Dear Friends:

The year 2016 marked the 30th anniversary of the creation of The Catfish Institute. What began in 1986 by a group of progressive farmers and feed mills continues today as a true testament to our founders and their vision for the U.S. Farm-Raised Catfish industry. For the past 30 years, TCI has worked to provide the highest level of leadership, service and commitment to the promotion and support of this industry. The awareness created through the many TCI-developed programs has provided the American consumer a clear choice when distinguishing ourselves from ever-growing competition in the seafood marketplace.

2016 also marked the implementation of the long-awaited Catfish Inspection Program. USDA's Food Safety and Inspection Service placed full time inspectors in our plants and assumed oversight of the industry from FDA. Projections are for the program to be fully implemented by the end of 2017.

While the industry enjoyed better economic conditions, it said goodbye to Seymour Johnson, who served as the first Chairman of the Board for The Catfish Institute and later as Director Emeritus. Seymour passed away in February 2016. He gave freely of his time, and his leadership and commitment to the industry are much appreciated. He will be truly missed.

In this annual report, you will get a glimpse of TCI's promotional campaigns, as well as the various programs executed throughout 2016. Each of these was carefully geared toward increasing consumer awareness and product sales.

The Catfish Institute greatly appreciates its member feed mills and farmers for their support. A very special thank you goes to the entire Board of Directors for their time sacrificed in providing unending leadership and guidance.

Harry Simmons, Jr.
Chairman, The Catfish Institute

Roger E. Barlow
President, The Catfish Institute
The Catfish Institute Member Feed Mills

Alabama Catfish Feed Mill, LLC
Uniontown, Alabama

Delta Western
Indianola, Mississippi

Fishbelt Feeds
Moorhead, Mississippi

Top Water
Wisner, Louisiana

The Catfish Institute Board of Directors and Officers

Chairman
Harry Simmons, Jr.
Fishbelt Feeds

Vice-Chairman
David Pearce
Alabama Catfish Feed Mill, LLC

President
Roger E. Barlow
The Catfish Institute

Treasurer
Turner Arant
Delta Western

Bill Battle
Fishbelt Feeds

Bubba Drury
Alabama Catfish Feed Mill, LLC

Joey Lowery
Fishbelt Feeds

Jonathan Mills
Delta Western

Will Nobile
Fishbelt Feeds

Joe Oglesby
Fishbelt Feeds

Harrell Potter
Fishbelt Feeds

Solon Scott, III
Delta Western

George Smelley
Alabama Catfish Feed Mill, LLC

Jim Tackett
Delta Western

John Williamson
Alabama Catfish Feed Mill, LLC

Butch Wilson
Alabama Catfish Feed Mill, LLC

U.S. FARM-RAISED
100% AMERICAN

THE CATFISH INSTITUTE
P. O. Box 1669 ♦ Madison, Mississippi 39130
6311 Ridgewood Road, Suite W-404 ♦ Jackson, Mississippi 39211
Phone: 601.977.9559 ♦ Fax: 601.977.9632

www.UScatfish.com
The Catfish Institute celebrated its 30th anniversary in 2016, and although the industry has changed greatly since our founding in 1986, the goal of our marketing programs has always remained the same—to drive consumer interest and continued demand for U.S. Farm-Raised Catfish.

We take great pride in the work we do on your behalf, and we stand firm in the belief that TCI creates as much “bang for your buck” as any industry marketing association in the nation.

Throughout the pages of this report, we will offer a glimpse into the details of the many promotions and initiatives undertaken over the past year. As always, we hope you will agree that our marketing programs remain innovative and successful, and are worthy of your continued support.

Collateral Branding

TCI released several new printed collateral pieces this year, including our annual Catfish Farmers of the Year “Favorite Recipes” brochure. 2016 Catfish Farmers of the Year Bubba Drury of Alabama, John Farmer of Arkansas, and Jerry Nobile of Mississippi were kind enough to share their unique takes on preparing our favorite finfish.

We are particularly pleased with the creation of a new monthly recipe wall calendar. It offers a dozen seasonal variations of catfish dishes sure to keep consumers coming back for more!

