



State & National

Partnership

The Federation of State Beef Councils

2019 Investor Report

2019 Federation Division Board of Directors



Munns, Laurie	Chairman, UT	Lickley, Bill	Idaho Beef Council, ID
Wehrbein, Buck	Vice-Chairman, NE	Link, Sue	Colorado Beef Council, CO
Anderson, Rosemary	Nebraska Beef Council, NE	Lipscomb, Bill	Alabama Cattlemen's Association - Beef Council, AL
Bassett, Charles	Missouri Beef Industry Council, MO	Lyman, Alan	Region III - Federation, IL
Baxter, Keith	Missouri Beef Industry Council, MO	Maag, Douglas M	Oregon Beef Council, OR
Beverly, Joel	Florida Beef Council, FL	Maddock, Travis	Region VII - Federation, ND
Beyer, Jason	Texas Beef Council, TX	Martin, Nathan K	Missouri Beef Industry Council, MO
Bishop, Andy	Kentucky Beef Council, KY	Martinell, Kiley	Montana Beef Council, MT
Black, Dean	Iowa Beef Industry Council, IA	McClintock, Stacy	Kansas Beef Council, KS
Blalock Jr, Ralph	North Carolina Beef Council, NC	McGregor, Scott	Iowa Beef Industry Council, IA
Boydstun, Terry	Illinois Beef Council, IL	McMillan, Becca	Oklahoma Beef Council, OK
Bradshaw, Lee	Idaho Beef Council, ID	Miller, Sallie	Region V - Federation, CO
Brenny, Katie	Minnesota Beef Council, MN	Moorhouse, Ryan	Region IV - Federation, TX
Brown III, Austin	Texas Beef Council, TX	Moyer, Jaret	Kansas Beef Council, KS
Carter, Darren	South Carolina Beef Council, SC	Niess, Scott	Iowa Beef Industry Council, IA
Cooksley, George	Nebraska Beef Council, NE	O'Brien, Kyra	Kansas Beef Council, KS
Creighton-Smith, Kathy	Montana Beef Council, MT	Oeschger, Dale	Michigan Beef Industry Commission, MI
Crooks, Arin	Wisconsin Beef Council, WI	Para, Liz	Washington State Beef Commission, WA
Cutler, Michelle	Nebraska Beef Council, NE	Patton, Gary	Arkansas Beef Council, AR
Dalton, Jay	Nevada Beef Council, NV	Payne, Glenn	Oklahoma Beef Council, OK
Deering, Gary	South Dakota Beef Industry Council, SD	Payne, Gloria	North Dakota Beef Commission, ND
Dinis, Britt	Colorado Beef Council, CO	Pendleton, Mark	Region II - Federation, NC
Dvorak, Weston	North Dakota Beef Commission, ND	Price, Clark	North Dakota Beef Commission, ND
Ellis, Spencer	Wyoming Beef Council, WY	Ramm, James J	Nebraska Beef Council, NE
English, Sabrina	Hawaii Beef Industry Council, HI	Rechel, Lucy	Region VI - Federation, NV
Fanning, Tom	Oklahoma Beef Council, OK	Rehder, Steve	Iowa Beef Industry Council, IA
Ferguson, Jon C	Kansas Beef Council, KS	Robison, Allan	Ohio Beef Council, OH
Flowers, Shane	Montana Beef Council, MT	Rovey, Mark	Arizona Beef Council, AZ
Forester, Bryan	Texas Beef Council, TX	Rudolph, Jeff	Nebraska Beef Council, NE
Fountain Jr, Robert Q	Georgia Beef Board, GA	Rush, Ivan	Nebraska Beef Council, NE
Fuhriman, Joe	Utah Beef Council, UT	Scott, Brad	California Beef Council, CA
Gattis, Dan	Texas Beef Council, TX	Sullivan Georgiades, Kelley	Texas Beef Council, TX
George, Lynn	Wyoming Beef Council, WY	Temme, Douglas	Nebraska Beef Council, NE
Graham, Jamie	Ohio Beef Council, OH	Terry, Don	Tennessee Beef Industry Council, TN
Gwin, Mark	Virginia Beef Industry Council, VA	Thomas, Tracy	Kansas Beef Council, KS
Hanrahan, Daniel Patrick	Iowa Beef Industry Council, IA	Thomas, VeaBea	South Dakota Beef Industry Council, SD
Hastings, Brad	Texas Beef Council, TX	Thompson, John	Louisiana Beef Industry Council, LA
Hauck, Dana R	Kansas Beef Council, KS	Uselton, Russ	Tennessee Beef Industry Council, TN
Hellyer, Timmery	Wyoming Beef Council, WY	Wagner, Mark	North Dakota Beef Commission, ND
Horstman, Joe	Indiana Beef Council, IN	Walker, Steve	Region I - Federation, NY
Hurt, Tamara	New Mexico Beef Council, NM	Walth, Becky	South Dakota Beef Industry Council, SD
Jacobs, Spencer	Kansas Beef Council, KS	Weltmer, Philip	Kansas Beef Council, KS
Jeffcoat, Chris	Pennsylvania Beef Council, PA	Wiedel, Gregg	Nebraska Beef Council, NE
Johns, Flint	Florida Beef Council, FL	Wiley, Garry	Michigan Beef Industry Commission, MI
Johnson, Jeff	Idaho Beef Council, ID	Yanta, Zachary	Texas Beef Council, TX
Johnson, Joe	Mississippi Beef Council, MS	Yeoman, Byron	Oklahoma Beef Council, OK
Johnson, Laurie	South Dakota Beef Industry Council, SD		
Jones, Larry	Kansas Beef Council, KS		
Kane, Jess Morgan	Oklahoma Beef Council, OK		
Keith, Joel	Kansas Beef Council, KS		
Kellom, Andy	Montana Beef Council, MT		
Krutz, Ken	New York Beef Industry Council, NY		
Lastovica, Steven R	Texas Beef Council, TX		

