

The background image depicts a city in a state of complete ruin. Thick, billowing white and grey smoke rises from the ground, partially obscuring the sky and the remaining structures. In the foreground, the skeletal remains of buildings are visible, with twisted metal and broken concrete. The overall atmosphere is one of devastation and despair.

US Retail Canned Tuna Market in Crisis

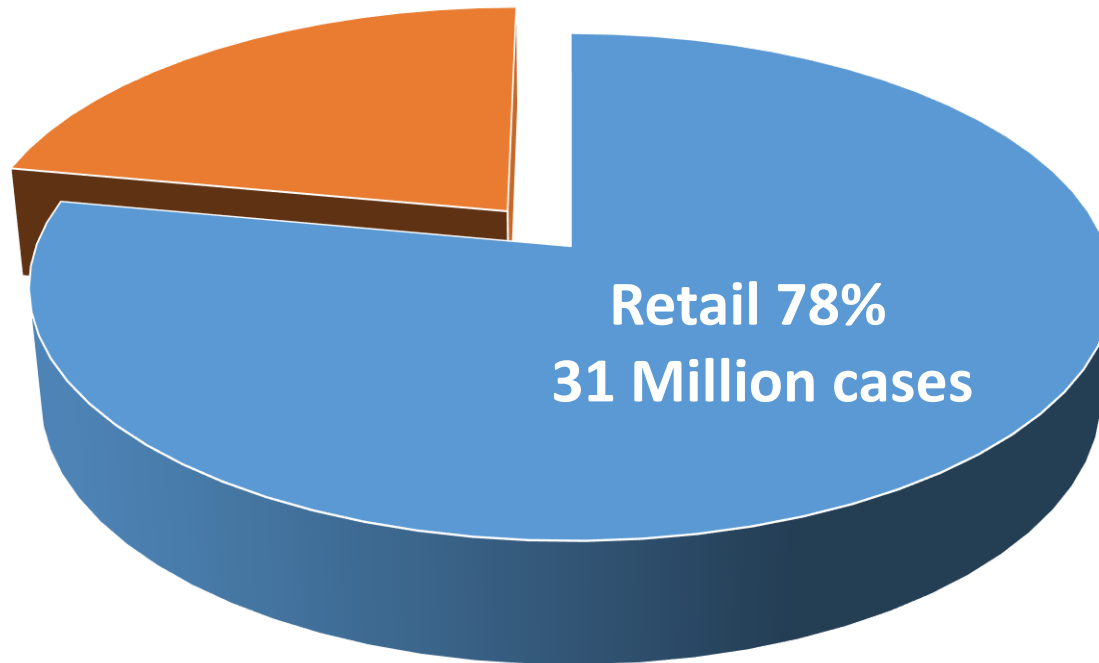
Now That The Smoke Is Clearing.....

Total US Shelf Stable Tuna Market in 2018

- \$2.5 Billion in Sales Value
- 40 Million cases of 48x 4.5 oz cans
- Utilizing about 11% of the global tuna catch
- 550,000 MT of W/R Skipjack, Yellowfin and Albacore