And in celebration of our 30th anniversary, a unique hardbound cookbook celebrating the work of The Catfish Institute was also created. To pull this showpiece together, we scoured through our archives of the hundreds of recipes that have been developed over these last three decades, narrowing them down to our 100 favorites, which are included in this commemorative book.

National Catfish Month

To celebrate August as National Catfish Month, our marketing and public relations campaign included outreach through our social media platforms; regional radio features by the 2016 Catfish Farmers of the Year; nationally broadcast television segments; and print ads in regional publications.

The radio ads aired throughout the month of August on a broad network of stations across Alabama, Arkansas, Louisiana and Tennessee. These ads are designed to build industry pride, recognize our farmers and their families, and create awareness and drive demand among our consumer base.

TCI again continued its sponsorship of the Mr. Food Test Kitchen®, a nationally syndicated cooking television show targeted toward home cooks. Mr. Food airs daily in more than 130 TV markets nationwide and reaches over 5.5 million viewers each

For more recipes, visit uscatfish.com

Each year, TCI produces a new “Favorite Recipes” brochure featuring the industry’s Catfish Farmers of the Year.

<table>
<thead>
<tr>
<th></th>
<th>Crunchy Baked Catfish</th>
<th>Southern Fried Catfish</th>
<th>Pan-Fried Catfish</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>John Farmer</strong></td>
<td><strong>Bubba Drury</strong></td>
<td><strong>Jerry Nobile</strong></td>
<td></td>
</tr>
<tr>
<td><strong>SERIES 4-6</strong></td>
<td><strong>SERIES 4-6</strong></td>
<td><strong>SERIES 4</strong></td>
<td></td>
</tr>
<tr>
<td>4 to 6 U.S. Farm-Raised Catfish Fillets</td>
<td>4 to 6 U.S. Farm-Raised Catfish Fillets</td>
<td>4 to 6 U.S. Farm-Raised Catfish Fillets</td>
<td></td>
</tr>
<tr>
<td>2 cups Kellogg’s® Rice Krispies</td>
<td>1 package ZATARAIN’S® Seasoned Fish Fry</td>
<td>2 tablespoons butter</td>
<td></td>
</tr>
<tr>
<td>1 cup mayonnaise</td>
<td>1 package ZATARAIN’S® Seasoned Fish Fry</td>
<td>2 tablespoons melted butter</td>
<td></td>
</tr>
<tr>
<td>Salt and pepper to taste</td>
<td>Salt and pepper to taste</td>
<td>2 teaspoons Tony Chachere’s Original Creole Seasoning</td>
<td></td>
</tr>
</tbody>
</table>

PREHEAT oven to 350°F. CRUSH Kellogg’s® Rice Krispies in a large resealable bag until fine. PAT catfish fillets dry with paper towels; COAT generously with mayonnaise, and cover both sides with crushed Rice Krispies. PLACE skin side down on cooking rack above a roasting pan, and SEASON with salt and pepper to taste. BAKE for 30 to 40 minutes or until fish flakes easily.

Fill deep fryer with peanut oil and heat to 350°F. CUT catfish fillets into strips. SPRINKLE with Tony Chachere’s seasoning. FRY catfish strips in hot oil until light-golden brown, approximately 7 minutes. DRAIN on paper towels. SERVE with hush puppies, baked beans and fresh cabbage slaw for a classic Southern dish.

In a medium bowl, MELT together flour, cornmeal and Tony Chachere’s seasoning. PLACE catfish fillets into mixture, coating both sides. MELT butter in an electric skillet on medium-high. COOK fillets for 6 to 8 minutes on each side. SQUEEZE lemon juice over fillets while cooking. When done, fish should easily flake with a fork. DRAIN on paper towels. SEASON with salt and pepper, and GARNISH with fresh lettuce.

FOR MORE RECIPES, VISIT USCATFISH.COM
day. Two new, nationally televised Mr. Food programs featuring U.S. Catfish aired during the month of August. An additional episode aired during mid-December.

The popular Cooking Up Louisiana Treasures television program also produced a special episode for National Catfish Month again this year. This syndicated series airs across a network of stations throughout the state of Louisiana, with additional outflow into Arkansas, Mississippi and Texas. The Louisiana Department of Agriculture co-sponsors the program, and Commissioner Mike Strain, a longtime catfish industry supporter on both the regional and national levels, helps to co-host many of the segments.