STATE OF THE FEDERATION

Dear Fellow Producers,

For the beef industry, 2019 has been a year reinforcing the importance of having a Beef Checkoff. Let's face it: there are people who don't want consumers to eat beef, and who think you are wrong to produce it. Those people are getting more vocal.

The \$1-per-head national Beef Checkoff has worked to show those sentiments are misguided. Beef is a wholesome, nutritious, delicious product made possible by skilled and caring individuals who raise animals on sustainable operations in principled ways. We remain confident that in the end science and common sense will verify those positions, but in the mean time we need to do everything we can to share the facts and our stories with consumers and thought leaders through every channel.

USDA studies and consumer tracking research conducted by NCBA, a Beef Checkoff contractor, suggest our work has been successful to date. Since 2015 beef consumption has increased almost 10 percent, according to the USDA. Checkoff-funded Consumer Beef Tracker research shows that about two-thirds of consumers are very positive about beef, while very few have negative perceptions. Market research has shown that consumers trust farmers and ranchers and perceive them as knowledgeable and caring.

Those recent findings should not encourage us to rest on our achievements, however. We must remain vigilant in our work to educate consumers and encourage them to learn the truth about our industry and the beef we put on their – and our – tables.

Consumers aren't the only ones who have responded well to Beef Checkoff efforts. Producers are getting on the bandwagon as well. Our BQA programs are going at full speed, showing that producers understand the need to not just produce great beef, but to show consumers that we care about producing it. And our Master of Beef Advocacy (MBA) program has reached new heights in enlisting producers to educate consumers and thought leaders about beef's great properties the work they do to create high quality beef.

On the following pages you'll see stories about these programs and other work being done by NCBA as a contractor to the Beef Checkoff to build beef demand. This outreach extols the virtues of beef, and stresses the science, skill and care used by those who raise and produce it. It's more important than ever that we get the word out.

Yours truly,

Laurie Munns
 NCBA Federation Division Chair
 Hansel Valley, Utah



Federation of State Beef Councils Executive Committee

Chair	Laurie Munns, UT
Vice-Chair	Buck Wehrbein, NE
Region I	Steve Walker, NY
Region II	Mark Pendleton, NC
Region III	Al Lyman, IL
Region IV	Ryan Moorhouse, TX
Region V	Sallie Miller, CO
Region VI	Lucy Rechel, NV
Region VII	Travis Maddock, ND
Rev. Seat	Jaret Moyer, KS
Rev. Seat	Doug Temme, NE
Rev. Seat	Brad Hastings, TX



The Beef Promotion Operating Committee met September 10-11 to allocate checkoff funds for fiscal year 2020 checkoff programs. Federation members of the 20-member committee include: Front row, L to R: Chris Jeffcoat, PA; VeaBea Thomas, SD; Buck Wehrbein, NE; Laurie Munns, UT; Katie Brenny, MN. Back row, L to R: Don Terry, TN; Jeff Rudolph, NE; Gary Deering, SD; Brad Hastings, TX; Clark Price, ND.

STATE OF THE FEDERATION

MBA Closes the Information Gap Between Beef and Consumers

Bringing Pasture and Plate Closer Together

Many consumers today have an increasing interest in the beef they eat and how cattle are raised. Market research tells us that consumers trust cattle producers, even if they don't know exactly what they do or why they do it.

The Masters of Beef Advocacy (MBA) program from the National Cattlemen's Beef Association, a contractor to the Beef Checkoff, was created 10 years ago to help close the gap between pasture and plate by engaging beef industry advocates and equipping them to effectively communicate with consumers. The program recently achieved a milestone of 15,000 graduates, making it one of the strongest beef advocacy efforts in the industry. Each year, advocates reach tens of millions of consumers as a result of their advocacy efforts.

