

Developing and Marketing a Brand

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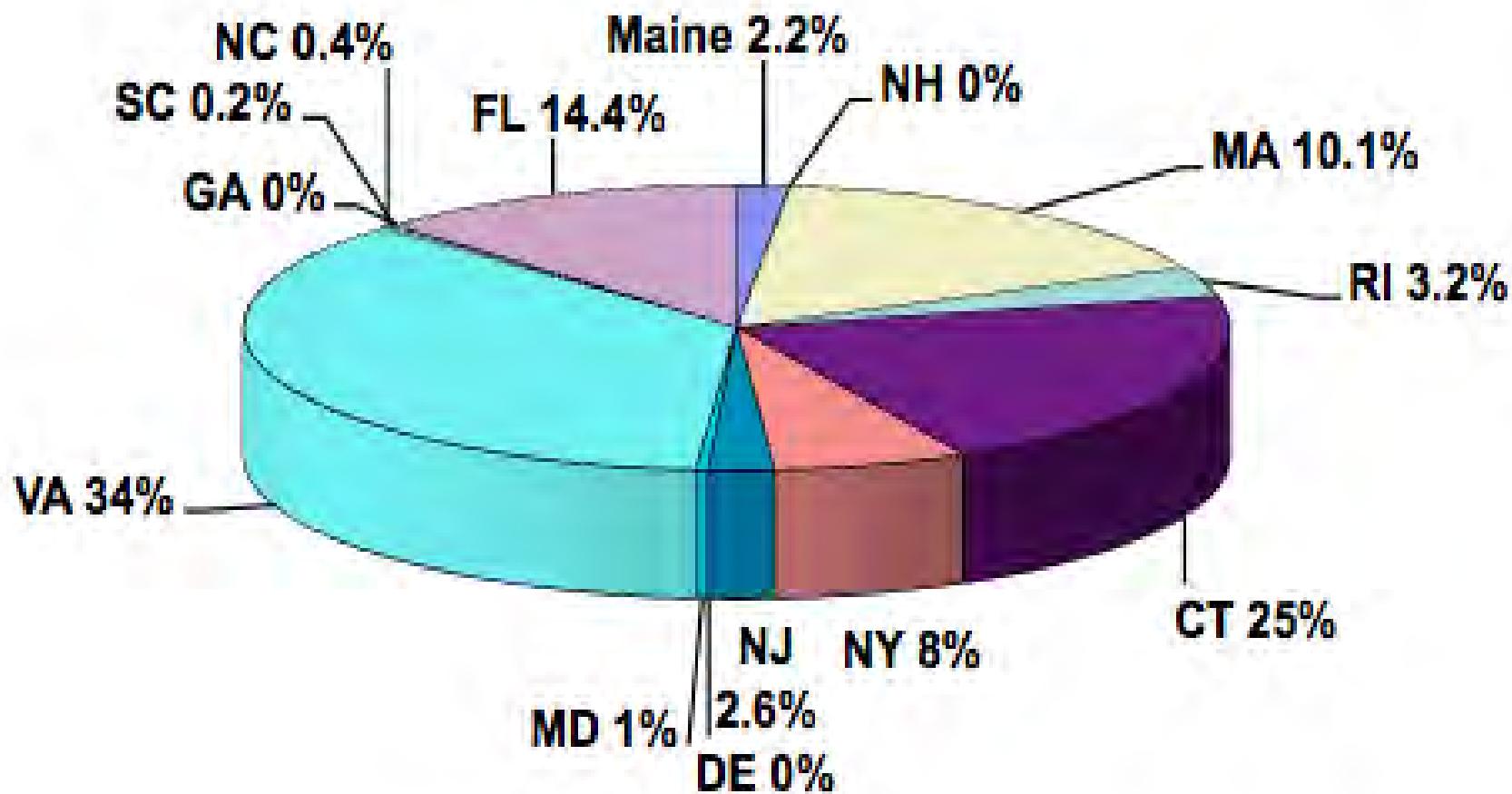
