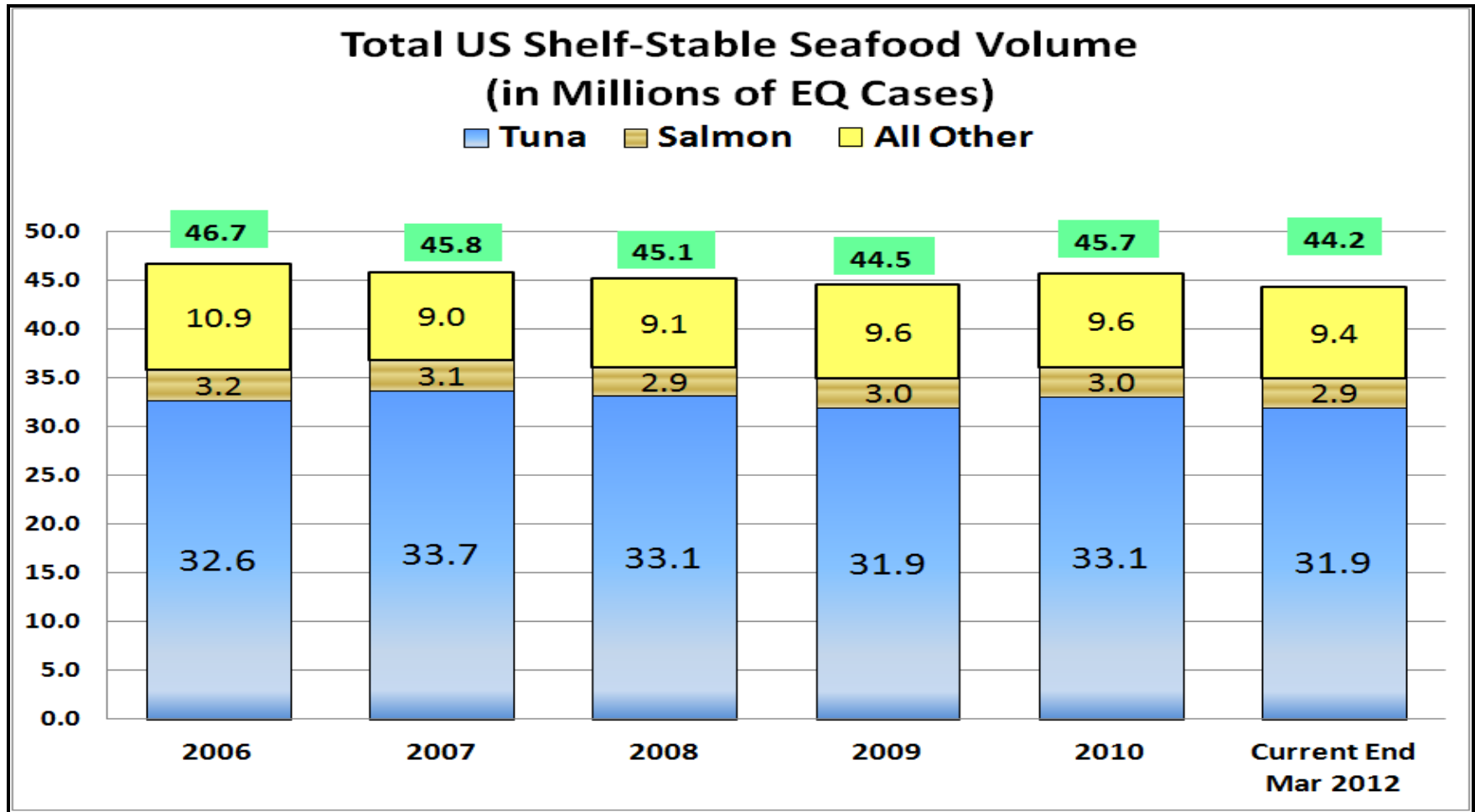


**Note: Data represents Retail shelf-stable seafood sales and DOES NOT include the foodservice sector**

Source: Nielsen U.S. All Channels, 52-week trends ending 3/24/2012



While the retail category value is up, case volume has declined 5.3% from 46.7 to 44.2 million equivalent cases since 2006