"Participation in the MBA program is open to anyone," says Ryan Goodman, director of grassroots advocacy and spokesperson development for the National Cattlemen's Beef Association, a contractor to the Beef Checkoff. "This includes everyone from those working in the beef industry to consumers interested in helping others learn more about beef and how cattle are raised."

"A more complete knowledge of beef and where it comes from is a benefit to the entire beef chain, from pasture to plate," adds Laurie Munns, a cattle producer from Hansel Valley, Utah, and chairman of the Federation of State Beef Councils, a division of NCBA. "Helping convey that information to others in a consistent, confident manner adds to the value we deliver to beef consumers."

To become an MBA graduate, a series of online lessons must be completed. Those lessons explore the beef lifecycle and answer questions consumers commonly ask about beef production. Advocates then continue to engage with the program through monthly advocacy newsletters and an exclusive Facebook community where updates are provided on the latest consumer trends and beef research.

For cattle producers it has been a highly rewarding experience. "It's a way to be part of the solution – to get our story out," says Joan Ruskamp, an MBA graduate who, with her husband Steve, owns a farm/cattle feedlot in Nebraska. "We are using science to validate that cattle are good for the environment, and beef is good for the diet."

Ruskamp, who served as chairman of the Cattlemen's Beef Board in 2018,



says the MBA program is giving producers and others who support the beef industry – including chefs, retailers, processors and others – terrific elements of support. “It’s not as if we’re expecting them to do this on their own without any training,” she says.

Furthermore, she says, the broad nature of the program encourages individuals at every stage of the beef production chain to get involved. “It features much more inclusiveness and increases understanding of all elements of getting beef to the table,” she says. “It is really about lifting all boats.”

“My life experience has been as a producer on a farm,” says Ruskamp. “The MBA program has provided me with the resources I need to communicate about that, focusing on the message and being succinct. It helps me stay positive, and on topic, and provides me the tools and techniques to be successful. And it lets me practice them.”

“It helps provide all of the important information about how beef gets from pasture to plate,” says Dawn Caldwell, who with her husband Matt, owns a commercial cow-calf operation based in Edgar, Neb. “It teaches us how to reach more people, to interact with them effectively, whether it’s writing powerful opinion pieces, making personal contacts with consumers or other ways of reaching out. It provides the basics of what we need to tell our story.”

MBA graduate Debbie Lyons-Blythe, who with her husband Duane, operates Blythe Family Farms LLC in the Flint Hills of Kansas, started a blog of her own about a decade ago to reach food professionals. She was one of the first to get involved in the MBA program. Lyons-Blythe says the MBA program benefits everyone.

“The MBA program has opened many doors for me,” she says. “And it has done a spectacular job by empowering more people to step out of their comfort bubble,” she says.

Lyons-Blythe says the MBA program is about more than just the tools and techniques it provides. “The MBA program has enhanced peoples’ opinions of advocates,” she says. “We’re not just spending time on Facebook, we’re answering questions, we’re connecting with important audiences. It is providing credibility to our messages.”

In this way, consumers get to know the industry on a more personal level.

“People want to know the individual who does the work,” says Lyons-Blythe. “The goal is to be honest, to be open – to begin discussions to show that we’re people just like them.”

Caldwell, who was 2018 chair of the Federation of State Beef Councils, agrees the credibility issue is important to consumers. “It helps provide authenticity for information they’re getting,” she says. “They get a true, honest answer from us. And we learn how to be better communicators, explaining what we do more effectively.”

Ruskamp also agrees. “Communicating allows people outside of our industry to meet us,” she says. “I’m a real person sharing that story, not a machine. They sometimes forget there are people involved. With the help of MBA, we can help make it personal.”

She says her own goal is to make the communication with her audiences as easy and natural as possible. “I don’t want food to be a stressor,” says Ruskamp. “If we can build a positive connection – that it’s about us and them together – we can reduce the consumer’s stress around food.”

Answering Critical Questions

Answering questions is one thing; responding to critical questions in a manner that leads to positive conversations with consumers can sometimes be more difficult. Graduates who have reached out to consumers recognize there are individuals who don’t necessarily want to become engaged in discussions.

“There are people out there who have their own agenda,” says Ruskamp.

“Some don’t want us doing what we do. But as long as I keep going back to my story – that we care for our animals and have pride in the work we do – and we connect with people about our values, we’ll be successful.”





Ruskamp experienced that directly several years ago when she was on a Food for the Future panel in New York. “I was definitely in an antagonistic environment for meat and modern agriculture,” she says. “Initially I was shunned by many people. But I had help from the Beef Checkoff and NCBA and MBA staffers, who provided me support and information. I learned that if you stay with the person in the discussion, and not focus solely on the problem, you can have an impact.”