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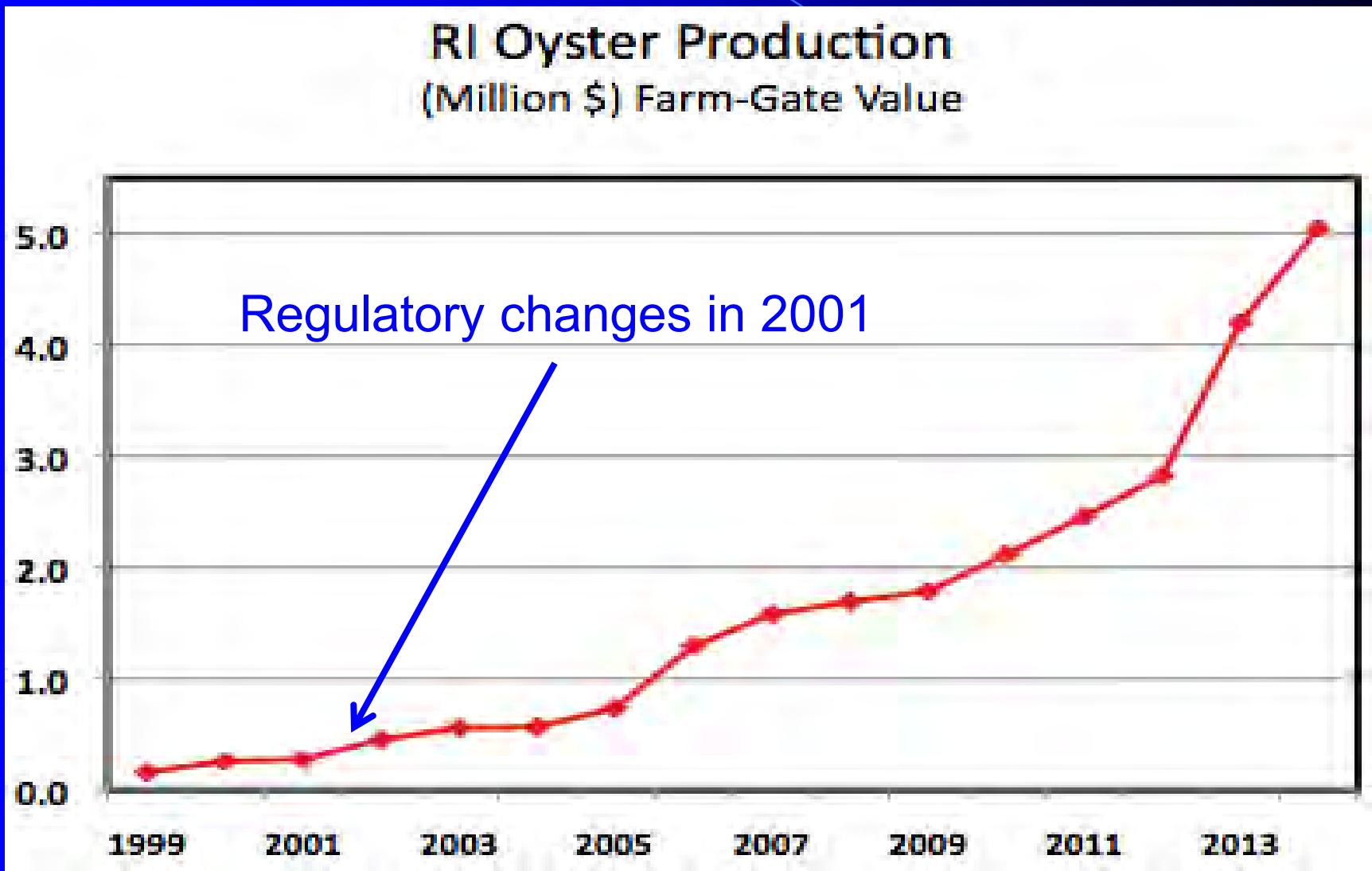
Shellfish Aquaculture by State percent of total East Coast \$156 million farm gate