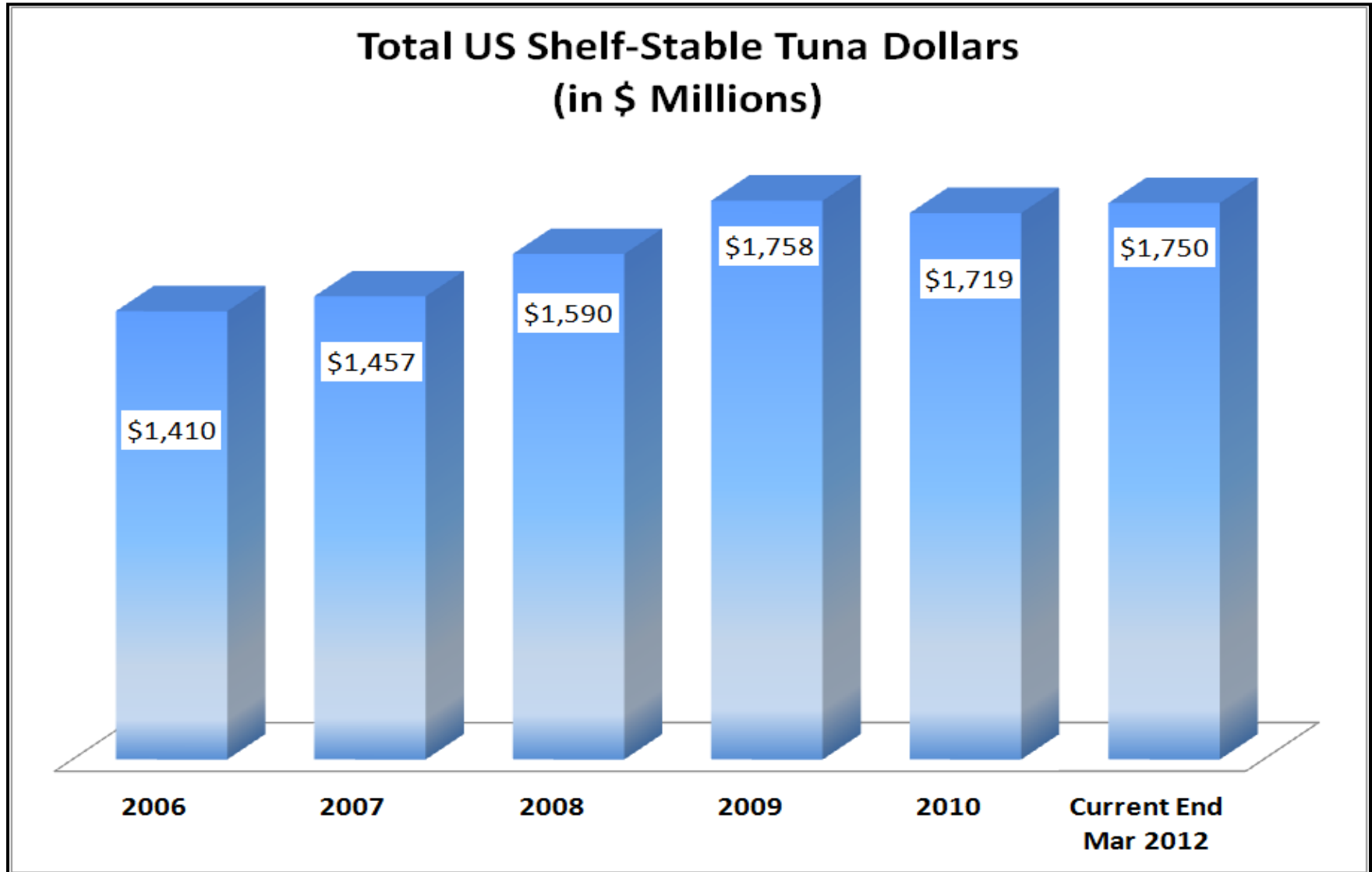


**Tuna represents 72% of category volume sales**

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**Focusing on Tuna specifically, total value increased from \$1.4 billion in 2006 to \$1.75 billion during the latest 12 months – an increase of 24%**

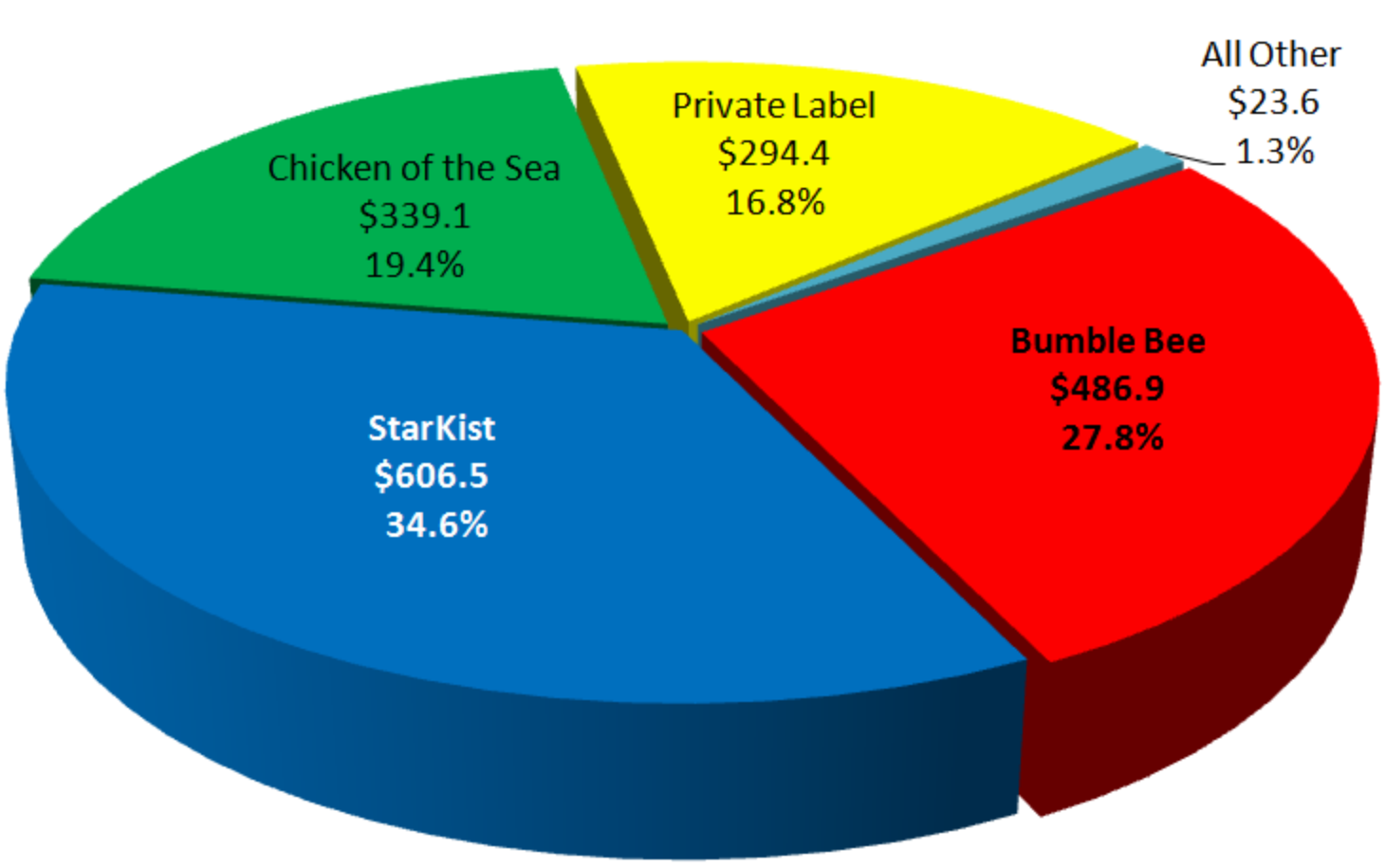


**Note: Data represents Retail shelf-stable seafood sales and DOES NOT include the foodservice sector**  
Source: Nielsen U.S. All Channels, 52 weeks ending 3/24/2012



**StarKist is the leading brand of tuna generating 35% of the category value. Bumble Bee ranks #2 while Chicken of the Sea ranks third. Private Label accounts for about 17% of total U.S. dollar sales**