“The second morning of the panel the topic turned to antibiotics. I made the case that we as producers care about this issue and want to use antibiotics for the right reasons. I stressed that we all have the same goals and values. The conversation started to shift. I had people coming up to me after the panel to continue the discussion.”

Lyons-Blythe says not everyone will be open to the industry’s message. “But it’s the ones watching the back-and-forth that I’m trying to reach. When you make that one positive connection, you’ve been successful,” she says. “You are enhancing trust and showing that we all want good, safe food.”

The More the Merrier

Reaching 15,000 MBA graduates “is an impressive number,” says Caldwell, but it shouldn’t be the last word. “My wish would be that every one of the 800,000 beef producers in this country would be an MBA graduate,” she says. “Sure, it can be scary to put yourself out there. We’re certainly more comfortable on our farm or ranch. But the more producers that have these skills the better off we all are.”

“We’re outnumbered,” says Ruskamp. “Every person who has cattle is charged with telling the story and should get involved to tell it.”

She goes on to say that there is strength in numbers. “It takes every single voice,” says Ruskamp. “You don’t know when that one additional voice will have an impact. Everyone has something to offer.”

Lyons-Blythe says the 15,000 MBA graduates are making a difference, but if everyone got involved it would give the program a boost. “It’s up to every single one of us,” she says. “Yes, it’s the tools, the confidence, the information. But it’s also a mindset.”

Caldwell says MBA is one of the programs that can bring the industry together. “Regardless of the segment of the industry you’re in, or which organizations you belong to, MBA is absolutely for everyone,” she says. “In fact, MBA and the Beef Quality Assurance program are at the core of our industry working together. Thank goodness for the Beef Checkoff that funds these kinds of programs.”

Today, as an extension of the program, NCBA, a contractor to the Beef Checkoff, also partners with State Beef Councils to host training workshops that offer graduates more in-depth training, tactical communication skills and provide greater confidence to successfully engage with consumers, both in person and online. More than 70 of these workshops and presentations, reaching more than 3,000 beef advocates, were completed in 2018. More information on the program can be found at MastersOfBeefAdvocacy.com.

About the Beef Checkoff



The Beef Checkoff Program was established as part of the 1985 Farm Bill. The checkoff assesses \$1 per head on the sale of live domestic and imported cattle, in addition to a comparable assessment on imported beef and beef products. States may retain up to 50 cents on the dollar and forward the other 50 cents per head to the Cattlemen’s Beef Promotion and Research Board, which administers the national checkoff program, subject to USDA approval.

About NCBA, a Contractor to the Beef Checkoff

The National Cattlemen’s Beef Association (NCBA) is a contractor to the Beef Checkoff Program. The Beef Checkoff Program is administered by the Cattlemen’s Beef Board, with oversight provided by the U.S. Department of Agriculture.

Engaging State Beef Quality Assurance

Leaders Expands Value of Program’s Efforts

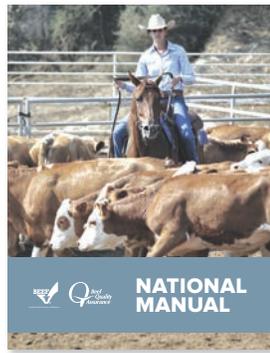


Beef Quality Assurance, which benefits consumers by providing systematic, useful information to U.S. beef producers, stepped up its game in 2019 by engaging the program’s leaders numerous times at the state level.

Through summer meetings of its advisory group and a summer session for state coordinators, along with BQA Train the Trainer Meetings in five states, BQA staff and participants stimulated more knowledge of BQA principles and strengthened the nationally coordinated and state implemented program.

BQA features guidelines designed to assure that all beef consumers can take pride in the beef they purchase, thereby improving trust and confidence in the entire beef industry. The common-sense husbandry practices and accepted scientific knowledge it advocates encourage cattle to be raised under optimum management and environmental conditions. BQA is supported by the Beef Checkoff and managed by staff at NCBA, a Beef Checkoff contractor.

During its two in-person BQA meetings the Advisory Group, made up of about 25 beef producers as well as veterinarians, animal and meat scientists, attended two in-person meetings that reviewed the latest industry research and issues and provided directions for BQA staff. The group also holds two virtual meetings a year.



In the summer BQA state coordinators were brought together in Fort Collins, Colo., to network and collaborate on BQA programs.

The 60 coordinators participated in a cattle industry tour, heard BQA program updates, discussed consumer perceptions of BQA, learned about packer perspectives of the program, discovered the value of BQA in video auctions of calves and feeder cattle, shared information with other state coordinators and held conversations to help increase program collaboration.