East Coast Culture Trends: \$155M farm gate

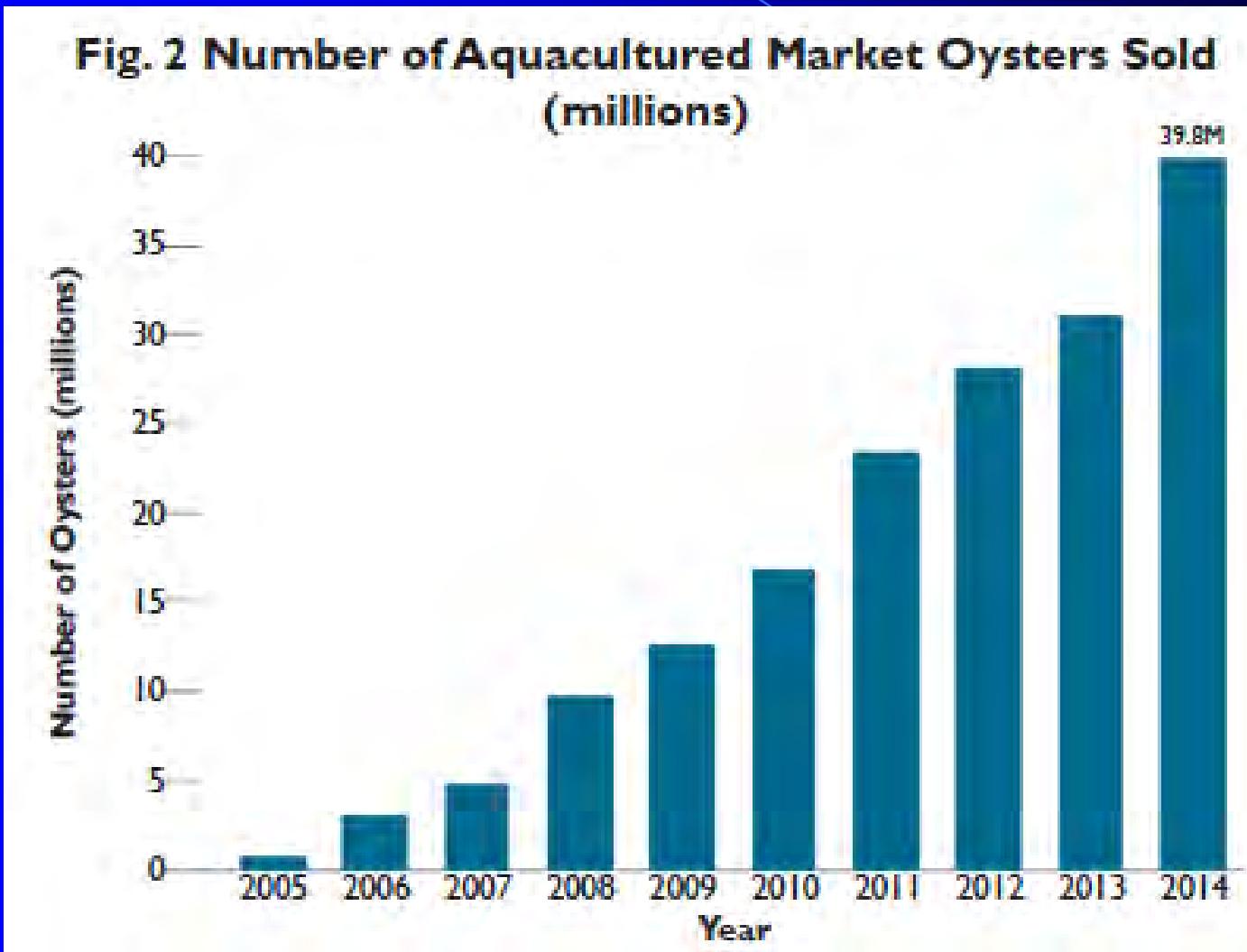
- \$67M (43%) oyster production - doubled in the past five years – prices increasing
- \$86M (55%) clam production – price and production flat
- New species – mussels, sunray venus, soft shell clam, young surf clam, sea scallop – trying to get established