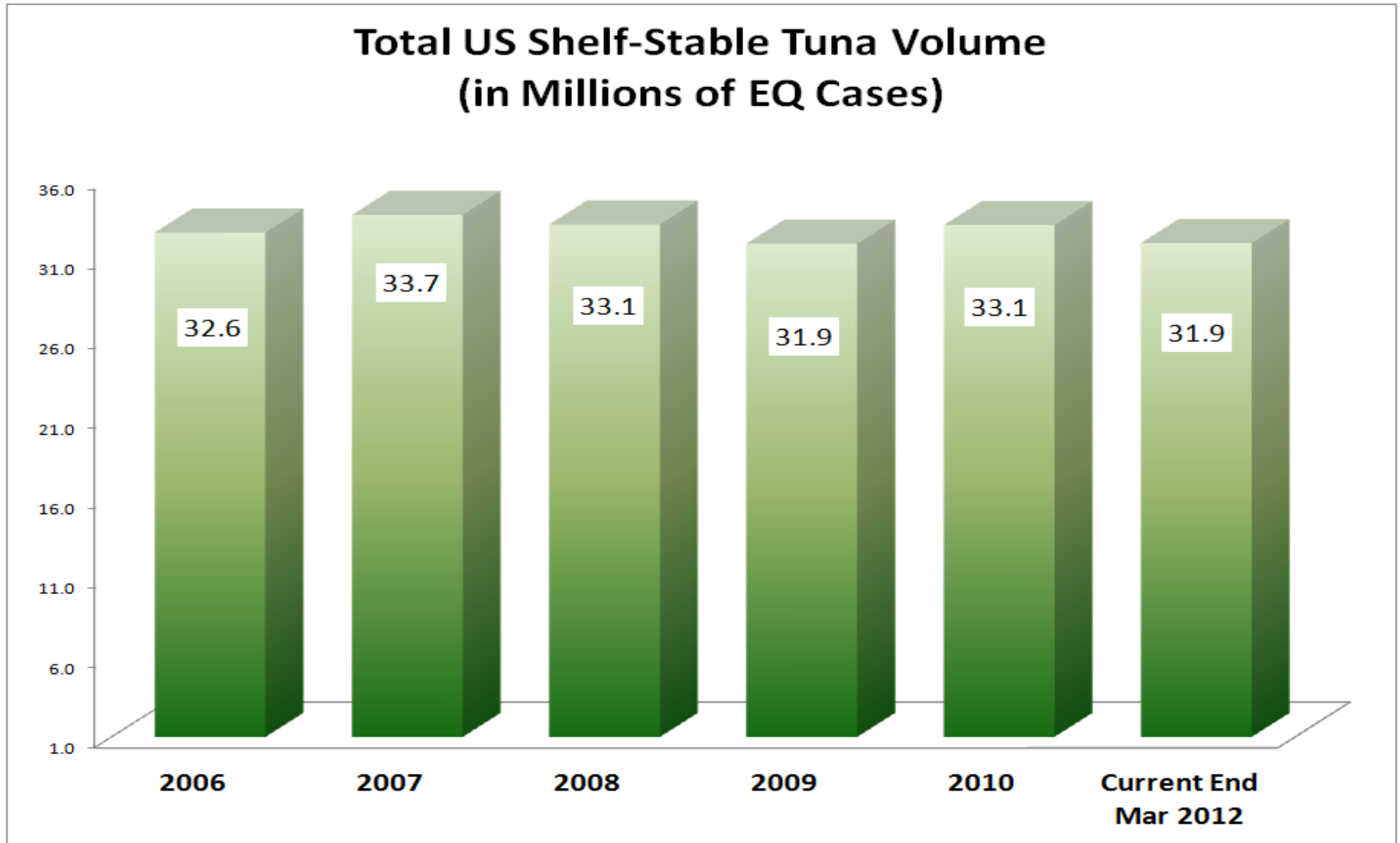
**Dollar Share By Brand (in \$ Millions)**  
***\$1.7 Billion Total Tuna***



**Note: Data represents Retail shelf-stable seafood sales and DOES NOT include the foodservice sector**  
Source: Nielsen U.S. All Channels, 52-week trends ending 3/24/2012



**While tuna category dollars have grown since 2006, volume over this period has fluctuated dropping 2% versus 2006 over the latest 12 month period**