Meanwhile, five Train the Trainer meetings were held to enhance consistency in BQA training delivery and increase state/national program coordination and cooperation. The meetings were held in Ames, Iowa; Pittsburgh, Penn.; Stillwater, Okla.; Calhoun, Ga.; and Boise, Idaho. Both BQA coordinators and local trainers participated in the sessions, where new training materials based on the recently-developed BQA manual were distributed. 🐾

“BQA is a good example of Beef Checkoff demand-building work because it demonstrates to consumers how serious the beef industry is about doing the right thing and delivering the best possible product to their plates,” says Steve Boyles, extension beef specialist at The Ohio State University and a BQA state coordinator. “The 2019 BQA Train the Trainer programs are about idea sharing and on how best to relay those BQA principles.”

Utilizing New Tools to Share Beef’s Benefits

Today the beef industry must explore the most contemporary ways of communicating to consumers with information on beef’s nutrition, ease of preparation, taste and convenience. It must also show consumers who is responsible for delivering this great product to their tables. And it must do all that in a way that engages today’s consumers.

In fact, one of the key priorities for the industry’s Long Range Plan is to revolutionize the beef marketing, merchandising and shopping experience. The Beef Checkoff Program has helped keep up with the quickly evolving marketing landscape by introducing a new artificial intelligence tool called Chuck Knows Beef. Powered by Google Artificial Intelligence, Chuck Knows Beef is a guide to all things beef – recipes, cooking tips, cut information, production background – and can help source customized responses from content found on the *BeefItsWhatsForDinner.com* website. He has the knowledge of a rancher, the skills of a chef and the sense of humor of a Dad.

Chuck Knows Beef was built on a solid foundation of cutting edge beef promotion that started more than 25 years ago, when the Beef Checkoff Program gave birth to an iconic consumer brand: *Beef. It’s What’s For Dinner.* At that time, it featured celebrity voices and Aaron Copland’s famous “Hoe-Down” from



Rodeo, hitting the airwaves with a force that pushed beef to the forefront of consumer advertising and into the center of the dinner plate.

In 2014 the checkoff’s advertising efforts went 100 percent digital to reach more consumers, particularly older millennial parents, who are more digitally connected.

As a contractor to the Beef Checkoff Program, the National Cattlemen’s Beef Association refreshed and re-launched the long-loved *Beef. It’s What’s For Dinner.* brand in 2017 – an ideal time given that per capita beef consumption was on the rise. Today the brand focuses on promoting beef’s greatest strengths: the unbeatable taste of beef, the people and production process behind beef, the variety and ease of cooking beef, and the nutritional strength that beef provides. These are unique attributes beef has when compared to other protein sources.

Complete with an updated logo, a new digital website *BeefItsWhatsForDinner.com* answers questions consumers have about beef from pasture to plate. Coupled with the strongest assets from the brand’s 25-year history – the tagline, the Rodeo music and the strong male voice in advertising – the refreshed *Beef. It’s What’s For Dinner.* brand had more than 160 million consumer touchpoints last year. During that time, more than 11 million people visited the new website, which has answers to the questions consumers have about beef.

Chuck is Born

Over the past year the NCBA team explored emerging trends around smart speakers, such as the Google Home and Amazon Alexa.



Today there are more than 50 million smart speaker owners in the United States, an accomplishment that took a mere two years. (To put that into context, it took television 13 years to reach 50 million owners.) In 2019 *Beef. It’s What’s For Dinner.* took another step with the addition to the family of *Chuck Knows Beef.* He brings the brand to life through knowledge and personality, making *Beef. It’s What’s For Dinner.* even more accessible.

Checkoff strategists saw this as an opportunity to connect beef information from *BeefItsWhatsForDinner.com* through a tool that could reach even more beef consumers and potential beef consumers. *ChuckKnowsBeef.com* can be accessed through a mobile phone browser or a desktop. Consumers just type a question into the site. For example, to see its sense of humor they may type in “Where’s the beef?” Or, to learn more about a popular cut identified by the Beef Checkoff they may ask, “What is the Flat Iron Steak?” If they want to know what Chuck thinks about other proteins, they can ask, “What do you think of Chicken?”

Chuck always has an answer. Utilizing smart speakers and the *ChuckKnowsBeef.com* site, consumers can get information on choosing the right cut of beef, a cooking method or a recipe. In a 2016 consumer survey, 70 percent of people agreed that technical support would be helpful when shopping for beef. Another 65 percent agreed it would influence their purchasing decision.

Like the *BeefItsWhatsForDinner.com* website before it, *Chuck Knows Beef* represents a prime opportunity for the beef industry to help increase consumer demand, giving consumers confidence and tips they need to select and prepare beef. It’s how the Beef Checkoff Program is keeping up with today’s shoppers and giving beef lovers – and potential beef lovers – the help they need in enjoying their favorite meals. 🐾

Guidance to Retailers Selling Beef Online

Retailers, like consumers, have a lot on their plates. For the beef industry it sometimes pays to provide a little educational assistance that will boost beef sales in retail stores.



