

- Labor Day Weekend brought another successful year at *Phoenix Cooks!*, Arizona's premier culinary event. The ABC, with the help of Cowbelles, had a "tailgating-good-time," serving 1,000 samples of Chili Beef Express. Checkoff Chef Dave Zino taught beef classes showcasing game day classics.
- We partnered with the national beef checkoff and 200 Arizona Jack in the Box locations to promote the new pastrami grilled sandwich. ABC distributed 1,000 coupons.
- The council sponsored Phoenix's Heart Walk Kickoff Luncheon, with a heart-healthy beef meal, nutritional information and recipes.
- The ABC distributed Holiday Roast "Celebrate with Beef" recipe cards and materials to retailers, including Bashas', AJ's and Fry's, to promote beef during the holidays.
- Our staff attended industry events to distribute checkoff information at Cattleman's Weekend, Gila County Sale, Arizona Cattlemen's Convention, Cowpunchers, Yavapai Calf Sale, Tri County BBQ and auction barns.
- www.ArizonaBeef.com serves as a resource for consumers, ranchers, educators and retailers, with recipes, shopping and cooking tips, nutrition and food safety information. The ABC also engages with over 470 Facebook followers and almost 150 on Twitter.



calf are on loan from V Bar V, and continue to draw crowds.

- We participated in *Boo! At the Zoo*. Some 17,400 children visited Harmony Farm and painted brands on cattle pictures. Parents received recipes and nutritional information.
- The council also participated in consumer events, including Arizona Ag Day, V Bar V Ranch Explorer's Day, Chandler Chuckwagon Cookoff and the Arizona National Livestock Show.
- The ABC assisted with Summer Ag Institute, a week-long continuing education seminar for teachers to gain first-hand experience with Arizona agriculture.
- Ranch tours allowed the classroom and hands-on activities to meet so that students could see cattle ranches firsthand.
- ABC education efforts have grown to include new students, including students in high school and college Food and Consumer Science classes and Agriculture Education programs. Food safety, nutrition, cooking methods and cut fabrication are to be highlighted.



ARIZONA EDUCATION

- The ABC focuses on visiting schools and distributing materials to teachers. Presentations to students from pre-school to high school cover beef nutrition, food safety, Arizona cattle history and cattle byproducts.
- The council presented parent nutrition trainings in partnership with Head Start programs, providing parents with recipes and the "power of protein" information.
- Through continued support from the Marley Foundation, the ABC has maintained two interactive displays at the Phoenix Zoo, which is visited by some 1.3 million visitors a year. Our display tells about the Arizona beef industry. The display's beef cow and

BOARD OF DIRECTORS

Linda Brake, Scottsdale - Chairman
Norman Hinz, Glendale, Feeder
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Gary Thompson, Buckeye, Dairyman
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Casey Neal Stechnij, Mesa, Dairyman
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STAFF

Bas Aja, Executive Director
Lauren Scheller, Director of Consumer Marketing & Public Relations
Carrie Robbs, Director of Consumer Education and Producer Communications



Arizona Beef Council

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2010 Year in Review

DEAR FELLOW BEEF PRODUCERS,

Your Arizona Beef Council has been busy in FY 2010. With the Arizona and American economy still skidding along, we focused on educating consumers about the value, safety and positive health impacts of the beef we raise. We know Arizona's beef ranchers are working hard and we let consumers know that beef works hard for them.

Our focus on retailers, food service and consumers provided the foundation for our statewide promotion programs. We invested \$20,000 of your checkoff dollars into an expanded radio campaign to support beef purchases after Labor Day when beef demand normally slows. Baxter Black donated his time and studio to record these ads for the checkoff. If you did not hear Baxter's wonderful voice on these ads, visit www.arizonabeef.com.

The council continued to emphasize the importance of consumer and nutritional education. With our excellent staff, Lauren Scheller, Director of Consumer Marketing and Public Relations, and Carrie Robbs, Director of Consumer Education and Producer Communications, we continue to reach out to beef consumers at events.

The beef council continued its strong partnership with the Arizona State Cowbelles by providing financial support to important activities such as *Phoenix Cooks!*, the Beef Ambassador program and the National Beef Cookoff. We've joined forces at events all across our state to deliver our positive message about beef. The Cowbelles are our secret weapon!

I thank you, my fellow beef ranchers, board members and Arizona Cowbelles for your commitment to the beef council and its mission by volunteering your time, wisdom and knowledge in promoting this wonderful product we raise - beef!