Social Media
Thanks to carefully targeted outreach and timely posts throughout the year, TCI’s Facebook following grew by more than 20-percent in 2016, now boasting nearly 90,000 fans, along with steady rates of growth occurring on our Twitter and Pinterest pages. We value the opportunity to interact directly with the public through these platforms and look forward to continuing work in these areas.

Fall & Winter Media Campaign Television
Each year, the autumn months begin a decline in demand for U.S. Farm-Raised Catfish, both in restaurants and at retail markets. To combat this downturn, TCI developed a Fall & Winter media campaign meant to draw the attention of consumers during the prime “ham and turkey season”.

The advertising schedule began with
a strong TV campaign in key markets across our primary consumption areas. Research shows that limited marketing funds are better spent attracting existing customers to eat more product, rather than spent exclusively attracting new, untapped customers.

Additional research continues to show that family gatherings are at the core of the hearts and minds of catfish lovers, regardless of age, race, income or geographic location. Our recently created television spots utilize this information as we seek to influence the purchasing decisions of current and future generations.

We maintained our presence on the Wrangler Network, the new broadcast home of North America’s greatest rodeos. The online-only streaming TV network has opened the door to millions of rodeo fans across the continent, as U.S. Catfish became a major sponsor in hopes of reaching, perhaps, the nation’s most patriotic audience with our “All-American” marketing messages.

And, as read about earlier in this report, we also maintained our national television outreach through the syndicated Mr. Food Test Kitchen® program. With an episode specifically designed to air during the holidays, this show continues to thrive, reaching more than 5 million households daily.
Radio
An additional radio campaign also ran during this autumn timeframe. Our 2016 Farmers of the Year radio spots aired, as did spots that built awareness of our successful Country of Origin Labeling laws for catfish served in restaurants across five states—Alabama, Arkansas, Louisiana, Mississippi and Tennessee.

In addition, a tailgating radio spot ran throughout football season that encouraged fans to include U.S. Farm-Raised Catfish in their weekend sporting activities. This is a target market about which we feel strongly, and we will continue to explore new avenues of reaching them effectively and economically.

Outdoor
TCI also utilized its media relationships to secure a significant presence on outdoor billboards across the south. Many of these billboards are electronic, which allows for our message to be changed on a regular basis. Outdoor advertising provides an opportunity for our message to be brought to new audiences in an exciting way.

Seafood Expo North America
TCI is a longtime exhibitor at North America’s largest seafood trade show—Seafood Expo North America. Held in Boston, Mass., the annual show boasts an attendance of more than 20,000 seafood buyers, many of whom visit our booth and taste U.S. Farm-Raised Catfish for the first time.

The 2016 Catfish Farmers of the Year were all in attendance this year—Bubba Drury of Alabama, John Farmer of Arkansas, and Jerry Nobile of Mississippi. Our team shared the message of all-American quality, freshness and food safety, as well as extreme culinary versatility.

As always, we are appreciative of the time and effort donated by our farmers who traveled to Boston to provide first-hand knowledge of the industry, while providing a true show of force for the long-term viability and strength of U.S. Farm-Raised Catfish.

Mail-Rebate Program
TCI’s mail-in rebate program continued for a third year, thanks to a partnership with R&V Works’ Cajun Cookers. This Louisiana-based manufacturer of premium deep fryers, grills and smokers includes our rebate forms in every unit sold. By providing a $5 rebate on the purchase of two or more pounds of U.S. Farm-Raised Catfish, TCI is able to build brand awareness for our products and open doors for new and increased product sales nationwide.

Catfish App for Smartphones and Tablets
TCI continues to promote its new smartphone app, which allows catfish lovers to explore recipes, watch cooking videos and learn more about the U.S. Farm-Raised Catfish industry—all in the palm of the hand. The app is completely free and can be found by searching "U.S. Catfish" in either the Apple App Store or on Google Play for Android devices.

Industry Research
Each year, TCI partners with professional research firms in order to gain important consumer insight as to purchasing preferences, trends, flavor profiles, comparisons with competing species, and so on.