To that end, a Beef Checkoff-funded test using Instacart, the largest third-party grocery delivery service in North America, is providing additional insight for retailers into the value of this platform to promote beef. The tests, one online and the other based on inserts in customer grocery bags, were funded through the Federation of State Beef Councils, and the project is being managed by NCBA, a Beef Checkoff contractor.

In the spring, the checkoff ran a digital test that measured the effectiveness of Chuck Knows Beef messaging in the online meat aisle on increasing beef sales on the Instacart platform. One message focused on Chuck's knowledge of recipes while the other addressed Chuck's replicating the friendly knowhow of the meat counter. The recipe message drove an average relative sales lift of just under 36 percent, while the meat counter messaging increased beef sales more than 28 percent.

In addition, the messaging drove Instacart customers to try buying beef online, with more than 30 percent of purchases through the Instacart platform made by customers who hadn't purchased beef on the site's marketplace in the past year. About a quarter of the customers were new to the beef category.

The summer's digital campaign featured a mix of Nicely Done ads, including the "Nicely done, beef. You've proven that meat substitutes are just that. Substitutes." message across the digital marketplace in the poultry, packaged meat, hot dog, bacon and sausage, condiment, and meat/beef aisles. Meanwhile, more than 46,000 inserts were placed in customers' bags in Boston, Houston, Los Angeles, Minneapolis, New York City and Washington, D.C., with a recipe card that directs shoppers to the *BeefItsWhatsForDinner.com* website.

Retailers will benefit from knowledge about how beef sales are being promoted through digital channels such as Instacart. Research shows that in-store shopping carts with beef purchases consistently have a higher value than carts without beef or with beef substitutes, and carts that include beef products produce 44 percent more sales throughout an entire store than carts with chicken. 🍖

Nicely Done, Beef! You've Created a Hit with Consumers

As part of the *Beef. It's What's For Dinner.* brand relaunch, a series of new creative digital advertisements and videos were created to appeal to a younger generation by being more edgy, bringing back some of the beef swagger with tongue-in-cheek humor and clever plays on words. Utilizing the tagline, "Nicely done, beef," the new ads are meant to communicate that beef is the number one protein and position beef's core benefits – the stories of the amazing people who raise beef, the strength and nutritional benefit beef provides and the unbeatable taste of beef.

For example, one of the ads – "Nicely done, beef. You've proven that meat



substitutes are just that – substitutes.", subtly suggests that meat substitutes can't beat beef while another ad "Nicely done, beef. You keep

the land optimized and fertilized." showcases the environmental benefits of raising beef. Yet another, "Nicely done, beef. You might be the only meat that gets better with age.", showcases the great taste of beef. The new ads allow beef to bring the

primary messages about taste, nutritional value and the amazing stories of the people who raise it, to the consumer with one brand voice, look and feel.

In addition to the still ads, a series of nine videos were produced to bring this new creative into a video format. The videos, which are available on the *Beef. It's What's For Dinner.* YouTube channel, feature families and individuals enjoying beef meals, accompanied with the tongue-in-cheek humor.

Sound, too, plays a key role in the videos. One very popular three minute video – which has been viewed more than 1.2 million



times in just five months on YouTube – contains only the sight and sound of a Strip Steak sizzling in a cast iron pan. The video captures sights and sounds that make consumers' mouths water in a way that only beef can. Copland's Rodeo music features prominently at the end of the videos as the exclamation point to the brand.

The ads and videos are being promoted to consumers, targeting those older millennial parents and consumers in the 20-44 age range, through social media and digital advertising, including Facebook, Instagram, Pandora radio, on premium websites, such as *FoodNetWork.com* and more. Additionally, the team is reaching millions of consumers through online television, such as YouTube and Hulu (a streaming television service) by showing these ads during online television shows such as "This is Us" and "Modern Family." Midway through the year, the new *Beef. It's What's For Dinner.* brand had more than 120 million consumer touchpoints through these social media and digital advertisements alone. 🍖

Virtual Reality Beef Ranch Tours Expand to Global Audiences

Tours now available with translated 360-degree views.

To share more about beef farming and ranching with audiences across the globe, *Beef. It's What's For Dinner.* has made its virtual ranch tours available in Korean, Japanese, and Spanish. The project is made possible by the U.S. Meat Export Federation and National Cattlemen's Beef Association, contractors to the Beef Checkoff, and Iowa Beef Industry Council. It offers a variety of new audiences an opportunity to virtually experience the U.S. beef industry and production practices.