USA Shelf Stable Tuna Market Categories

Foodservice 22%
9 Million cases



77 % of US Retail Controlled by the Big Three



Charlie the Tuna

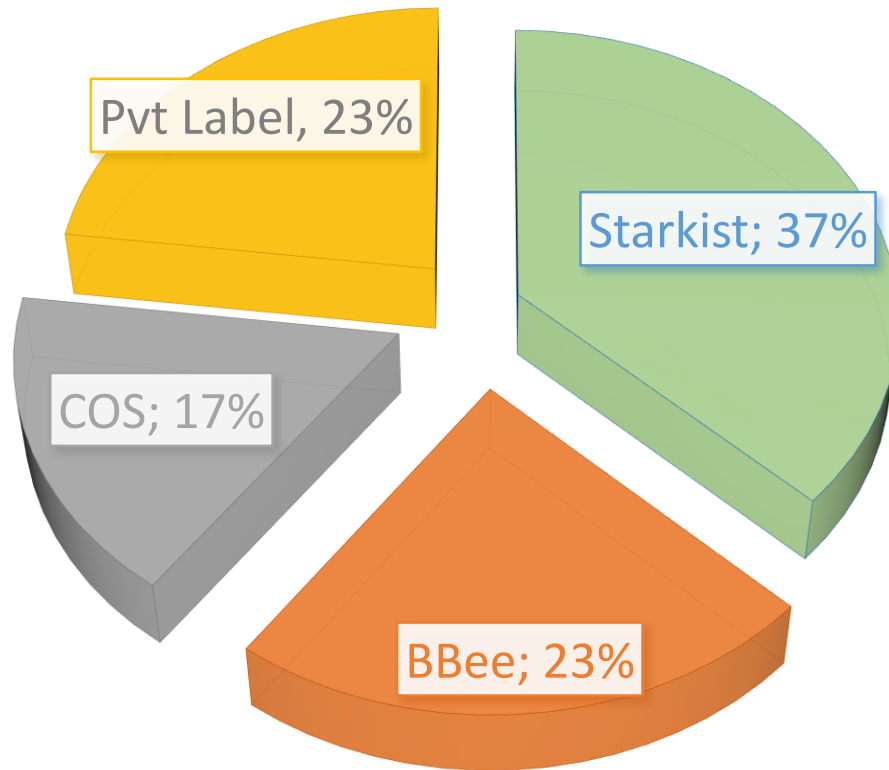


BEE the Bumble Bee

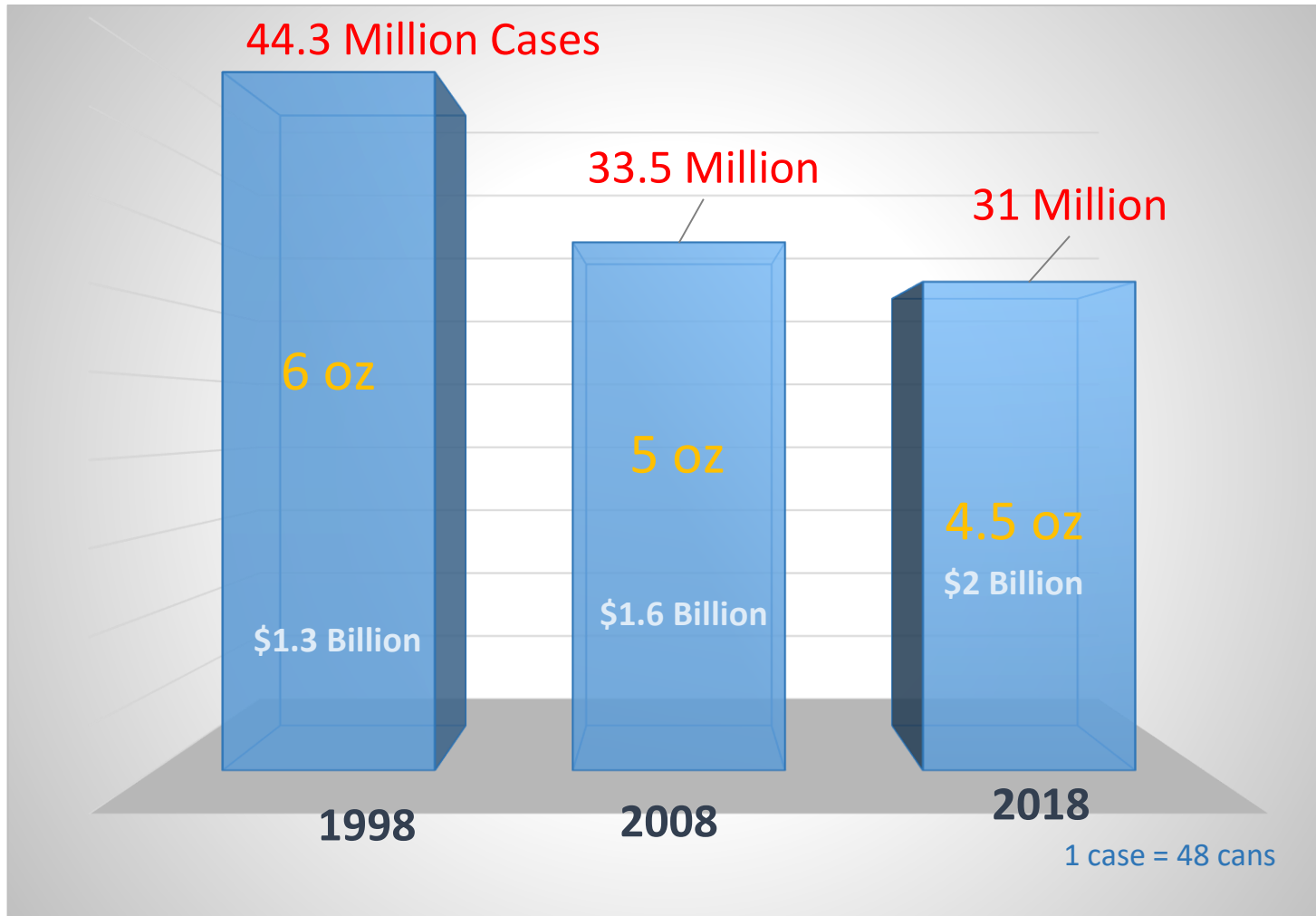


Catalina the Mermaid

Big 3 and the US Canned + Pouched Tuna Market



US Tuna Sales Volume + Can Sizes Shrink, Value Up