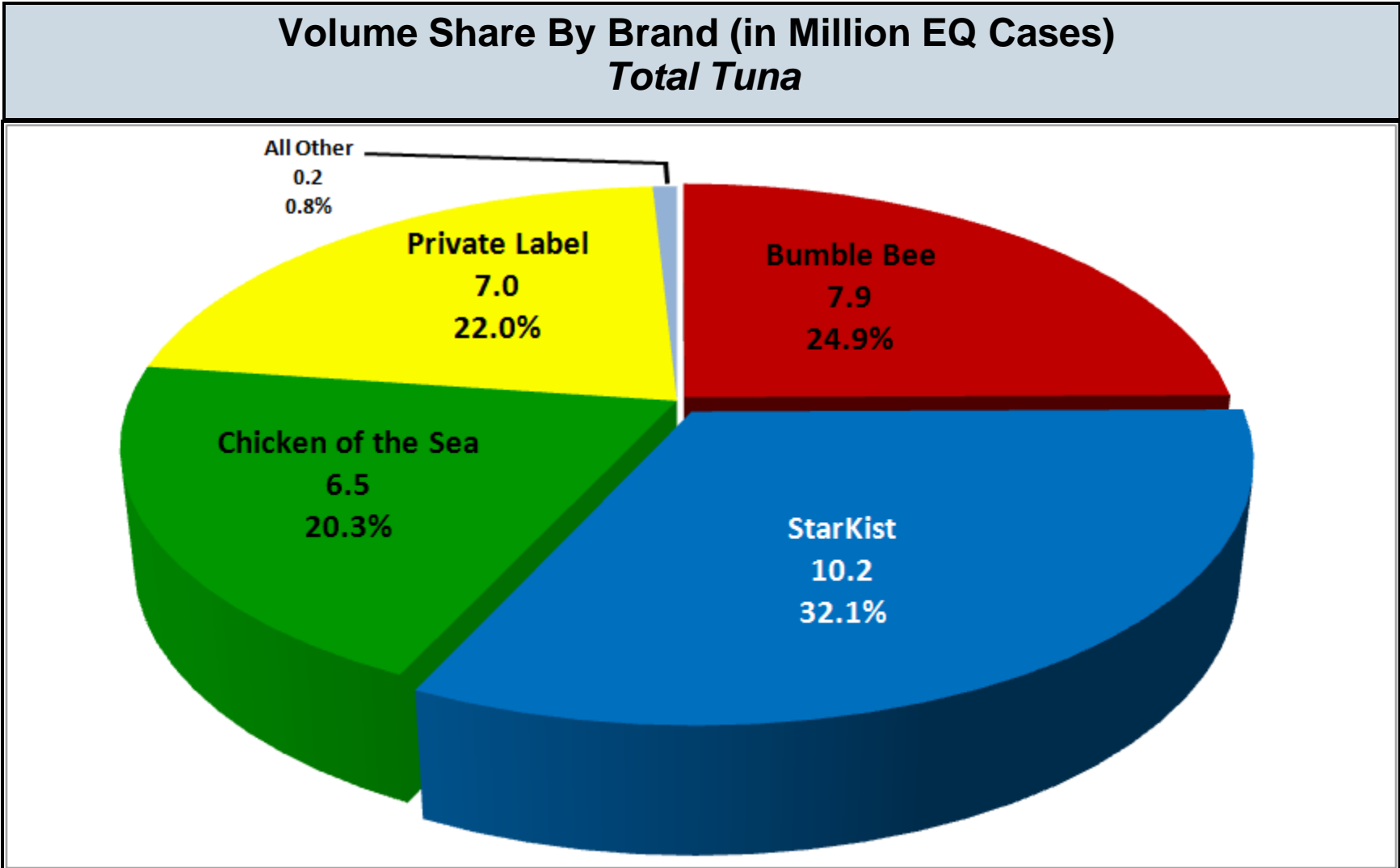


**Note: Data represents Retail shelf-stable seafood sales and DOES NOT include the foodservice sector**

Source: Nielsen U.S. All Channels, 52 weeks ending 3/24/2012



From a volume perspective, StarKist and Bumble Bee maintain the #1 and #2 share positions, while Private Label ranks third and Chicken of the Sea ranks fourth



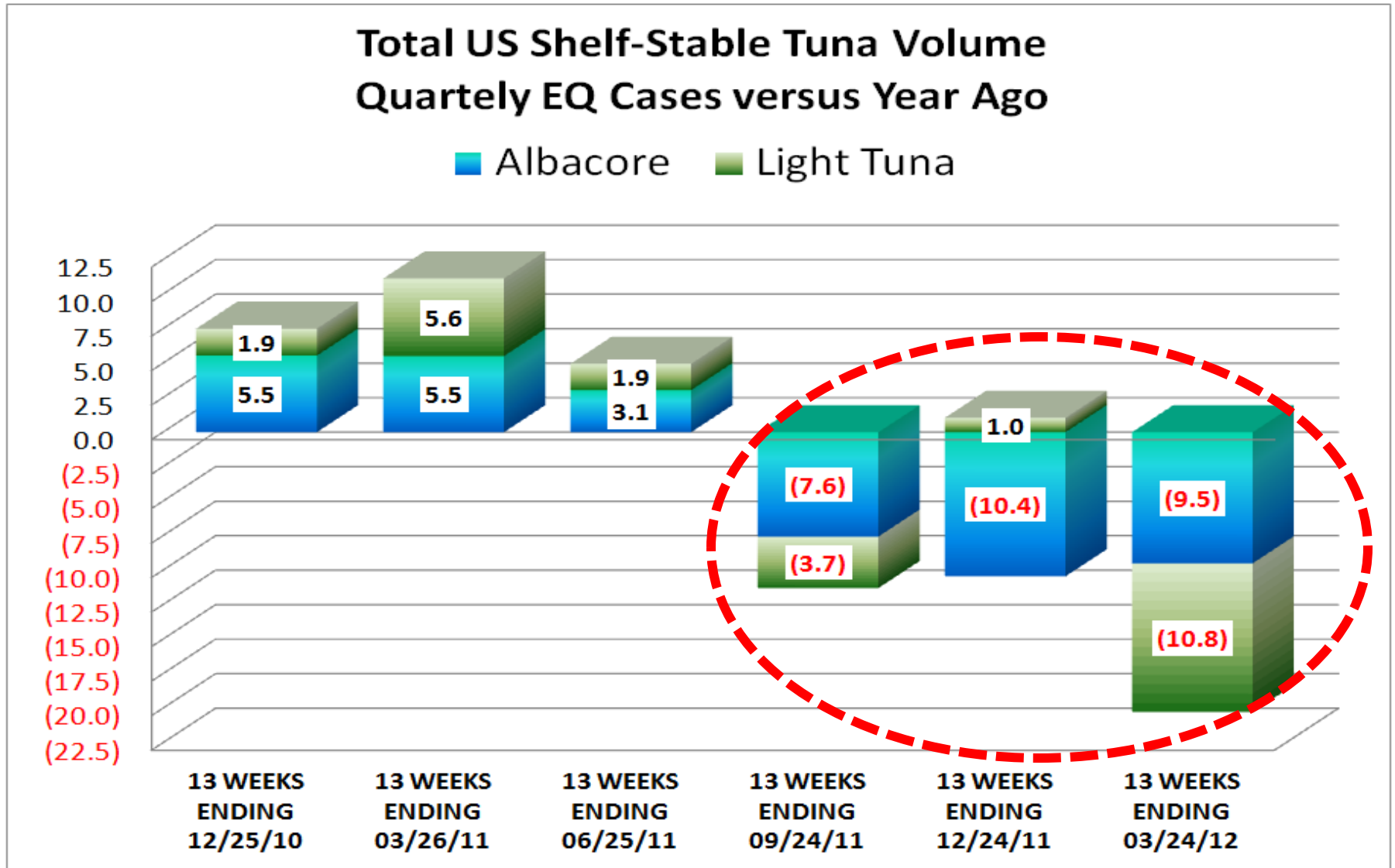
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Source: Nielsen U.S. All Channels, 52-week trends ending 3/24/2012