"International customers are very interested in the story behind U.S. beef, but most live in large cities and have never seen the clean open spaces where cattle are raised," said Dan Halstrom, USMEF president of CEO. "These videos allow international audiences to feel like they are right in the middle of daily life on a family ranch or farm, and a key component of that story is the tremendous care that goes into raising the animals. These families make the investments necessary to raise the finest beef in the world."

"As we expand our global reach and share where U.S. beef comes from with international consumers, this is an opportunity to provide an in-depth look at beef production using modern technology," said Chris Freland, executive director of Iowa Beef Industry Council.

The three translated 360-degree videos feature Iowa operations and virtually

transport the viewer to a ranch to learn more about how cattle are raised, including the ways beef farmers and ranchers care for the environment and their animals. The 360-degree videos were created by NCBA and debuted in English last year at the Food & Wine Classic in Aspen. They are available on the *Beef. It's What's For Dinner*. website. 🐾

Beef. It's What's For Dinner. Captures Prime Partnership with MasterChef Series

Beef was the star on Fox's MasterChef July 18 episode, thanks to a partnership with the Beef Checkoff-funded *Beef. It's What's For Dinner*. campaign, which is managed by the National Cattlemen's Beef Association, a Beef Checkoff contractor. In a Backyard Beef BBQ challenge, contestants focused on grilling the best dish that featured beef as the main attraction. The partnership was made possible through a checkoff investment from the Federation of State Beef Councils.



In the MasterChef event, chefs selected from a flank steak, hanger steak, flat iron steak, bone-in ribeye, flanken-style short ribs or center-cut strip steak. In addition to prime-time show coverage, BeefItsWhatsForDinner.com and social media provided images of the winning recipe, and winning contestant clips from the show appear on the BeefItsWhatsForDinner.com website, in digital advertising and on social media.

Beef. It's What's For Dinner. social media was active before, during and after the show. A pre-show social post utilized videos of grilling from the show. *Beef. It's What's For Dinner*. posted short stories on Instagram to generate interest in the show and drive viewership. The BeefItsWhatsForDinner.com website encouraged visitors to tune in to the July 18 show. About 2,000 subscribers of the Beef So Simple e-newsletter also were invited to tune in.

On the day before and the day of airing, posts included both MasterChef imagery and *Beef. It's What's For Dinner*. messaging. Fun social media stamps were created and reposted to allow fans to post on their own. The winner, Sarah Faherty of Texas, was congratulated, and her recipe highlighted. Links to the award-winning recipe, which featured a Tomahawk Steak, were shared with fans. Finally, favorite beef cuts of MasterChef judges with links to recipes on the BeefItsWhatsForDinner.com website were provided.

“This was a great opportunity to feature traditional and new beef cuts on a highly popular network television cooking show,” says Alisa Harrison, NCBA senior vice president of global marketing and research. “We were thrilled to be able to work with some of the nation's up-and-coming chefs, as well as well-known and celebrated chef judges, to bring beef to a national audience through the show and associated digital *Beef. It's What's For Dinner*. properties.” 🐾

Significant Returns on Checkoff Investment

A 2019 economic study conducted by the Cattlemen's Beef Board found that for every dollar invested in the national portion of the Beef Checkoff from 2014 - 2018 beef producers and importers received \$11.91 in producer profit.

“An Economic Analysis of the Cattlemen's Beef Promotion and Research Board Demand-Enhancing Programs” was conducted by Harry M. Kaiser, Ph.D., a Gellert Family Professor of Applied Economics and Management at Cornell University.

The study measured the impact of CBB demand-enhancing activities on beef demand in the United States and in foreign markets, and compared benefits to costs of CBB activities for producer and importer investments in the national checkoff program.

According to the research, had there not been any domestic checkoff demand-enhancing activities over that five-year period, total domestic beef demand would have been 14.3 percent lower. NCBA is a contractor to the Beef Checkoff. 🐾

Boosting Beef with A Real Ninja Warrior

Season 11 of NBC's American Ninja Warrior television show wasn't so kind to fan-favorite and talented cowboy ninja Lance Pekus. He didn't qualify for the finals.

Nevertheless, Lance proved to be a terrific competitor on the program, and a wonderful communicator for beef during the year. The Idaho cattle producer not only competed on the show, which has more than 6 million viewers per episode on NBC, he appeared in numerous locations throughout the country during the year to help promote the *Beef. It's What's For Dinner*. fitness and nutrition.



Pekus has been a brand ambassador for the Strength element of the *Beef. It's What's For Dinner*. campaign. In his appearances he and his cheering squad proudly wore custom Beef. It's What's For Ninjas. t-shirts that had the *Beef. It's What's For Dinner*. logo prominently on display. Throughout the year Pekus talked to consumers and media about how proud he is to be a member of the beef community, how valuable beef production is to American society and the contributions beef makes to good nutrition and family meals.

