



2018 Arizona Beef Council Annual Report

Building beef demand by inspiring, unifying and supporting an effective state and national checkoff partnership.

Dear Fellow Beef Producers:

Just as you are dedicated to raising beef across the state, your Arizona Beef Council (ABC) is dedicated to working hard for you. I hope you enjoy the highlights in this report of the programs and outreach from your beef checkoff in Arizona as well as national partners who work to drive beef demand across the country and abroad.

The ABC board, representing Arizona cattle growers, cattle feeders and dairymen, annually creates a focused marketing plan to direct the year's educational programs, retail and foodservice marketing, and consumer marketing. If it wasn't for the support of Arizona's cattlemen and dairymen, these excellent programs would not have the incredible impact you will see in this report.

Though it is impossible to capture all our talented staff accomplishes in this report, please enjoy the highlights from 2017-2018 and the important partnership between our state beef council and the national Beef Checkoff Program. You will see that the ABC staff reaches consumers in many new and diverse ways promoting the most delicious, safest, and nutritious protein: beef. Check out our website and enjoy the blogs dedicated to raising beef in Arizona.

ABC continues to join forces with the Arizona State Cowbelles, who are dedicated to extending beef messaging across the state. Kudos to the Cowbelles for their continued enthusiasm to promote beef and ranching.

As the beef checkoff's flagship slogan "Beef. It's What's for Dinner." comes back to the forefront, it's a reminder of the staying power and strength that beef holds. The years and technology may change, but the high-quality essential nutrients and satisfaction that beef provides remains the same. That's why beef will always be "what's for dinner," breakfast, lunch, and a few snacks in between.

Jim Webb

Arizona Beef Council Chairman

ABC Board of Directors

James Webb, Cattle Grower, Chairman

Linda Brake, Cattle Grower

Tim Cooley, Cattle Feeder

Dean Fish, Cattle Grower

Norman Hinz, Cattle Feeder

Wesley Kerr, Dairyman

Mary Jo Rideout, Cattle Feeder

Mark Rovey, Dairyman

Arizona Federation Director

Norman Hinz

Cattlemen's Beef Board Member

Mary Jo Rideout

Staff

Lauren Scheller Maehling, Executive Director

Tiffany Selchow, Director of Social Marketing and Consumer Outreach

Maria Cadena, Executive Administrative Assistant



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Beef in the Classroom

In its seventh year, the Beef Up the Classroom grant program broke records for success. This program allows teachers the opportunity to use beef in their culinary or agriculture classes, despite intense budget cuts, which might lead to a decrease in beef use or overall hands-on labs. Teachers from around the state of Arizona are offered the chance to apply for a \$75 reimbursement grant. Inventive teachers are using this program to teach students about the cuts of beef, how to prepare a white table cloth dinner, and to encourage more cooking at home with their families. In the 2017-2018 school year, almost 1,800 students and teachers were reached with this grant program, a 58 percent increase over the previous year.

Face-to-Face with Students

Our small ABC staff presented directly to 1,250 high school students about beef nutrition, cooking methods, beef choices, and how cattle are raised.

Summer Agriculture Institute

ABC assisted with Summer Ag Institute, a week-long continuing education seminar to help teachers gain first-hand experience with Arizona agriculture. Beef-focused stops included in southeastern Arizona included Pinal Feeding Co., the University of Arizona's Food Product & Safety Lab, Willcox Livestock Auction and the Todd Ranch.

Beef Lesson Plans

Free beef lesson plans are available to all Arizona teachers on ArizonaBeef.org and the downloads in 2017-2018 doubled to 114. Additionally, the Arizona Beef Council developed a cattle-centric lesson plan that fits into the rigorous guidelines of the National Agricultural Literacy Curriculum Matrix. This highly respected program is an online, searchable, and standards-based curriculum map for K-12 teachers. The Matrix contextualizes national education standards in science, social studies, and nutrition education with relevant instructional resources linked to Common Core Standards.

Foodservice and Retail Partners

ABC assists Arizona foodservice distributors to promote beef to their customers by providing beef cut charts, education, sales materials, and beef production tours to chefs and restaurateurs.

www.ArizonaBeef.org

Our mobile-responsive website is a go-to source for Arizona consumers looking for information about how beef is raised in Arizona. It's ease-of-use allowed 5,564 visitors to find information unique to Arizona as well as education materials and nutrition information.

Arizona Beef Blog

The blog features Arizona ranching stories, recipes, history, and more, to share stories directly from Arizona beef farmers and ranchers. The blog posts were read 16,300 times.