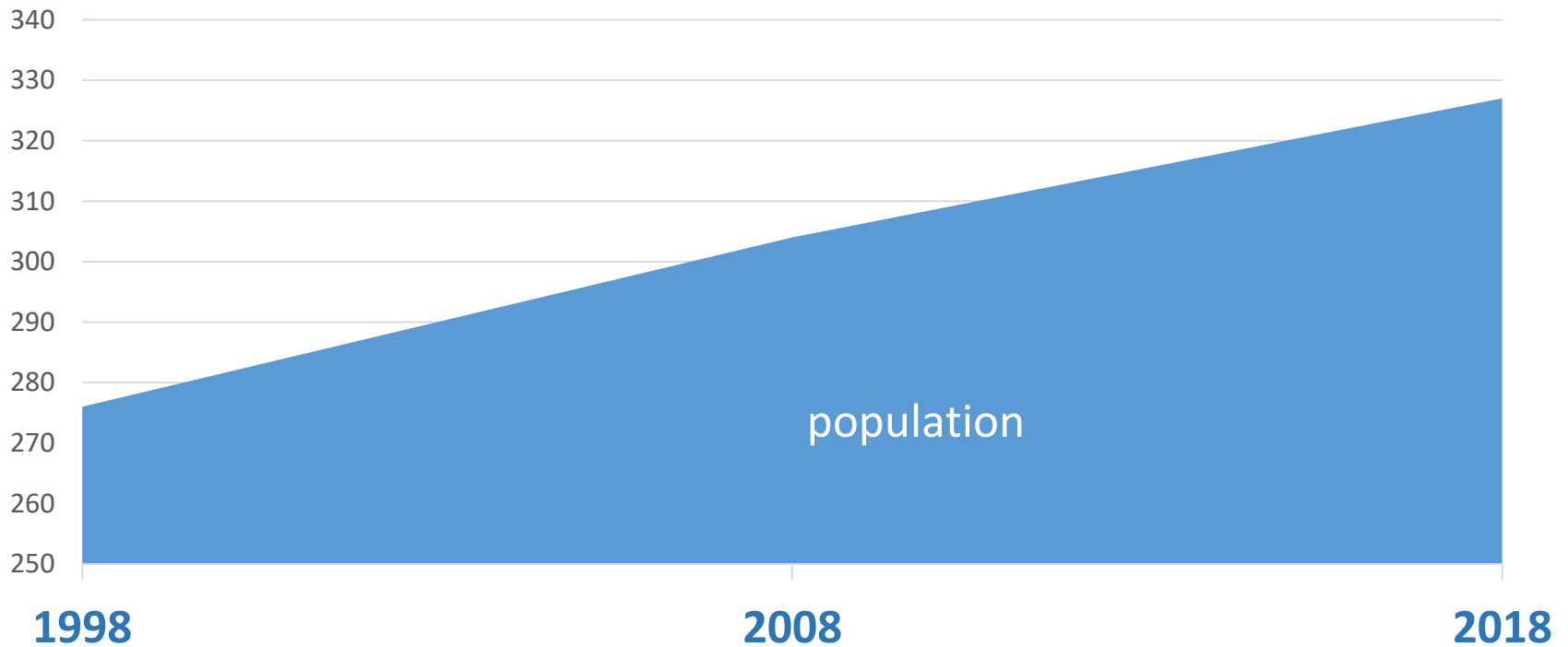


**42% down in
Volume**

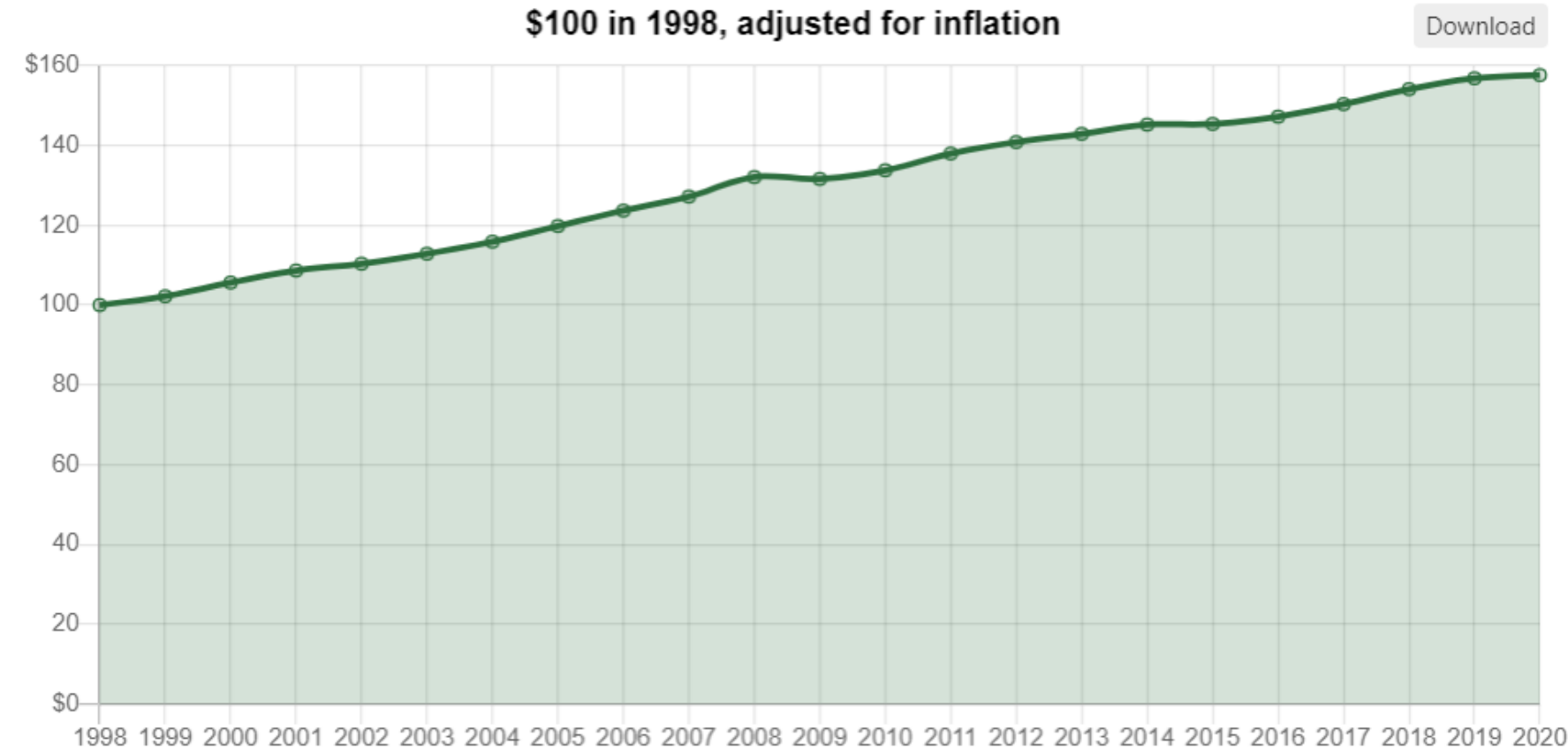
53% up in Value

**Cans 33% Shrink in
OZ's**

USA : 20% population growth in 20 yrs
from 278 to 328 Million



Category	Avg Inflation (%)	Total Inflation (%)	\$100 in 1998 → 2020
Food and beverages	2.27	63.79	163.79