55 farms on 203 acres, 142 direct jobs

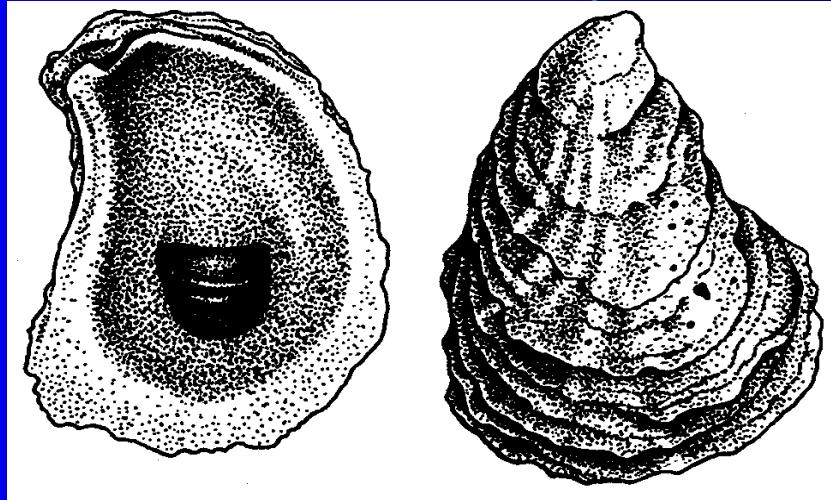


Virginia Oyster production

\$15.4M singles, \$1.7M spat on shell



The Moonstone Oyster Brand



MOONSTONE OYSTERS®

After 15 years - recognized nationally

Adds about 8% to the value of the product

Carries an entire product line with it

Secrets of Success

- Passion for quality
- Persistence
- Fortuitous choice of a name
- Oh Yeah - QUALITY!



Selling vs. Marketing

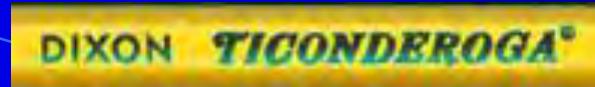
- The difference between being the price taker vs. the price maker.
- Also the difference between economic success and failure.

Are you Marketing the Product, Brand or Category?

Product - great tasting, high-quality oyster

Brand - name, image, service, logo, reputation, consistency, sales assistance....

Category - Farm raised oysters - heart healthy, good for the environment, sustainable, high in minerals, local, fresh...



What is a Brand?

- A trade name and logo that is associated with a product or service
- Reinforced by logo shape and color
- Promotes the product and the category
- can take years to establish-not built overnight
- -Easily destroyed



Competition

- Try to avoid excessive local competition - market your product across the country
- Excessive local competition only drives down prices

- Don't compete on price unless you are the “low-cost producer”
- Don't want to be the Walmart of oyster producers
- Find another feature that sets your product apart

How Will You Set Yourself Apart?