Social Beef

To engage with Arizona's millennial consumers, beef messages were posted on social media outlets including Facebook, Twitter and Instagram using #AZbeef, totaling more than 850,000 impressions.

Gate to Plate



Made possible by the Federation Initiative Fund, ABC hosted Gate to Plate tours for key

influencer audiences. The first was for Maricopa County and Arizona State University dietetic interns, who are studying to be registered dietitians. The second tour was for future chefs who are studying at the Arizona Culinary Institute. The tours offer a first-hand experience of how cattle are raised in Arizona and the nutritional benefits of beef.

Beef 101



The Beef 101 workshop at the Arizona Cattlemen's Association summer convention featured Marcy Levine of the beef checkoff's culinary team, to demonstrate beef recipe creation and the rigorous testing process behind every beef recipe.

Arizona Beef Council

Fiscal Year 2018 Expenditures

National Programs.....	\$342,860
Consumer Information	\$163,087
Retail & Foodservice.....	\$47,134
Arizona Cowbelle Programs.....	\$66,284
Producer Communication	\$25,281
Administrative Costs.....	\$13,436
Department of Ag Fees	\$17,762
Total.....	\$675,844

Numbers based on annual fiscal audit.



Dear Fellow Producers:

Surveys show beef consumers are interested in knowing more about the beef they eat. They still want it to be tasty, tender, convenient and provide value, of course. But today they also want to know that the animal was raised with care and in an environment that is wholesome and environmentally sound.

That desire led the Beef Checkoff Program to include a “Rethink the Ranch” element to its *Beef. It’s What’s For Dinner.* relaunch. The component gives consumers – the majority of whom have very little connection to agriculture, let alone the beef they buy – a chance to see how beef producers are combining good husbandry and production practices with new technology to assure the best possible results in terms of care and products.

The promotion’s added direction compliments the broader messages within the *Beef. It’s What’s For Dinner.* brand and campaign. Those messages highlight the most critical aspects of what consumers expect from the beef they buy, taste being the most important. Recipes, nutrition and cut information and more is available on the industry’s upgraded website and is being broadly promoted digitally.

Let’s face it: Beef will always be among the preferred meats because it tastes so good.

The relaunched national campaign features opportunities for state beef councils to join in outreach and messaging to consumers and marketers at the state level. This creates a state/national team with which our industry is having a real impact on demand for our products.

You can read all about it in this report. Thanks for your support and engagement in continuing to make beef what’s for dinner.

Yours truly,

Dawn Caldwell

Dawn Caldwell
Edgar, Nebraska
Chairman, Federation of State Beef Councils



Rethinking the Ranch

In October 2017 the Beef Checkoff Program relaunched its iconic *Beef. It’s What’s For Dinner.* campaign, with exceptional results. The campaign sought to drive more consumers to the checkoff’s BeefItsWhatsForDinner.com website, where information on all things beef could be obtained.

Created 25 years ago, *Beef. It’s What’s For Dinner.* was introduced with promotion that included television and print advertising that captured the imagination and taste buds of consumers. Times change, however, and while the concept is still strong, the ways consumers get their information is different than it was in the early 1990s. Social and digital media have become the key ways information is delivered to consumers today.

Through the refocused and strengthened campaign, visitors to the website over the past year have totaled more than 8 million – compared to about 3 million the year before. The primary purpose for visiting for many consumers are the recipes, cut information and nutrition advice found on the site. Increasingly, however, consumers want to know even more about how the beef they eat is raised. A new feature of the campaign called Rethink the Ranch is giving consumers an up-close-and-personal look at the people who make beef possible. The campaign features real ranchers and farmers and their real stories about how they produce beef.

Last summer a camera crew traveled 3,800 miles across the United States, visiting six different cattle operations in four states. They captured more than 100 hours of video, as well as

images and stories about the people who raise beef animals. The images and video they developed have become a big part of the checkoff’s new consumer outreach.

Nationally, the videos have generated more than 765,000 video views, and reached more than 3.5 million consumers. State beef councils have downloaded Rethink the Ranch content for use on their own social media properties and other consumer and thought leader outreach.

It’s the first time BeefItsWhatsForDinner.com has promoted both the product and the people who produce it, a story focused on promoting beef’s greatest strengths: unbeatable taste, variety and ease of cooking, nutritional attributes that can’t be matched and the people that make it all possible, caring for the animals and environment with appreciation and respect.

State beef councils are also extending the campaign, exciting their states’ consumers about beef’s many benefits. Of special interest has been the campaign’s Rethink the Ranch anthem video and related video spots showcasing real farmers and ranchers from around the country.