Big 3 Performance over 20 yrs

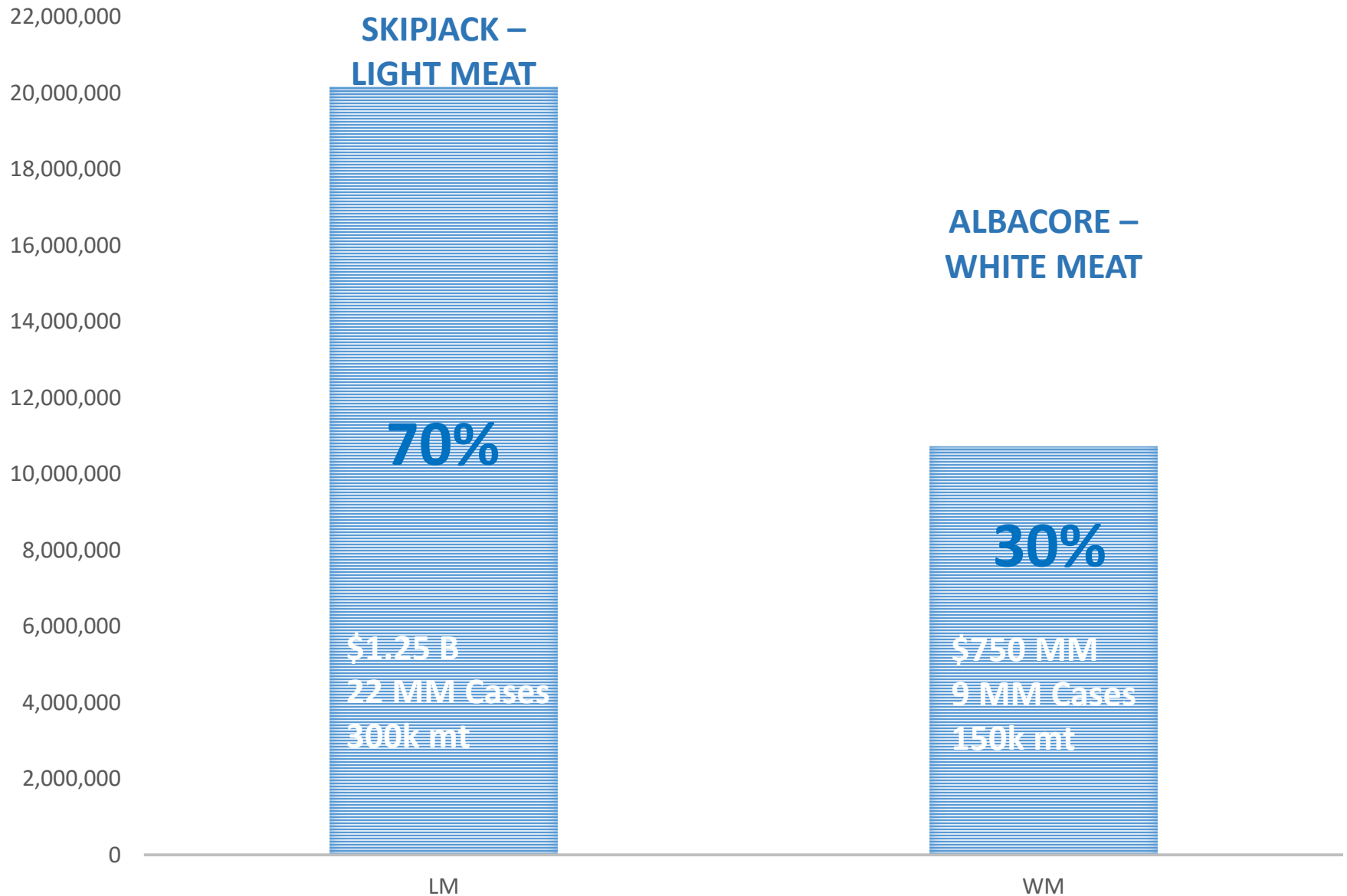
- Loss of Volume after correction on population growth close is abt 60% in 20 years
- Total value of branded canned Tuna Category Increased 10% less than the 20 yr inflation rate
- Price per case went up 220% - 11% per year
- While the Cansize Shrunk 33%

Chunks Become Flakes + Excessive Use VB/HP



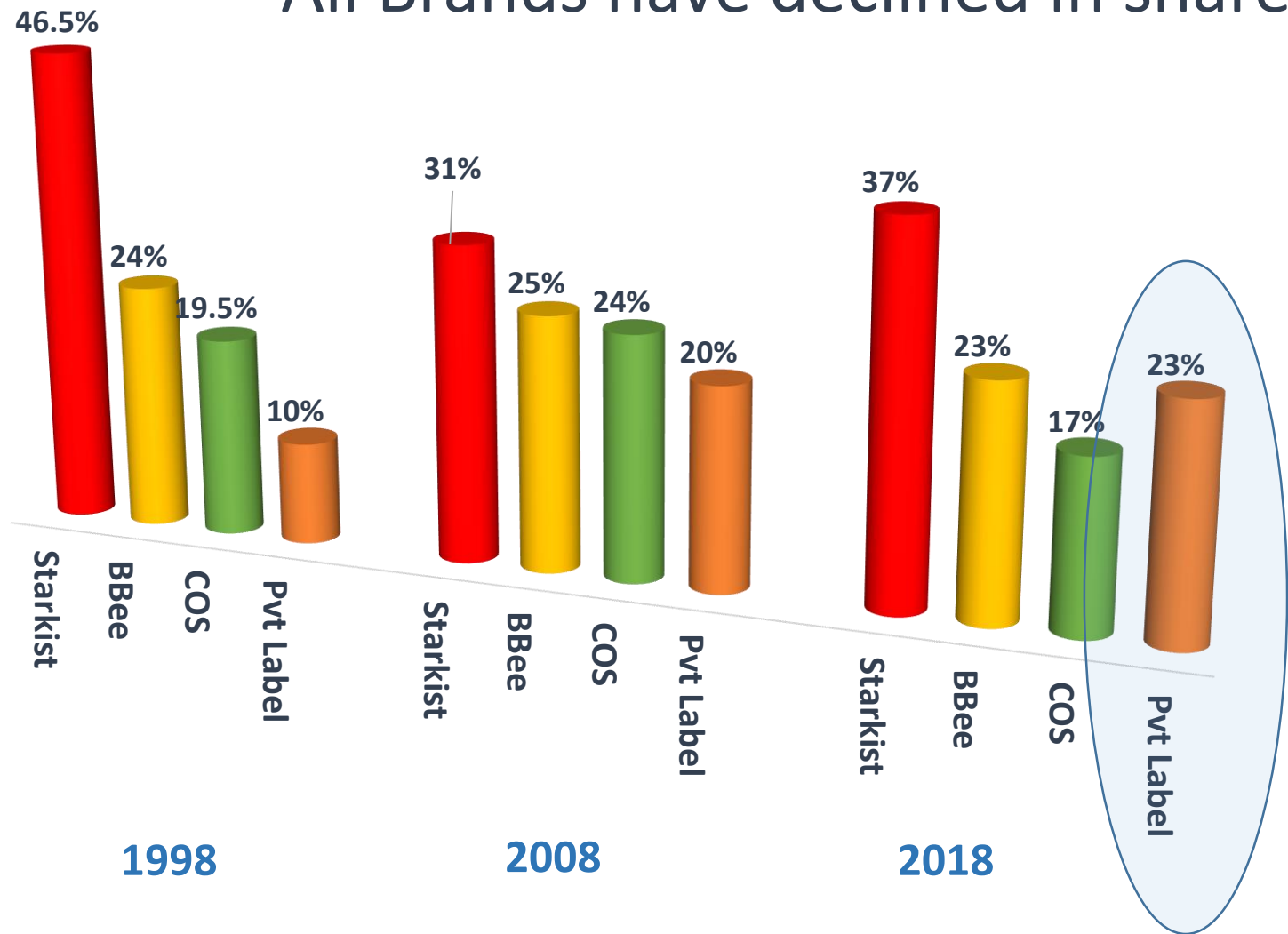
From The Bumble Bee Website !