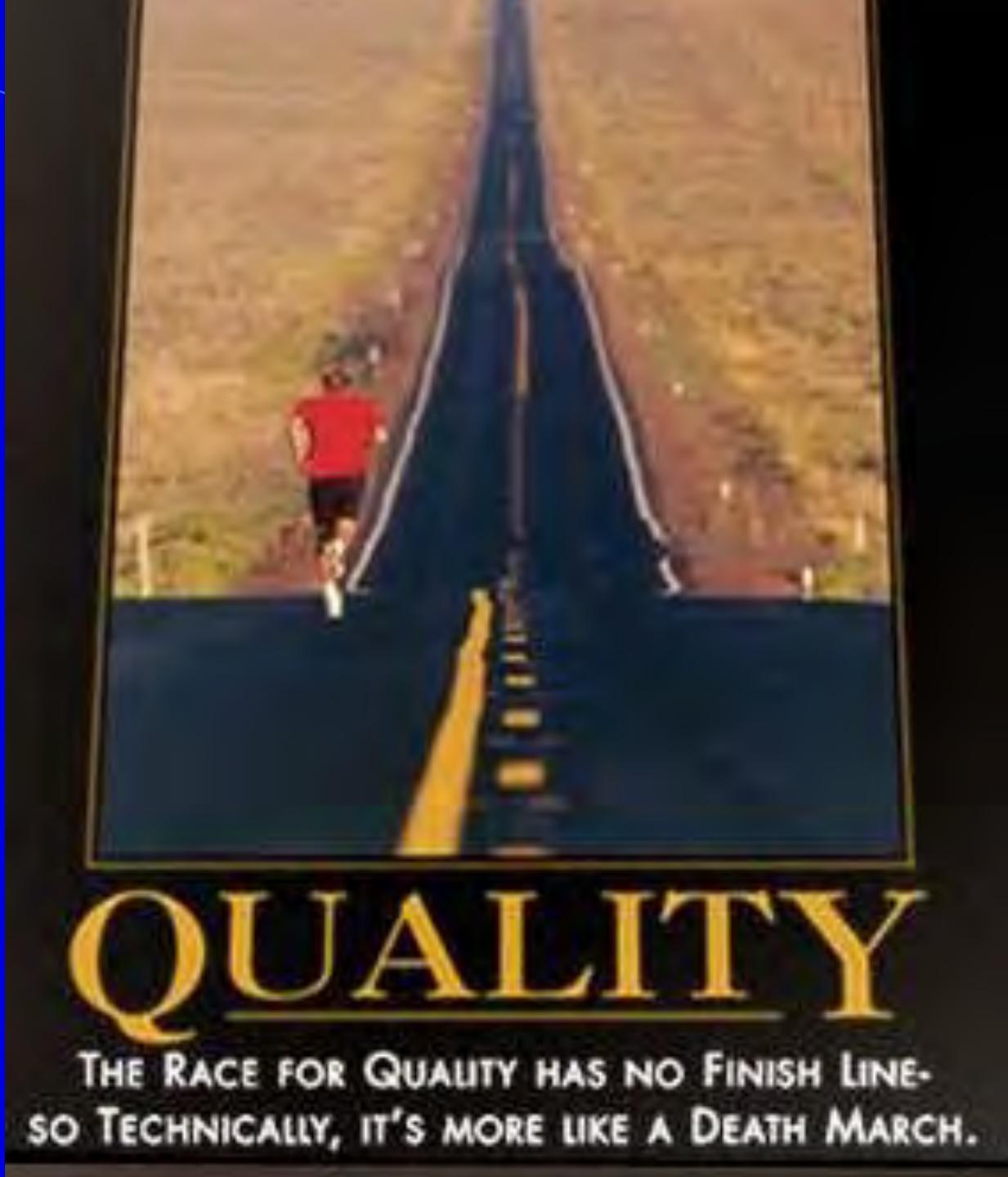
- Service - can you be better than the competition? Faster, more dependable?
- Salesmanship - Are you passionate? Are you convincing? Persistent?
- Price - can you afford to be the low-cost provider? Are your costs lower?
- Product - How is your product unique?
Sexy? Healthy? Sustainable?

What does the consumer want?