Additionally, TCI’s agreement with Auburn University to produce the monthly catfish processing and feed delivery reports continued in 2016. These reports provide timely, accurate, and comprehensive data that is crucial for the success of our industry.
Young Farmer Leadership Program

Now in its seventh year, the Young Farmer Leadership Program, which is co-funded by TCI and Catfish Farmers of America, brings together the next generation of catfish industry leaders for two days of seminars, roundtable discussions and team building. This year’s meetings were held at Mississippi State University in Starkville, Mississippi.

The connections made through the Young Farmer Leadership Program will serve these young farmers well into the future and equip them for roles as leaders of state catfish organizations, TCI, CFA and other associations in the catfish industry.

Government Relations

Beyond traditional marketing, TCI resources are also often utilized to assist with the industry’s federal lobbying efforts. The importance of TCI and CFA’s work in the fight for the USDA-FSIS catfish inspection program cannot be understated. This years-long fight has been successful, with
implementation of the inspection program beginning in 2016. However, many challenges remain on the horizon, and our efforts will continue for the foreseeable future.

**Foodservice Marketing**

For the third consecutive year, TCI’s relationship with Performance Foodservice Group led to the development of a successful national marketing program for U.S. Catfish.

These programs are always multi-pronged and involve educating the PFG sales staff, the restaurant owners, and the consumers about choosing domestic catfish products. We are pleased that our work has helped our foodservice partners move their focus toward the many premium quality products offered by the U.S. Farm-Raised Catfish industry.

**Public Relations**

TCI develops and distributes News Alerts throughout the year on many topics of importance to the catfish industry.
TCI’s goal is to represent the catfish industry with pride and to drive consumer interest, demand and loyalty for U.S. Farm-Raised Catfish.

Co-Marketing Programs
Now in its tenth year, the Partnership Program leverages the marketing dollars of TCI’s member processors and state marketing organizations to further promote the U.S. Catfish industry. This program provides reimbursement for 50% of applicable marketing costs—up to a set amount of $30,000 per processor and $10,000 per state organization, per calendar year.

These partnership dollars fund a variety of marketing programs such as billboard, television and radio advertisements; collateral materials; website development; and many other special promotions. All funding requests are reviewed to ensure validity and sound use of industry resources.

Another extremely popular and successful co-marketing initiative, known as the Sales Incentive Program,
provides up to $50,000 per affiliated processor for consumer-directed promotions in restaurant and grocery chains across the nation.

New partnerships with restaurant chains, local catfish houses, grocery store chains and high-end, white tablecloth establishments have opened doors for our processors as they seek to drive sales and broaden markets in the face of stiff competition from cheaper imports.

**Country of Origin Labeling Laws**

Several states—including Alabama, Arkansas, Louisiana, Mississippi, and Tennessee—currently require restaurants to identify the country of origin of the catfish they serve.

To make it even easier for consumers to obtain information when ordering catfish in restaurants, Alabama and Arkansas strengthened their country of origin labeling laws during the 2015 legislative session. Restaurants in each state now are required to identify the country of origin of both catfish and catfish-like species, including imported pangasius (also known as basa, tra and swai).

These newly improved laws are a huge win for consumer safety, but they must be enforced to be truly effective. With limited staffing for frequent inspections, each state requires our help to have a successful law.

Please be a conscientious consumer. When you are dining at a restaurant, take note of whether catfish, or catfish-like species, are being sold. If they are not properly labeled, please call your state agency, as listed in the accompanying sidebar.

**Goals and Tactics**

TCI’s goal is to represent the catfish industry with pride and to drive consumer interest, demand and loyalty for U.S. Farm-Raised Catfish. Our efforts reach across a wide variety of tactics within the field of “marketing”. We are constantly adapting and changing our efforts and our methods to suit the needs of the industry and the steady stream of new opportunities made available by constant innovation within the media world. We hope you will agree that the programs you’ve reviewed in this report are innovative, successful and worthy of your continued support.

TCI marketing efforts continue to grow in breadth, depth and effectiveness.
THE CATFISH INSTITUTE
P. O. Box 1669 ★ Madison, Mississippi 39130
6311 Ridgewood Road, Suite W-404 ★ Jackson, Mississippi 39211
Phone: 601.977.9559 ★ Fax: 601.977.9632
www.UScatfish.com