Market Divided in two main categories



Market Split Up from 1998 to 2028

All Brands have declined in share



2011 US Retail Tuna Landscape

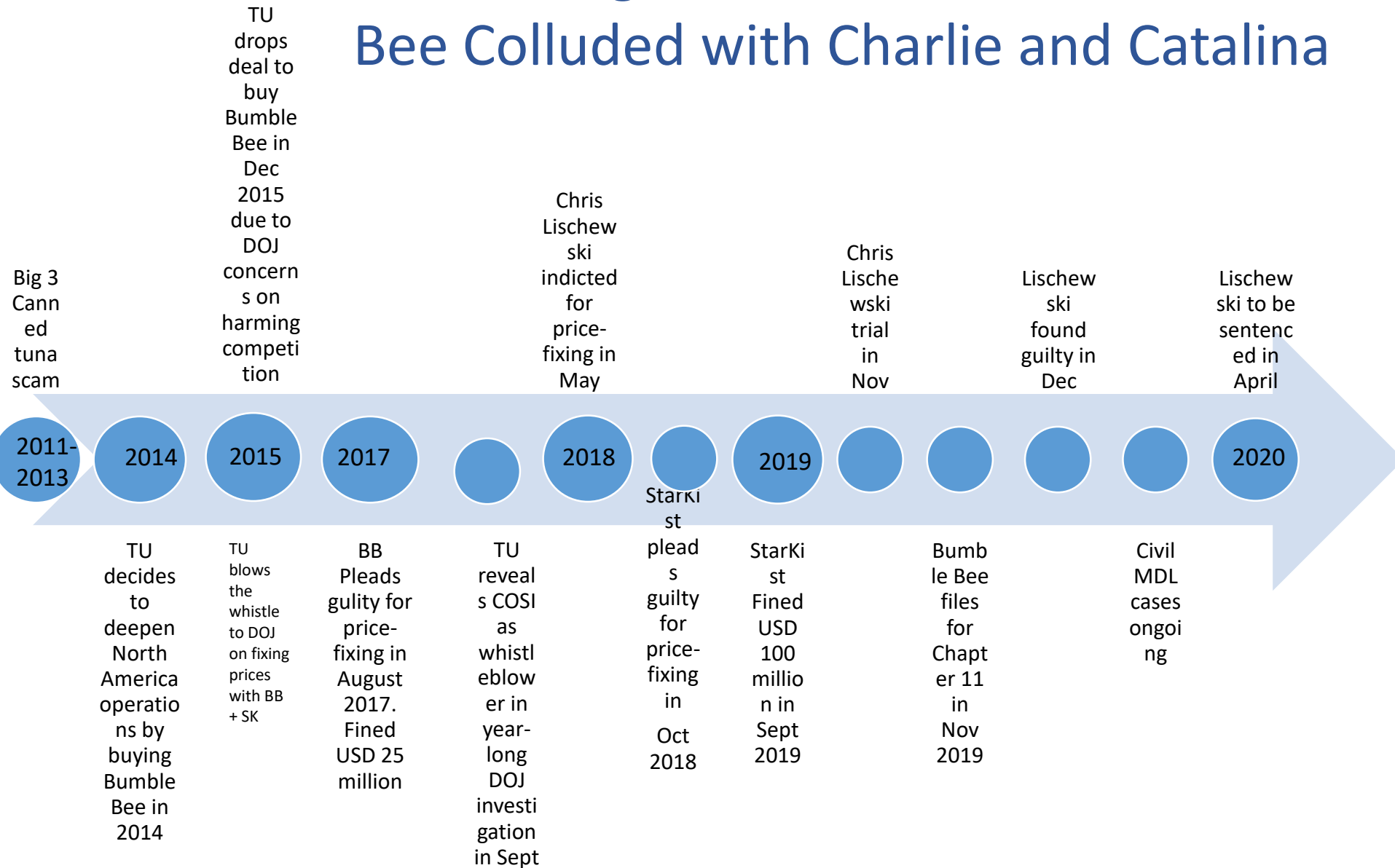


The Year The Bee Stung The Lion



- A consumer-focused investor passionate about investing in brands about which people are passionate.
- Acquired Bumble Bee Foods in 2010 for \$ 980 million
- FCF became 25% shareholder
- Soon after it something went wrong in 2011..

Price Fixing Starts in 2011 - Bee Colluded with Charlie and Catalina



Practices Big Three Accused of 2011 to 2020

- Fixing Prices for Chunk Light and Albacore
- Agreeing to Shrink can sizes further
- Underfilling cans
- Colluding to block FAD-free tuna entering the market
- Making False Claims on Dolphin Safe

Financial Consequences ???

- **StarKist** – \$100 Million Penalty by DOJ Price Fixing
 - \$518 ??? Million in potential civil claims
 - \$20.5 Million Settlement Walmart
 - \$ 21 million Settlement Underfilling
- **Chicken of the Sea** – Whistleblower
 - \$6.5 Million Settlement with DOJ
 - Accrued \$102 million in price fixing charges
 - Sets \$ 100 Million Aside
- **Bumble Bee** - \$ 81.5 Million Penalty DOJ Price Fixing
 - Went Bankrupt to evade further claims

Ex-BB CEO Faces Potentially 10 yrs in jail for price fixing – final sentencing in April 2020



CEO's of StarKist and Chicken of the Sea make deal with DOJ

Chris Lischewski – Seafood Industry Leader and Sustainability Advocate

- Was CEO of Bumble Bee 1999 to 2019
- In 2009 was the driving force behind the creation of the International Seafood Sustainability Foundation (ISSF), became President and Chairman 2009-2013
- According to verdict played a center role in the price fixing and collusion between the Big 3.
- Was minority shareholder in South Pacific Tuna Corp in US flag tuna purse seiners together with FCF
- Highly influential within the USA and global tuna community