- Quality
- Consistency
- Cleanliness
- Shape
- Flavor
- Catchy Name
- Year-round availability
- Timely shipping
- Attractive packaging
- Food safety
- Sustainability
- Low price

Quality is
the Key

Prerequisite



Quality is the Baseline

- Set high standards and keep them high.
- Perform regular quality control.
- Ask for feedback -**listen don't argue.**
- Pack the box as if every oyster has your name on it and your reputation rides on every one - it does.
- Sell the ugly ones under a different name.
- If quality is off, stop shipping.

Consistency

- Chefs want predictable size, not a range
- They want to know how many will fill a plate - every time
- Some want large and some want small - find out and give them what they want
- Cull, sort and sell multiple size grades



Shape

- They want a deep cup and uniform shape
- **Don't try and slip in a few snaggly ones**
- If they have a reverse hinge or no cup throw them back or shuck them or sell **them to Joe's Clam Shack, not your high-priced customer**

- Pressure washing costs a fraction of a cent and can add 5-10 cents to the price
- This is food, it is going **in someone's mouth**
- Save the chefs labor
- Box smells better when they open it
- Federal law requires removal of sediment

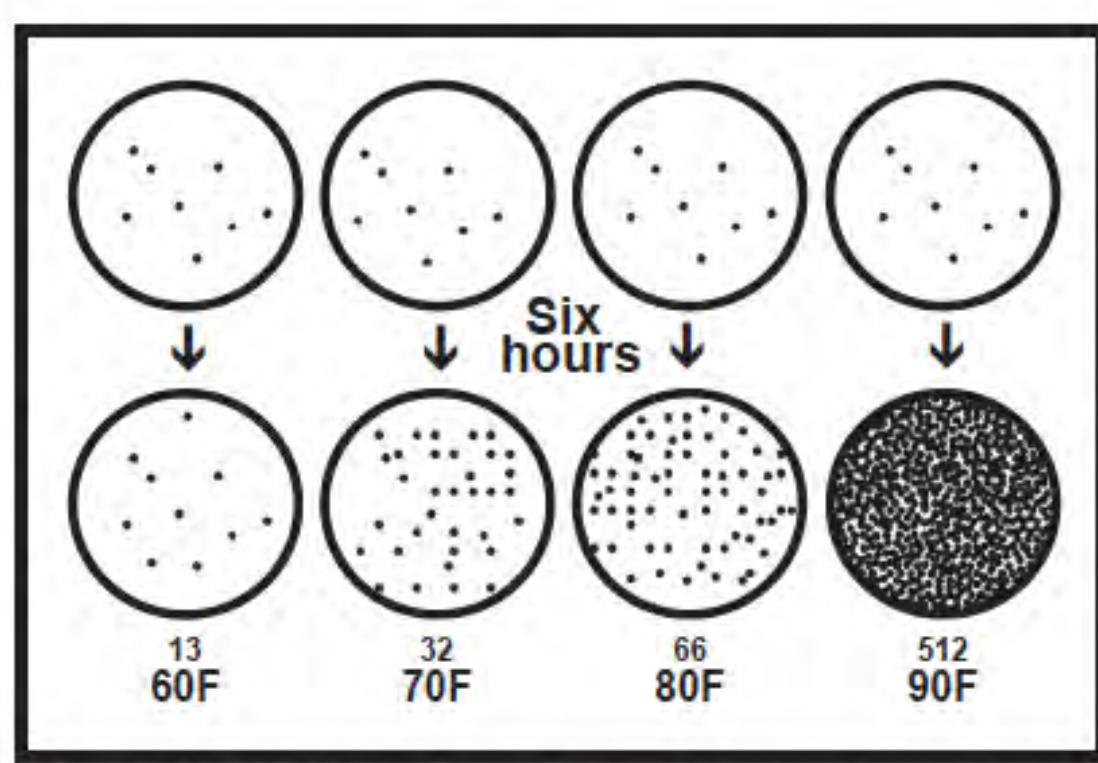
Cleanliness



Food Safety

- Society has zero tolerance for illness
- Test your own waters
 - Marketing tool
 - Protection from lawsuits
- Keep product cool
- Harvest early or late in the day and rush to the walk-in cooler
- One illness and your trademark is trash

Vibrio Growth



Growth of *Vibrio parahaemolyticus* at various temperatures.