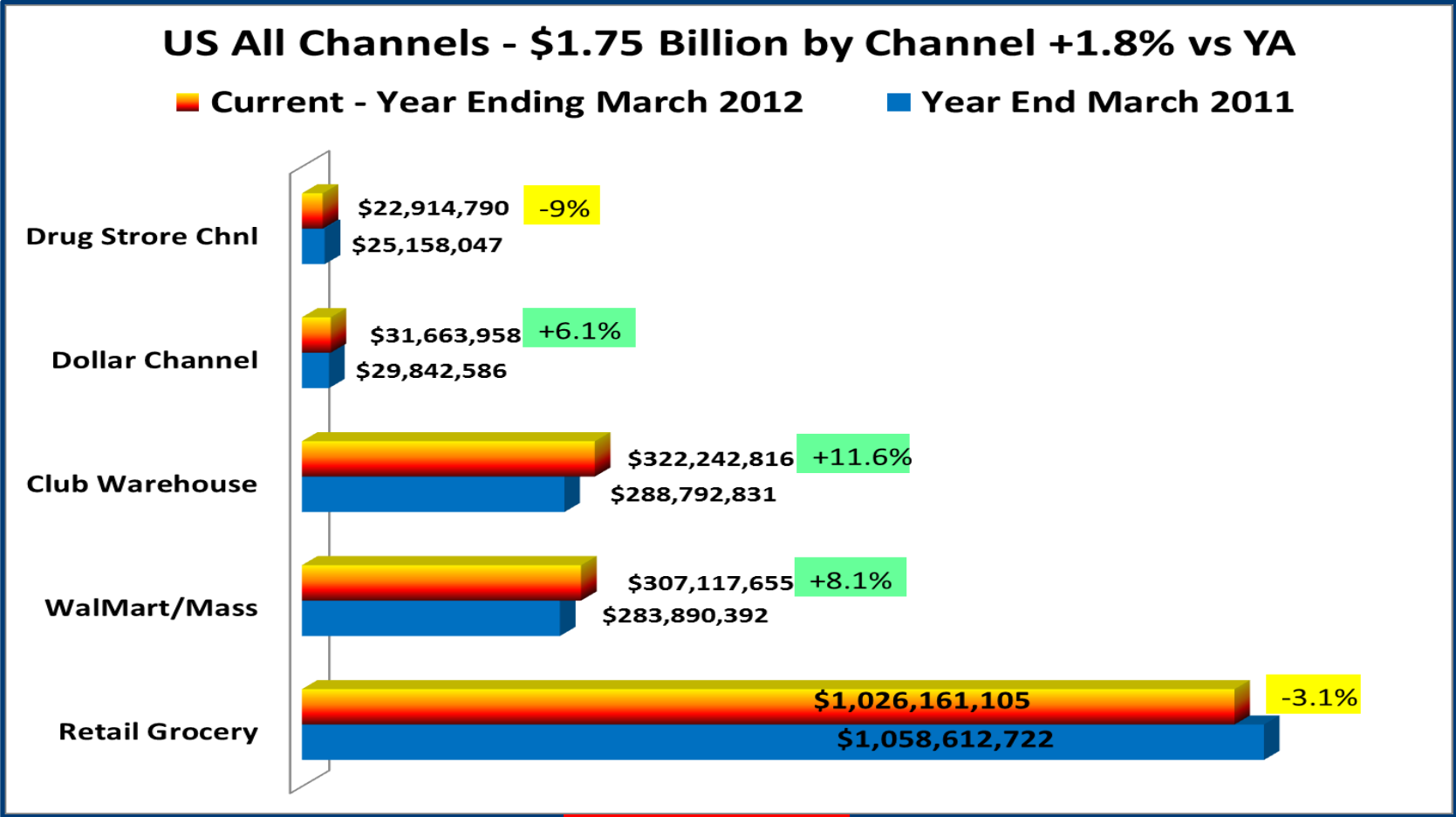
# The most recent quarterly trends show a rapid decline in tuna volume as retail prices reflect escalating costs



Note: Data represents Retail shelf-stable seafood sales and DOES NOT include the foodservice sector  
 Source: Nielsen U.S. All Channels, 13-week trends ending 3/24/2012