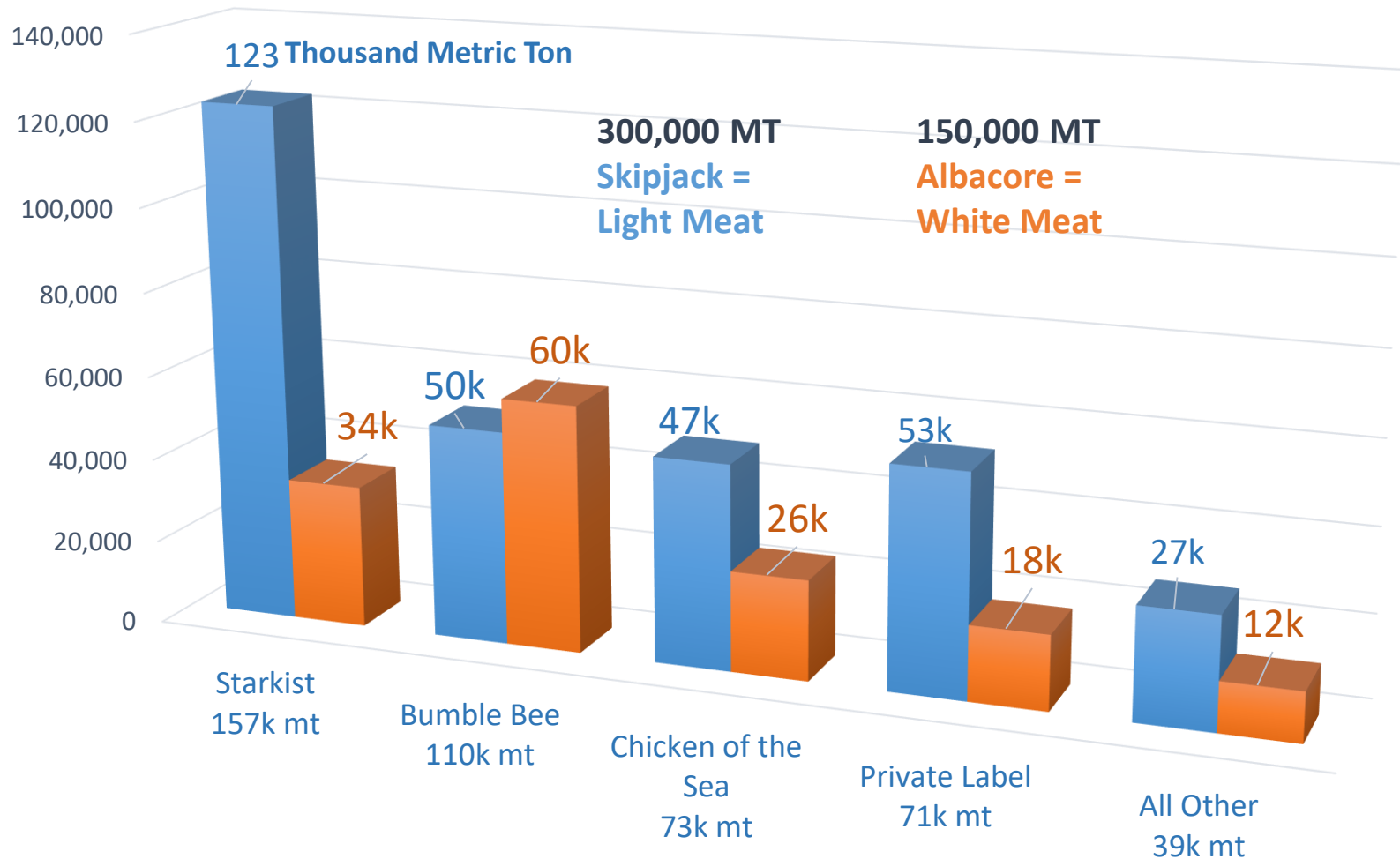
Now The Smoke Is Clearing..... Asian Tuna Giants Control Big Three



Former Suppliers Have Integrated Forward,
from Trading, Fishing and Canning to Marketing