Clams are not oysters

- Clams down pick up as much bacteria and an oyster will
- While a clam might sit in the sun for five hours and be OK, not true for an oyster
- Harvest fast, harvest early or bring out ice - more than two hours is probably too much
- Dipping in ice water is gold standard

Freshness

- Get your product to the market as fast as possible
- As growers we can leave product in the water in trays and harvest only what we have orders for that day
- Harvest, pack and ship on the same day if possible
- Frequent delivery means less need for customers to hold inventory

Flavor

- There is little you can do about this except use the uniqueness as marketing tool
- Get some wine snobs together -ask them to come up with fancy adjectives to help describe and market your oysters
- “Salty”, “briny”, “sweet” - all overused

Year-round availability

- Modulate the harvest and supply to meet demand so you can maintain markets.
- When you shut a customer off he will find a replacement. - When you come back you have to earn that customer back again.
- Consider planting some triploids to avoid summer quality issues.
- The goal is to get your name on the menu!

Packaging

- Clean well-designed packaging
- Wax box is \$1.75 - \$2.50
- Onion sacks are for sellers
- The box art is another opportunity to tell customers why your product is special and why they pay so much
- A waterproof flyer inside is another great marketing tool



Entering New Markets

Define your target metro area

Ensure you can get your product there

Locate the 3-5 most prestigious locales

Go there - make the sale

Get your product on their menu



Selling Direct vs. Wholesale

- Permits, HACCP, facilities, delivery truck expenses, overhead, work
- Weekly calls - lots of road trips
- Money collection - keep a tight rein
- No wholesaler will be as passionate about your product as you are
- Good weekly feedback from chefs
- Ask for recommendations!

Selling Direct vs. Wholesale

- Above a certain volume direct sales are challenging
- Can put you at odds with wholesalers
- Need to give your wholesaler a margin if you sell into two levels of the market
- Selling wholesale does not mean you can stop marketing!

What's in a Name?

Good marketing and a great, consistent product can sell any name

Good names evoke images of clean water, European or exotic locales, fruit & gemstones

Lesser choices are names that are not memorable or pronounceable or which evoke less desirable images

Sell the Story

- Chefs and consumers love a good story
- They want to hear about the quaint village, the far away cove, the rugged individual, the hardship of farming
- They want to know about the family you support or how you train sea lions to harvest oysters in you spare time