In addition to the television show, personal appearances and strong brand placement, the team at NCBA, a Beef Checkoff contractor, leveraged social and digital media to push Lance's stories out to the masses by creating a series of digital ads and videos that featured his workouts at home at his Idaho ranch. The content championed his ranch background and showed how beef is a food that provides strength to him and his family. The videos were promoted on digital platforms such as Hulu, YouTube, Instagram and other premium websites.

A great news story, Lance and the Cowboy Ninja Warrior helped lead consumers to a better understanding of fitness, ranch life and nutritional aspects of beef. 🐾

2019 Federation Expenses

For the year ending 09/30/2019



	BPOC/CBB	Federation	Total	Percent Federation
Revenue				
BPOC/Federation	\$36,870,361	\$9,314,605	\$46,184,966	20%
Customer Service	—	199,962	199,962	100%
Other	58,214	31,404	89,618	35%
Total Revenue	36,928,575	9,545,971	46,474,546	21%
BPOC Program Expenses				
Promotion	9,954,022	3,615,126	13,569,148	27%
Research	8,783,262	1,730,646	10,513,908	16%
Consumer Information	6,628,313	797,031	7,425,344	11%
Industry Information	3,211,995	188,189	3,400,184	6%
Foreign Marketing	8,292,769	550,062	8,842,831	6%
Total BPOC programs expenses	36,870,361	6,881,054	43,751,415	16%
Non-BPOC Program Expenses				
Federation Relations (a)	—	2,032,097	2,032,097	100%
Customer Service	—	465,321	465,321	100%
Governance (b)	—	790,423	790,423	100%
Other	58,214	—	58,214	0%
Total Non-BPOC program expenses	58,214	3,287,841	3,346,055	98%
Total expenses	\$36,928,575	\$10,168,895	\$47,097,470	22%
Net Use of Reserves (c)	—	(\$622,924)	(\$622,924)	100%

(a) Federation Relations includes expenses associated with services and materials provided to State Beef Councils.

(b) Governance includes expenses associated with meetings and travel for NCBA's Officers, Board, Executive Committee and other committee members charged with governing the association. Governance costs are allocated to Federation and Policy divisions accordingly.

(c) Use of reserves to remaining Federation expenses required to complete multi-year programs and State Beef Council support.



Summary of State Beef Council Investments

For the year ending 09/30/2019

State Beef Council	Beef	USMEF Prioritized	USMEF Earmarked	NCBA Earmarked	SBC Revenue
Alabama	20,000	-	-	-	20,000
Arizona	20,000	-	-	20,000	40,000
Arkansas	26,000	-	8,600	-	34,600
California	23,000	-	8,600	-	31,600
Colorado	29,000	29,000	8,600	-	66,600
Florida	40,000	-	-	-	40,000
Georgia	14,000	-	-	-	14,000
Hawaii	1,014	-	-	-	1,014
Idaho	89,000	109,400	-	98,000	296,400
Illinois	19,000	-	-	5,000	24,000
Indiana	14,000	-	-	-	14,000
Iowa	530,000	100,000	8,600	105,000	743,600
Kansas	2,346,563	-	-	15,000	2,361,563
Kentucky	126,000	-	8,600	-	134,600
Louisiana	5,000	-	-	-	5,000
Michigan	28,000	-	-	20,000	48,000
Minnesota	26,000	-	8,600	10,000	44,600
Mississippi	23,000	-	-	-	23,000
Missouri	296,652	-	17,200	46,000	359,852
Nebraska	1,655,680	468,293	8,600	65,000	2,197,574
Nevada	11,278	-	-	-	11,278
New Mexico	29,000	-	8,600	-	37,600
New York	17,000	-	-	-	17,000
North Carolina	14,000	-	-	-	14,000
North Dakota	476,703	-	-	25,000	501,703
Ohio	17,000	17,000	-	35,000	69,000
Oklahoma	336,000	66,000	-	30,000	432,000
Oregon	23,000	-	-	-	23,000
Pennsylvania	17,000	-	-	-	17,000
South Carolina	3,962	-	-	-	3,962
South Dakota	248,283	100,000	17,200	-	365,483
Tennessee	46,000	-	-	-	46,000
Texas	1,575,000	491,400	8,600	-	2,075,000
Utah	23,000	-	-	85,000	108,000
Virginia	20,000	-	-	-	20,000
Washington	20,000	-	-	-	20,000
Wisconsin	26,000	-	-	3,500	29,500
Wyoming	160,000	-	43,000	-	203,000
	8,395,135	1,381,093	154,800	562,500	10,493,529
Deferred Investments	(333,348)	(991,576)	-	141,314	(1,183,610)
Totals	8,061,787	389,517	154,800	703,814	9,309,919