Whole Round Frozen Tuna Needed by Big 3

Abt 80% of supply comes from the Western Pacific Region



2018 Origin of US Shelf Stable Retail Tuna

End Value \$2,000,000,000

Volume Sold 31,000,000 cases

Raw material Needed 450,000 mt

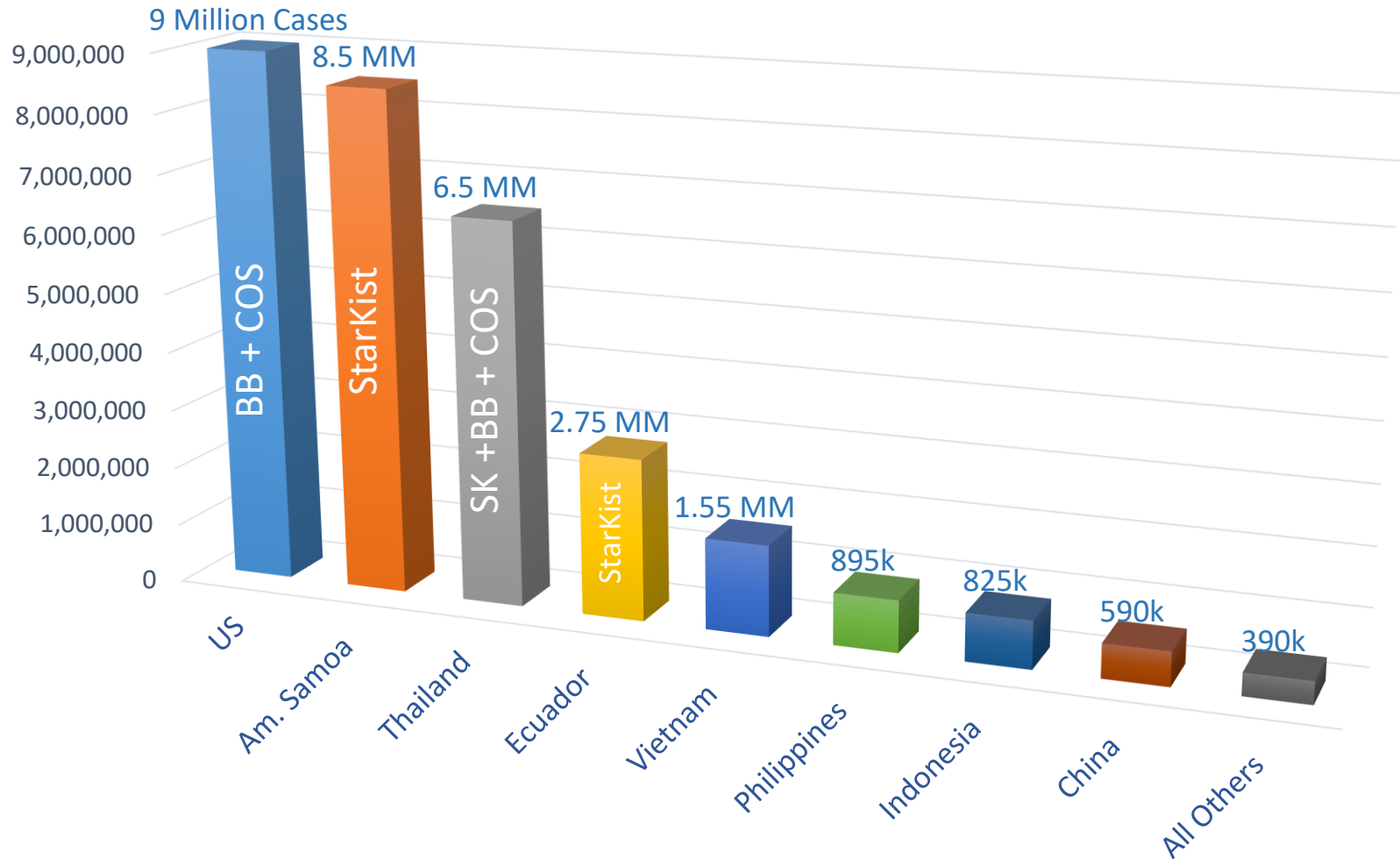


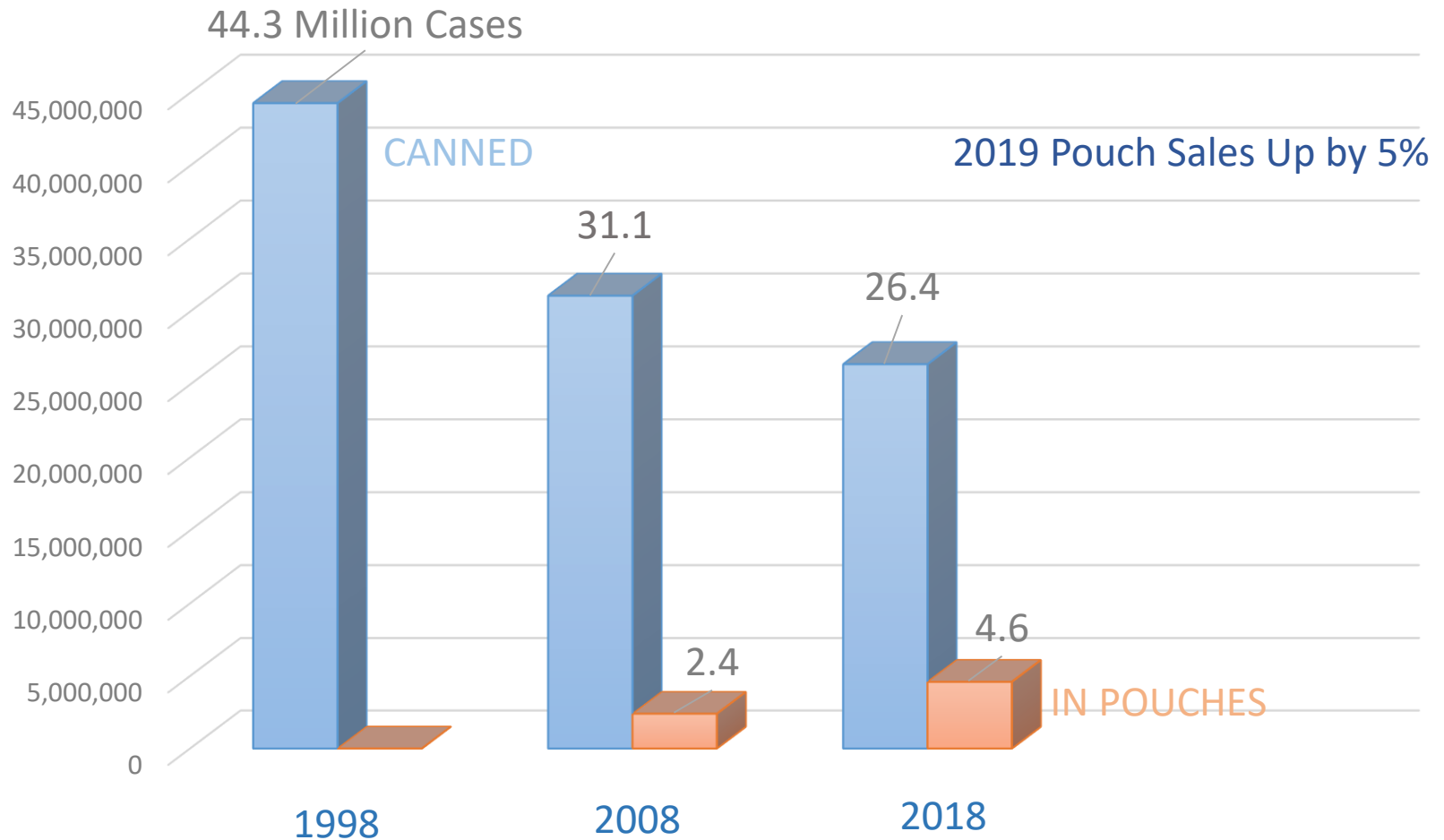
Image Asian Tuna Companies

- Not known to be leaders on social accountability and sustainability
- Dongwon, FCF and Thai Union have all been in the past under attack over issues related to IUU, and non sustainable fishing practices and social issues
- Limited innovative capacity
- Have often been late adopters, and followers

So What Future Route Will Charlie, Bee and Catalina Take?