A little sexy innuendo helps

Nature's Stimulus Package

Nature's Viagra®

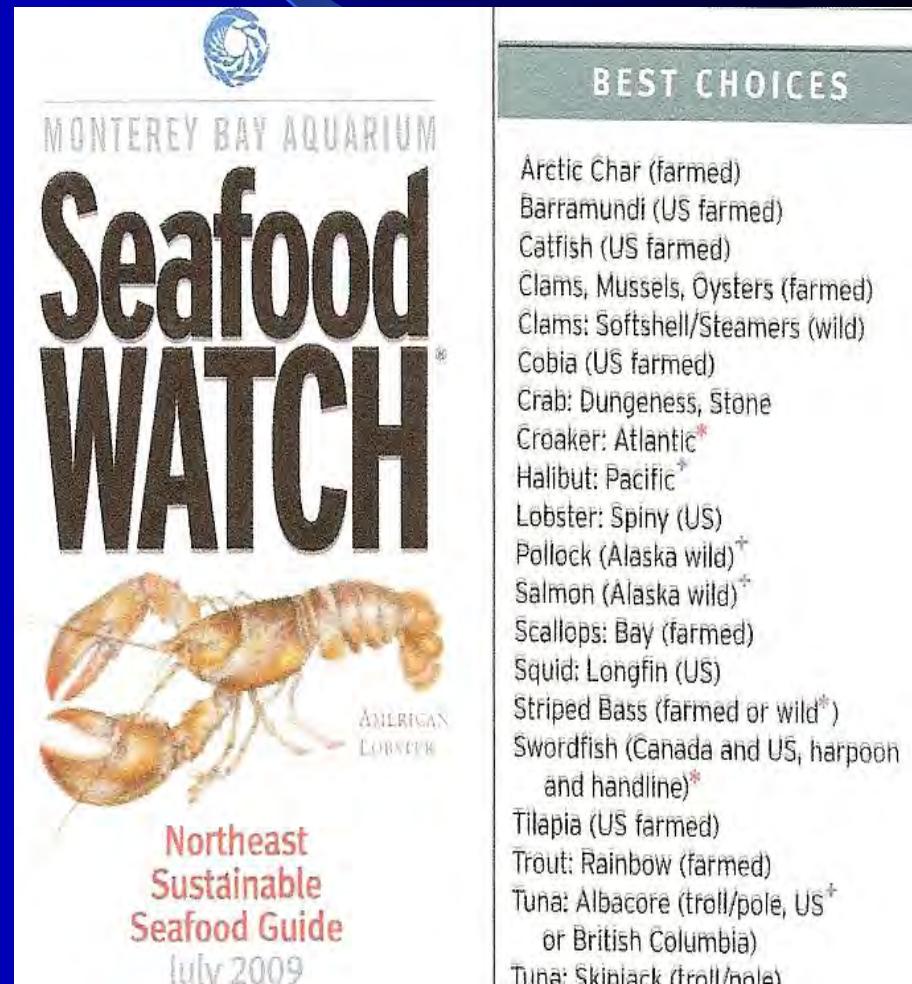
Eat Oysters - Love Longer

Test Subject for
Aphrodisiac Studies
“We need more data”



Sustainability

- Worked with Monterey Bay Seafood Watch and Chef's Collaborative
- ECSGA and many states formulating BMPs, ECOPs
- WWF Dialogs to foster sustainability certification
- Instead of increasing **consumption of “green”** species - may be limiting consumption of all fish.





Marine Stewardship Council
Certified sustainable seafood



Certification

- Eco-labels, sustainability certification, **organic, MSC, ACC, WWF, Ecofish, etc...**
- Only a tiny fraction of the public is aware, while many are confused
- Unclear if “market advantage” will pay for cost of certification
- Being driven by large buyers



Certification

- Need for harmonization of standards
- Unclear if “market advantage” will pay for cost of certification
- Question of who will defend the “brand”
- “Fresh”, “nutritious”, “safe” - all good selling points

Never Stop Marketing

Shirts, hats, t-shirts
bumper stickers

Giveaways, auctions

Tradeshows, sports events

Talks, presentations

Press releases, op-ed articles

Site visits, farm tours

Web site, Facebook

Train your staff too

Direct mail and print
advertising, radio
and TV?

Consider your
market - what is the
most cost effective
way to reach the
buyer?

Guerrilla Marketing

- Get your local paper to write a story about you
- Get mentioned by sponsoring a charity event, maybe a beach clean up
- Submit an editorial to your local paper
- Develop a quirky story

Brand Protection

- Check your customers. If they are not handling your product well it reflects on your brand.
- Read what others are saying online - blogs, Google alerts
- Get a trademark!
- Be alert for brand theft or fraud - trademark abuse

The Big Picture

How big is the “market”?

If we continue to increase production without concurrent marketing we risk price collapse (salmon, catfish, tilapia, clams)

Is the industry willing to support a generic marketing campaign?

How do we access the vast latent market of **mid-west shellfish “virgins”**

Not everyone is cut out to be a salesperson

Some people should stay on the farm and do what they do best

Some people would do best selling to a good wholesaler or working with a cooperative

Questions?

East Coast Shellfish Growers Association

Representing growers from
Maine to Florida

Marketing the category

LISTSERVE

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