It's important consumers understand how committed producers are to serving as faithful stewards of the valuable natural resources that have been entrusted to them. That's part of the Rethink the Ranch message. It's why the website provides consumer-friendly, easy-to-understand information on how beef producers are being effective stewards of the land and resources, from drones to help observe and manage cattle to solar technology to generate power and help operate water systems, cattle producers are using technology responsibly.

Good and Getting Better

Of course, cattle producers have always prided themselves in their dedication to animal welfare, beef quality, sustainability and community involvement. Recent research shows they are getting better in all four of these areas.

The checkoff-funded Cattlemen's Stewardship Review gathered data from an independent 2017 telephone survey of beef producers to deliver a comprehensive profile of the U.S. beef community today. The research showed improvements in all four areas, compared to a 2010 checkoff-funded benchmark survey.

It found that the well-being of cattle is the top priority for 95 percent of producers, that 97 percent of cattle farmers and ranchers believe producing safe beef is crucial to the future of the industry, and that 95 percent of producers believe conservation of land is extremely important to them.

Results of the research were shared with key national media.

More Foundation from Research

Checkoff-funded research providing answers to complex questions about beef production is helping create clarity to issues such as beef sustainability. The checkoff-funded sustainability research program has developed a series of 19 fact sheets that explain many benefits of U.S. beef production, such as how the global impact of beef production could likely be dramatically reduced if other countries could achieve the same productivity as U.S. beef – the most efficient beef production system in the world. To see these fact sheets, go to www.beefresearch.org.

BQA Certifications Add to Evidence

Further strengthening the case that cattle producers recognize their societal role is the fact that online certifications in the beef checkoff-funded Beef Quality Assurance program have surpassed 20,000. First available in early 2017, online BQA certifications join those conducted at in-person training events offered by state beef councils, cattlemen's affiliates, extension programs and other local efforts.

Both in-person and online certifications show how common-sense husbandry techniques can be coupled with accepted scientific knowledge to raise cattle under optimum management and environmental conditions, helping beef producers capture additional value from their market cattle and reflecting a positive public image for the beef industry.

Producers Telling Their Stories

The Raising Beef section of the new *Beef. It's What's For Dinner.* website has featured several graduates of the checkoff-funded Masters of Beef Advocacy program. MBA graduates – who now

number nearly 11,500 – are helping people rethink the ranch by sharing their personal stories on the site. The collaboration between programs is an example of how the beef checkoff-funded Beef Advocacy Training and Engagement program works to help members of the beef community leverage their advocacy and spokesperson skills, benefiting many checkoff programs.

Expanding International Beef Demand

Thanks in part to beef checkoff-funded efforts to promote to and educate our international customers, global beef demand was up in 2018, with markets outside of the United States buying a larger share of U.S. beef production at higher prices. According to USDA data compiled by the U.S. Meat Export Federation, through June, U.S. beef and beef variety meat exports set a record pace in both volume (662,875 metric tons) and value (\$4.03 billion). In previous years, export value had never topped the \$4 billion mark before August.

The same data suggests the U.S. has exported 13.5 percent of its total 2018 beef production, up from 12.8 percent last year. Export value per fed steer or heifer slaughtered averaged \$317 – up 18 percent from a year ago.

Noteworthy export markets in 2018's first half included Japan (\$1.02 billion – up 12 percent from last year's pace), South Korea (\$802.1 million, up 52 percent), China/Hong Kong (\$510.8 million, up 43 percent) and Taiwan (\$249.7 million, up 39 percent). Also showing strong demand for U.S. beef were Mexico (\$506.7 million, up 10 percent), Central America (\$38.8 million, up 26 percent) and South America (\$63.9 million, up 20 percent).

Cattlemen's Beef Board Fiscal Year 2018 Expenditures

Promotion	\$9,225,692
Research	\$8,042,093
Consumer Information	\$7,345,798
Industry Information	\$3,560,607
Foreign Marketing	\$7,640,567
Producer Communications	\$1,179,898
Evaluation	\$230,795
Program Development	\$295,075
USDA Oversight	\$601,681
Administration	\$1,811,956
TOTAL EXPENSES	\$39,934,162

Unaudited Numbers

An independent survey of beef producers has found 74 percent continue to approve of the Beef Checkoff Program. That's 5 percent higher than it was a year earlier. The survey found that the more producers know about the program, the more supportive they are.

Seventy eight percent said the checkoff has value, even when the economy is weak, and 71 percent say the checkoff represents their interests. The survey was conducted from December 2017 to mid-January, 2018.