Hoping Pouches Keep Growing & Stop the future decline



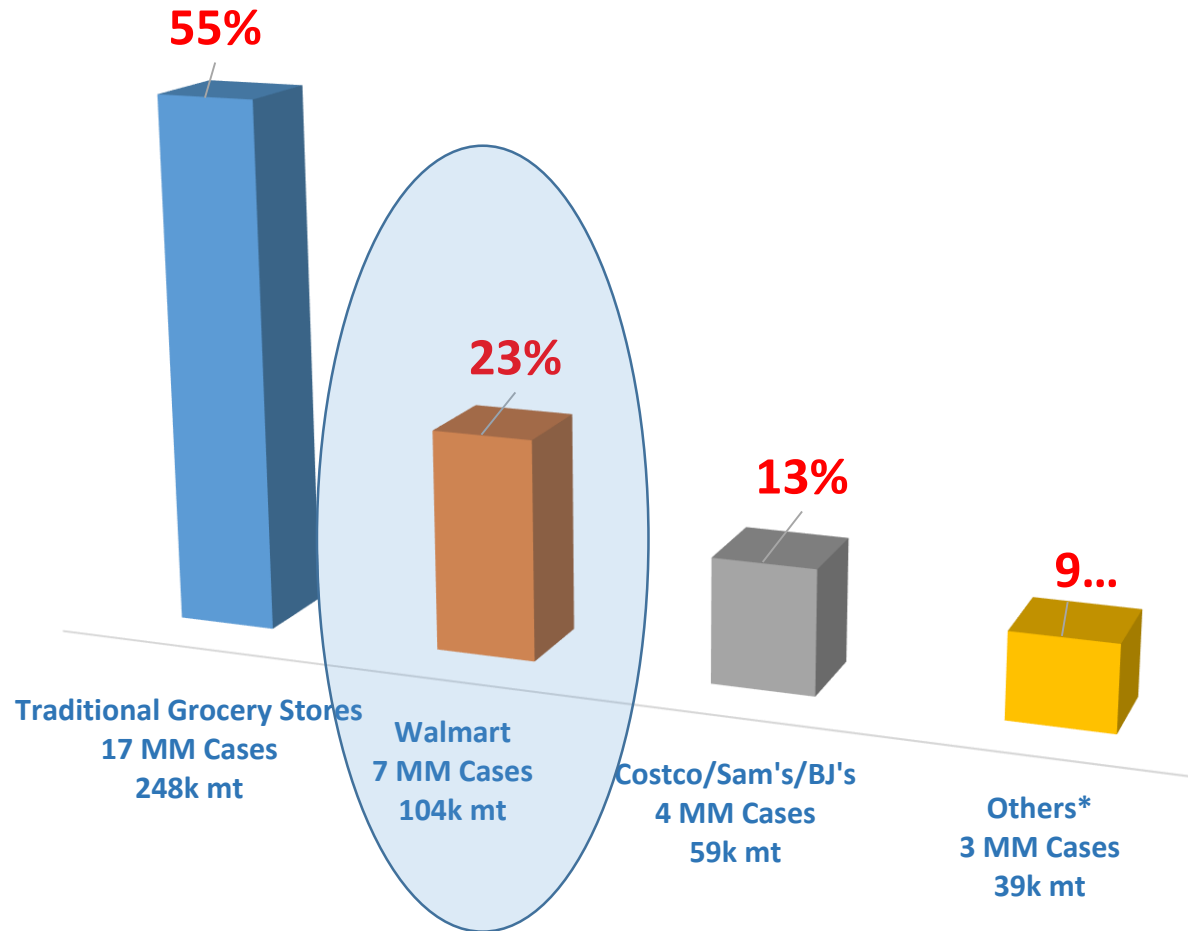
Major Challenge for Their Asian Shareholders?

- Regain trust with Customers and Consumers
 - Maintain and expand the value of their investment
 - Reverse the decline in volume sales
 - Create new interest for canned + keep growing pouch
 - No more “Old Practices” Need to make a turn-around
 - Reach the Millennials
-
- Quality
 - Health
 - Convenience
 - Sustainability + Social

2017 US Consumer study shows :

- • 68% of millennials bought a product with a social or environmental benefit in the past 12 months.
- • 87% of consumers will have a more positive image of a company that supports social or environmental issues.
- • 88% will be more loyal to a company that supports social or environmental issues.
- • 87% would buy a product with a social and environmental benefit if given the opportunity.
- • 92% will be more likely to trust a company that supports social or environmental issues.
- A company targeting the millennial customer as a component of their business model would be wise to become socially and environmentally responsible.

Walmart Sells One of Four Tuna Cans Consumed in the USA



Walmart – Private Label Taking the Lead ?

Policies on Seafood 2018

Product Categories	Responsible sourcing	Environment	Safer and healthier products	Transparency
Seafood	<ul style="list-style-type: none">• Collaborating with industry stakeholders• Human trafficking and forced labor in Thailand seafood• Encouraging responsible recruitment practices• Promoting fair labor practices in fisheries and to deter illegal fishing• Helping to promote worker voice• Setting expectations for responsible labor practices with suppliers	<ul style="list-style-type: none">• Sourcing more sustainably• Overfishing and Bycatch reduction	<ul style="list-style-type: none">• Working with others to increase availability of sustainable seafood supply	<ul style="list-style-type: none">• Leveraging Third-party certification• Sustainability index

Walmart Introduces MSC Tuna Competitively Under Great Value

06 December 2019



Not Soupy, Chunky, Minimal VB +
Easy Open



What Role Will Bolton-TMI play in the Future US Shelf Stable Tuna Market?



Bolton – Strong Focus on Brand marketing in Europe - Rio Mare + Saupiquet

Contrary to Asian Companies not Focused on Fishing, Trading or Processing– but Marketing

Backward integration from Market to Sourcing – Secure Supply

