

The Orange Roughy Story

Globalisation & Branding

Phil Lough

Sealord Philosophy

- Sustainability
- Win/Win
- Long Term
- Honesty/Openness/Ethical
- No Surprises
- Confidence and Reliability
- Fun

Sealord Worldwide



What makes up Sealord?



Orange Roughy



◆ **Total Allowable Catch**



◆ **Kiwi Dollar**



Orange Roughy Market Positioning

- ◆ Orange Roughy US\$5.00/lb
- ◆ Cod US\$2.00/lb
- ◆ Pollock US\$1.25/lb

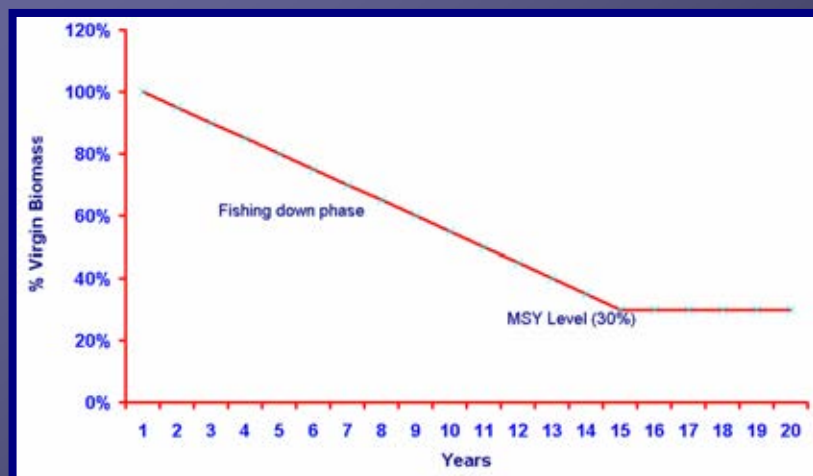
NZ Market Share of the Orange Roughy International Market

- ◆ New Zealand 90%
- ◆ Australia 8%
- ◆ Other 2%

Implications

- ◆ High Market Demand
- ◆ Very Profitable Business
- ◆ Extremely Difficult for Others to Enter
- ◆ Declining Catch

Fish-Down Phase



Competitive Advantages

- ◆ Know the Product
- ◆ Know the Territory
- ◆ Know how to Catch it
- ◆ Know how to Process it
- ◆ Know the Customers

USA Customers



Catching Capability



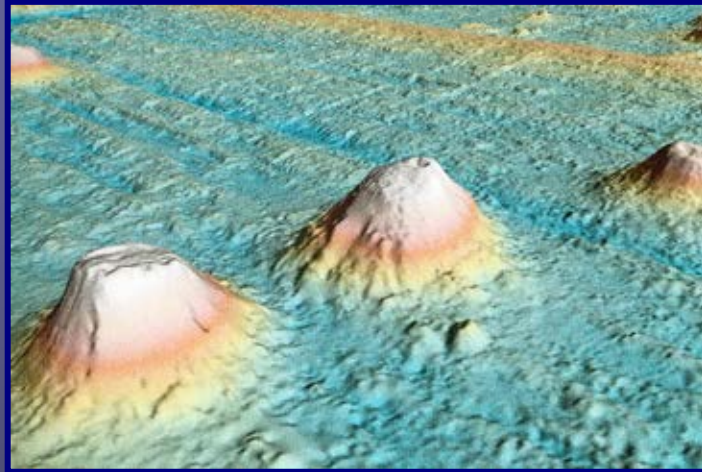
The Catch



The Fish



The Territory



The Product/Brand



Deepwater Skills

- ◆ High tech deep sea vessels
- ◆ Bathometric analysis capability
- ◆ Processing expertise
- ◆ Market knowledge
- ◆ Rough ground techniques
- ◆ Exploratory fishing skills
- ◆ Net technology
- ◆ Fish stock analysis capability
- ◆ Quota Management Systems
- ◆ Education and training
- ◆ Deep water research capability

Stocktake

- ◆ Business could not grow
- ◆ Profitable but...

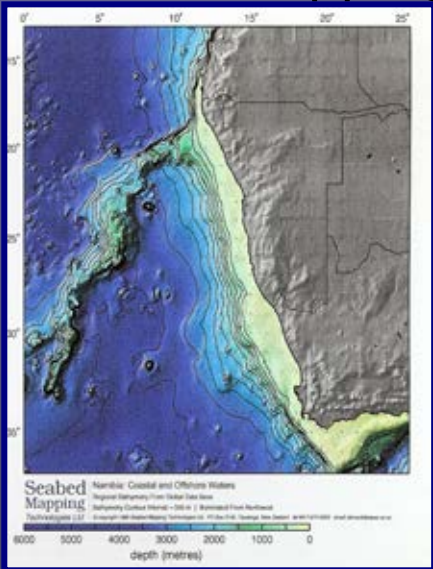
That meant we had 3 choices:

- ◆ Stagnate
- ◆ Enter new fields domestically
- ◆ Leverage globally

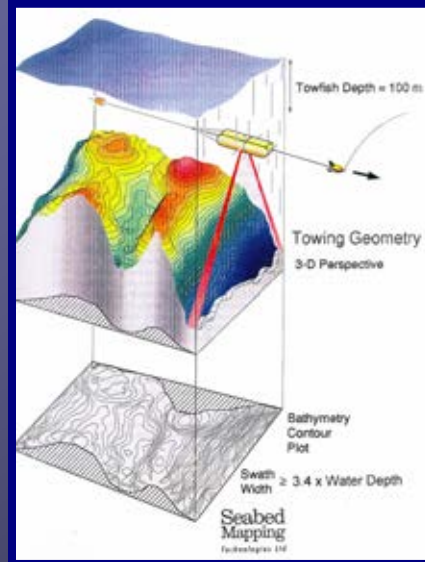
Southern African Investment



Satellite Mapping



Bathymetry



Success



But...

it is small!

Market Knowledge (USA)

- ◆ People eating out
- ◆ Consumers nervous about cooking fish
- ◆ Retail sales of fish low
- ◆ Retailers not enthusiastic
- ◆ High product knowledge
- ◆ Expanding food service industry

Wetfish Counter



A New Concept

- ◆ Create retail interest
- ◆ Solve the consumer's problem
- ◆ Make it convenient
- ◆ Trade on the image

Risks....

- ◆ Fighting against the tide
- ◆ Everyone says to focus on food service
- ◆ Americans won't cook fish at home

Project Management

- Know what you are trying to achieve
- Due diligence and risk
- Management and reporting
- Focus and flexibility

A Major Success Story

\$

\$100 million

- √ Branding
- √ Profitability
- √ Shareholder Value

Branding & Packaging

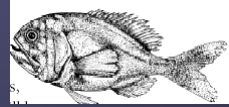


Globalisation

- ◆ Think global
- ◆ Act local
- ◆ Know what you are good at
- ◆ Competitive advantage
- ◆ Leverage
- ◆ Focus
- ◆ Manage and monitor risks

Review

- Risk analysis
- Flexibility and speed of response
- Competitive advantages
- Not betting the farm
- Clear accountability with management
- Reporting
- Board and project governance



SEALORD