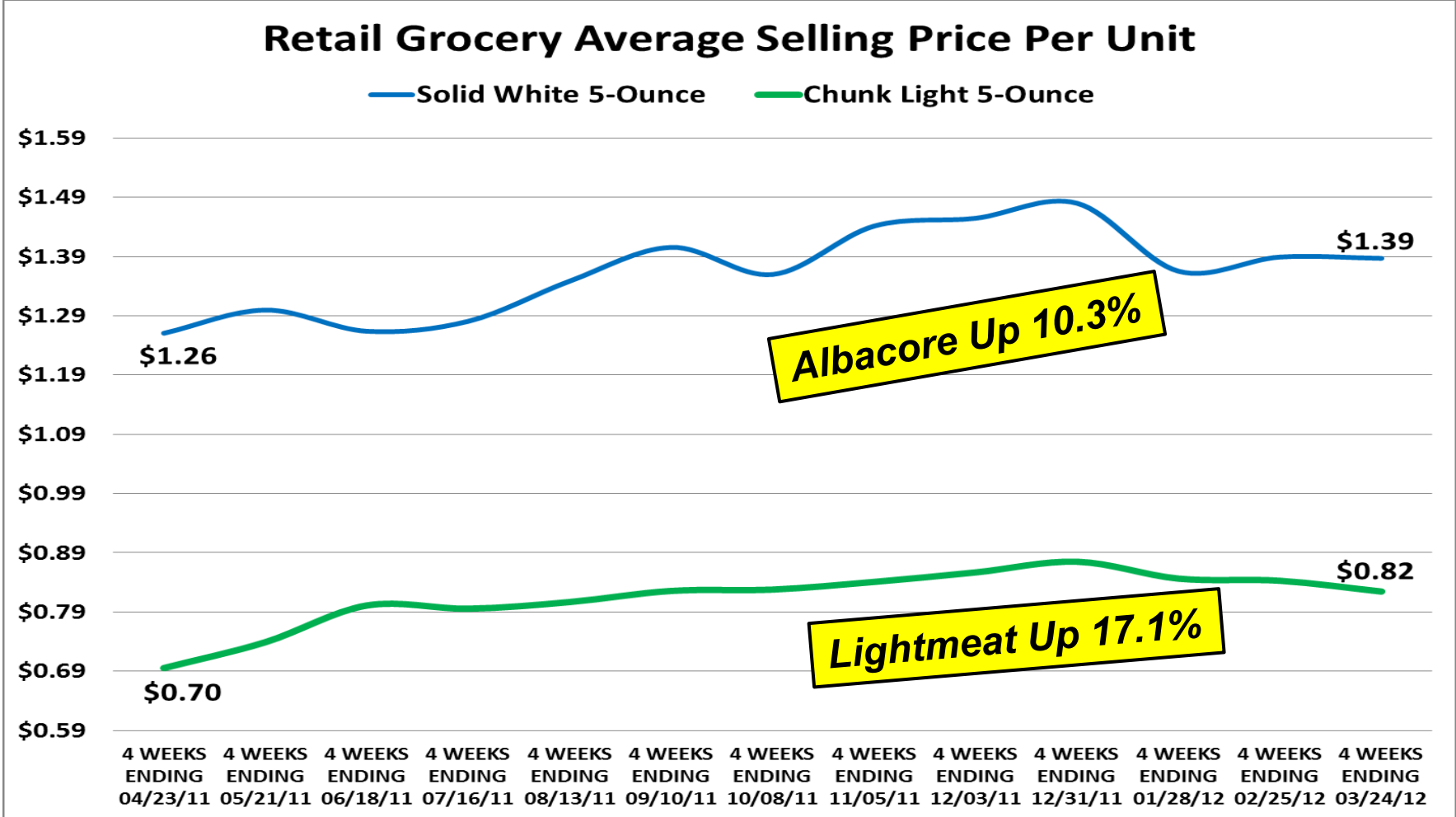


Tuna is sold in a variety of retail sales channels in the U.S. Over the last 12 months, the value-oriented Club, Mass and Dollar channels increased dollar sales, while Retail Grocery and the Drug Channel posted declines

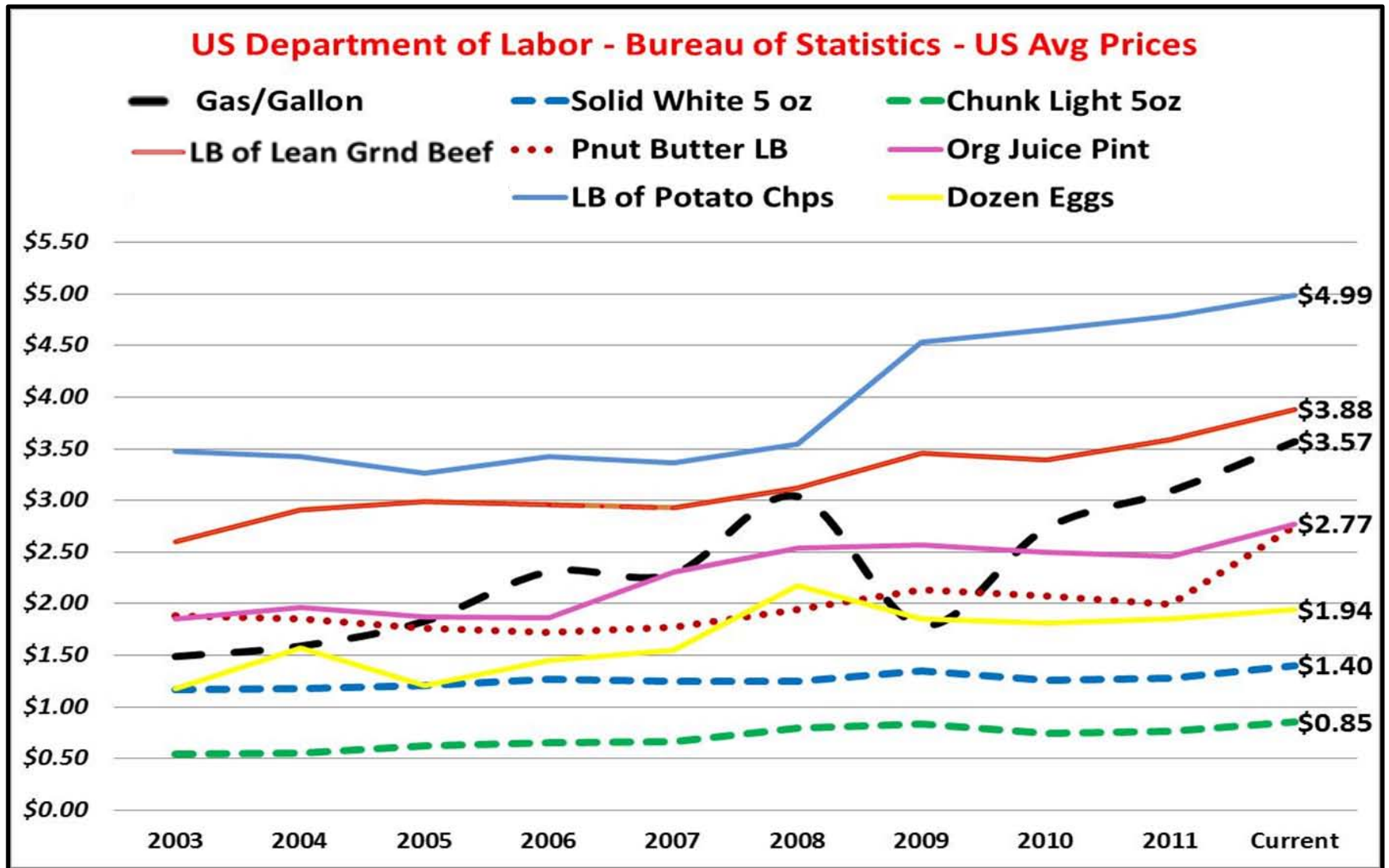


**Over the last 12 months, total Tuna dollar sales are up 1.8%**

**While dollar sales in the Retail Grocery channel are down 3%, that decline is likely understated as many retailers have not yet fully reflected increased costs**



Although tuna is experiencing rapid increases in price, similar price changes are occurring throughout many US consumer staples



**As consumers and retailers adjust to the higher prices, data validates that the tuna category can rebound in volume with more aggressive brand marketing efforts and in-store promotional support**



**Categories receiving highest lift from merchandising support are well suited for pantry loading and reinforce home-based dining occasions**

# The industry continues to see a shift in the demographic makeup and purchasing behaviors of Tuna consumers

## US Shelf-Stable Tuna Consumer Trends

- ➔ Tuna household penetration has declined from historic levels in low 70% range. At the end of 2011, total household penetration was 65.9%. Top-line purchase dynamics:

Annual Dollars: \$15.99	Basket Value Without Tuna: \$42.65
Average Units/Trip: 3.06	Basket Value With Tuna: \$84.61
- ➔ Albacore skews toward higher income households, while Lightmeat consumers tend to be from lower income households.
  - Lightmeat represents roughly two-thirds of Tuna consumption. As costs and pricing move up, it is becoming an increasingly expensive protein option and will impact purchase behavior at the lower income levels.
- ➔ Consumption over indexes in the 35 – 64 year old segments
  - Under 35-year olds have been declining due to alternative lunch options, higher costs and less favorable perception / relevance of the category.
- ➔ Single member households skew more heavily to fast-food and represent an opportunity to highlight portability, health attributes and value of Tuna

Ongoing marketing efforts by each of the three leading U.S. brands is the driving force to favorably impact category and individual brand volume





These marketing efforts are being supported by in-store promotion, consumer education and new product innovation. Communication efforts are reinforcing the many health benefits, convenience, versatility and affordability of Tuna

**Starkist**

Starkist products include: Chicken Salad, Solid White, Cream Dressing, Tuna Creations, Tuna Salad, Lunch To-Go, Albacore, and Tuna Salad.

Marketing materials include: "LUNCH IN NO TIME!", "BOLD & FLAVORFUL!", "UNDER 100 CALORIES!", "Starkist Anniversary", "EXCEPTIONAL QUALITY TUNA", and a "50th Anniversary" logo with the character Charlie.

**Chicken of the Sea**

Chicken of the Sea products include: Healthy Selections, Tuna Salad, Chunk Light, Chopped Clams, and Pink Salmon.

Marketing materials include: "The Best Seafood", "The Best Time For Tuna" (Lunch time, Dinner time, On a rock with a Mermaid), "Funniest Kids Quotes Contest", and a mobile app interface for "Undersea Treasure Search".

**BUMBLE BEE FOODS, LLC**

Bumble Bee products include: Chunk Light Tuna, Solid White Tuna, Chopped Clams, Pink Salmon, and various pouches like "Bee Active" and "Bee Heart-Smart".

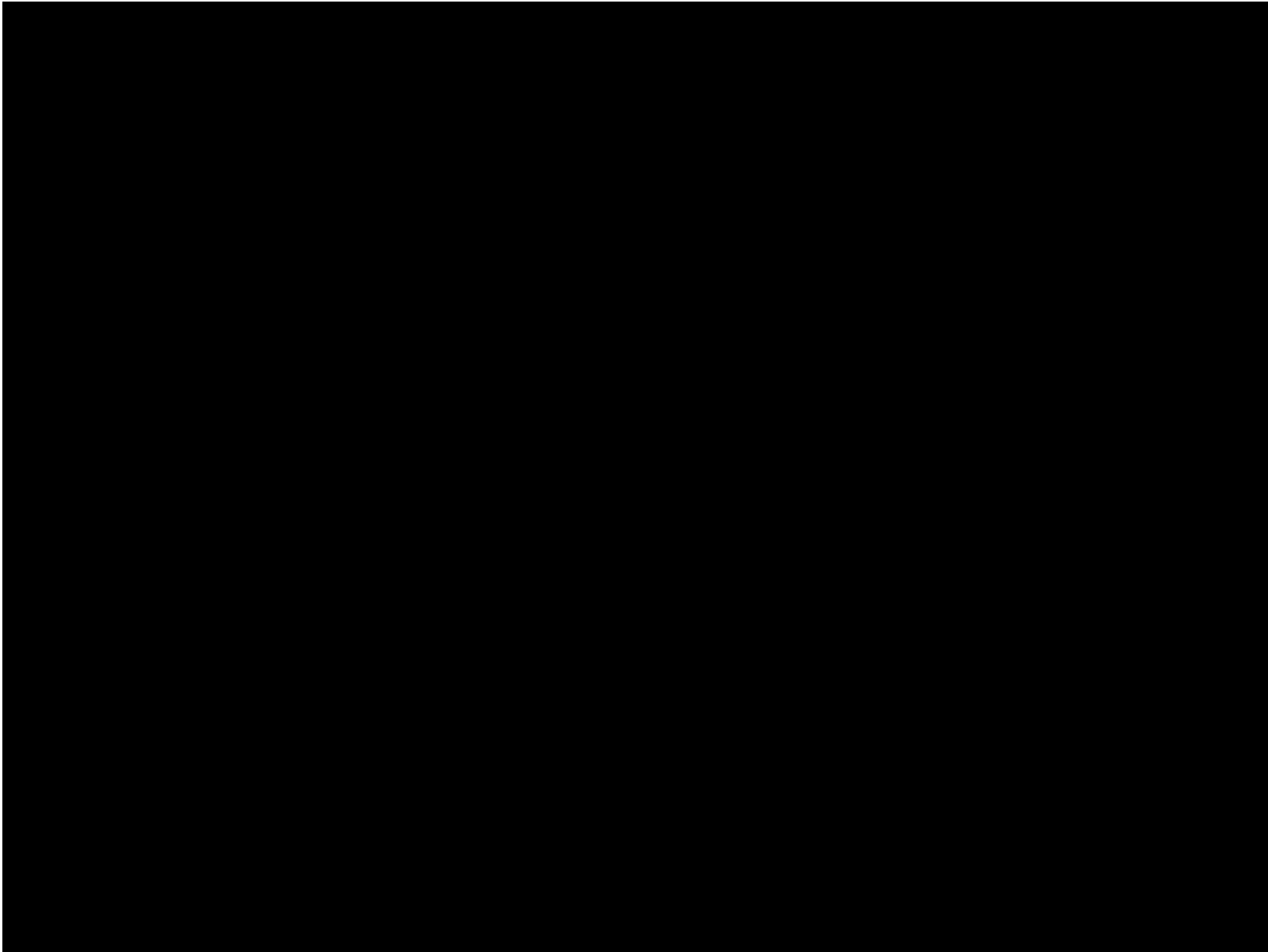
Marketing materials include: "Bee Active", "Bee Heart-Smart", "I'M A BEE SQUAD MEMBER", "BeWell For Life", and a "Funniest Kids Quotes Contest" poster.





# Starkist®

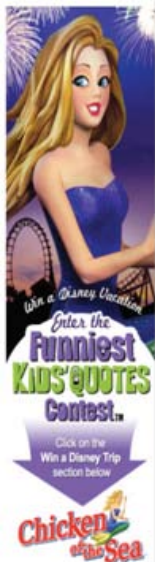
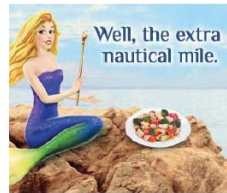




**StarKist TV Commercial**

The Best Seafood

# Chicken of the Sea®

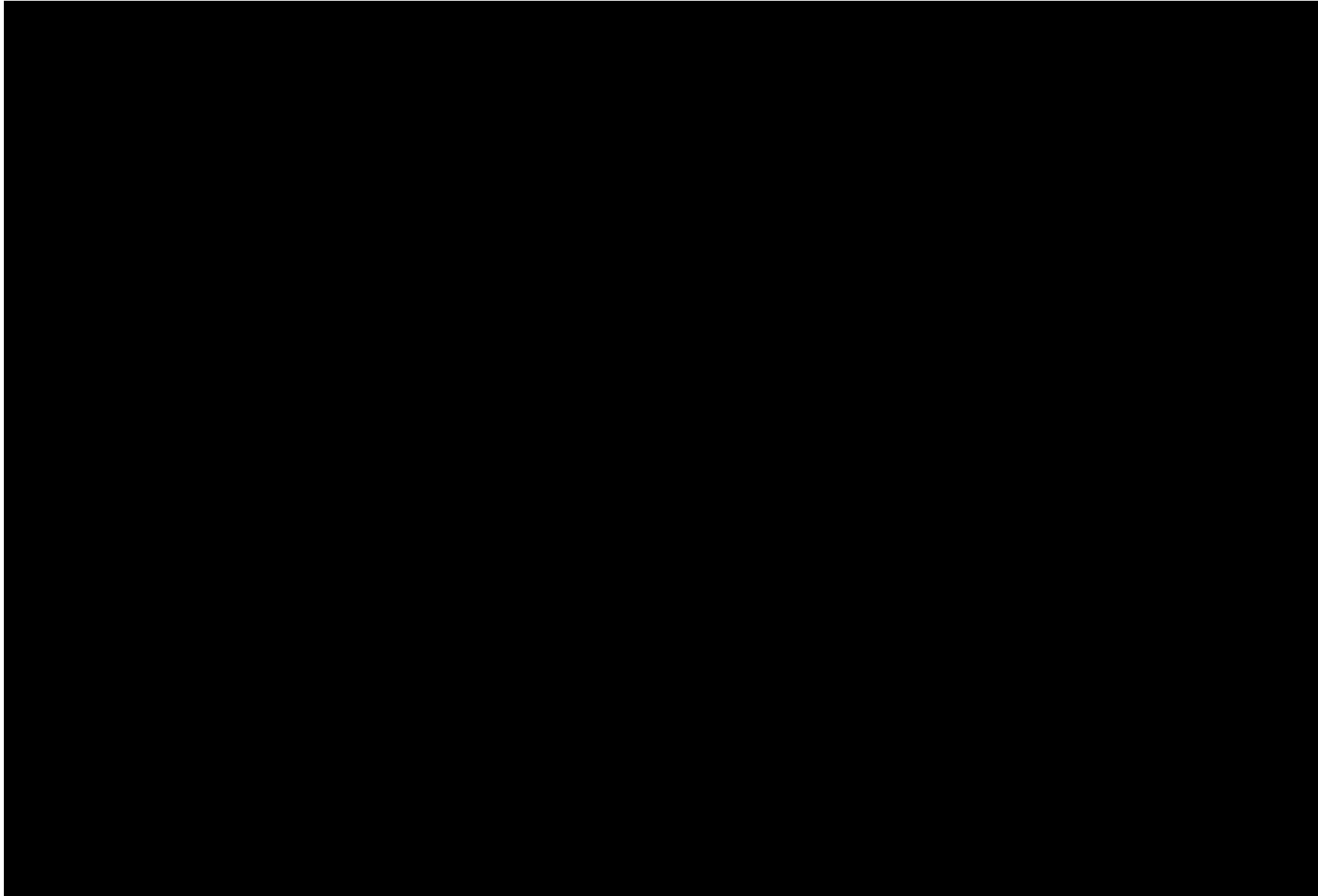
The Best Time For Tuna



If you had a can or a pouch of Chicken of the Sea tuna, when would you eat it?

- Lunch time
- Dinner time
- On a rock with a Mermaid



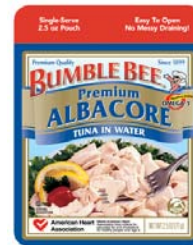


## **Chicken of the Sea Spot**



# BUMBLE BEE

## FOODS, LLC

**BeeWell For Life – Mardy Fish Video Series**

In addition to their individual efforts, the three major U.S. brands work through the National Fisheries Institute's Tuna Council on a variety of stakeholder outreach, education and advocacy initiatives

# TUNATHEWONDERFISH!



Catch of the week:  
8 ounces of fish in your diet

"Americans need to eat more than twice the amount of fish they do now to reduce their risk of heart disease and improve heart health..."



What a Catch: Seafood Benefits Your Health

"Many studies have shown that seafood provides great health benefits in adults, such as reduced risk for heart disease," says Dr. J. Thomas Brenna, Ph.D., professor of human nutrition at Cornell University." - Mat Release Pickup

Los Angeles Times



# Despite challenges of escalating input costs, the US industry is well positioned to grow category value and volume

## Drivers For Growth

- ➔ The many health benefits position tuna as an incredible source of lean protein
- ➔ Science clearly supports that consumers in the US do not eat enough seafood. Collectively, the leading US brands are working to educate consumers and other stakeholders on the importance of incorporating more seafood/tuna into the American diet through various efforts driven by NFI's Tuna Council.
- ➔ The leading US brands are also proactively promoting the category through their respective marketing programs to reposition tuna in a more contemporary and relevant way. They are investing heavily in a variety of traditional media vehicles in addition to engaging with digital/social media platforms
- ➔ Tuna remains a very good value and will continue to be a staple in consumer pantries
- ➔ The average retail price increase of Tuna over the last ten years is marginal when compared to changes in other consumer commodities in the US marketplace
- ➔ Industry players are committed to innovation and bringing new products to market. These launches will drive awareness and increased perceptions of the category – while reinforcing portability, convenience, taste and value.





***Thank You and Have A  
Great Conference!***