Linda Brake • Arizona Beef Council Chairman • Fiscal Year 2010

ARIZONA ADVERTISING

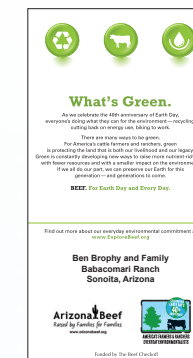
- The ABC promoted beef on *Culinary Confessions*, Phoenix's longest continually running food and restaurant radio show. Our schedules consisted of daily "beef" commercials, in-studio interviews and live remotes at local restaurants.
- The latest consumer advertising highlighted the "Profiles" campaign, showcasing lean beef and the power of protein. Advertisements were placed in publications that cover the Arizona beef industry, foodservice and retail.

ARIZONA PROMOTION, RETAIL AND FOODSERVICE PROGRAMS

- February's "I Heart Beef" campaign helped to strengthen interest in beef middle meats and America's love for beef. It emphasized the heart-healthy aspects of lean beef, appropriately during national Heart Health Month.



- ABC staff set out across Arizona with a videographer to film our 3 C's (consumers, conservation and care) educational video. This will be a valuable tool to share in classrooms, with civic groups and media. It is currently in post-production.
- 2010 brought the 40th anniversary of Earth Day. We emphasized beef farmers and ranchers as stewards of the land through newspaper ads and letters to the editor.
- *Prepare to be Proactive!* was the topic at the Arizona Cattlemen's Convention. The ABC equipped ranchers with talking points and resource tools to utilize when promoting beef and the cattle industry.

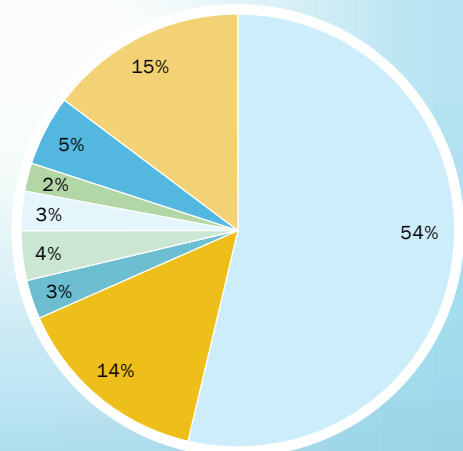


Arizona Beef Council

Arizona Beef
Raised by Families for Families

Fiscal Year 2009-2010 Expenditures

National Programs	\$399,935
Consumer Information	\$109,436
AZ Industry Information	\$21,687
AZ Cowbelle Programs	\$27,559
Administrative Costs	\$21,756
Producer Comm	\$15,701
AZ Dept Ag Fees	\$39,097
Retail & Foodservice	\$109,655



ADVERTISING

A RECIPE FROM MY FAMILY TO YOURS

"We're lucky that we get to enjoy nature everyday on our cattle ranch. We can raise our horses, herd a bunch of great dogs and just really enjoy life. My three-year-old son has been through the same life. We eat what we raise, both pasture raised and fresh. They're just a world of our own and we love it. If you're looking for a new beef recipe, try the 'Filet with Horseradish Cream' - my family enjoys it and I have a lot of fun preparing it."



FILET WITH HORSERADISH CREAM

FILET WITH HORSERADISH CREAM
SERVES 4
INGREDIENTS:
 1. 1 lb. beef filets
 2. 1/2 cup butter
 3. 1/2 cup horseradish cream
 4. 1/2 cup cheddar cheese
 5. 1/2 cup onion
 6. 1/2 cup mushrooms
 7. 1/2 cup garlic
 8. 1/2 cup salt
 9. 1/2 cup pepper
DIRECTIONS:
 1. Preheat oven to 350 degrees F.
 2. Season beef filets with salt and pepper.
 3. Cook in a pan with butter until browned on both sides.
 4. Remove from heat and add horseradish cream, cheddar cheese, onion, mushrooms, and garlic.
 5. Stir until well combined.
 6. Serve over the beef filets.
LEAN CUTS ARE POWERFUL PROTEIN
 Learn more from us at www.beefcheckoff.com

MixingBowl.com, Taste of Home.com, Recipe.com and Better Homes & Gardens.com. The campaign's new From My Family to Yours print ads showcased real beef ranchers in 10 national publications, reaching some 25 million consumers with pro-family-farm, positive beef industry messages.

FOREIGN MARKETING



During the first nine months of FY 2010, U.S. beef exports (including variety meat) worldwide totaled 732,371 metric tons valued at \$2.63 billion - an increase of 9.5 percent in volume and 12 percent in value year-on-year. Perhaps the most important turnaround of all was the resurgence of U.S. beef in South Korea. In the first six months following the launch of a major comprehensive imaging campaign funded by the beef checkoff, exports to Korea were up 96 percent in volume and 129 percent in value compared to the prior year.

VEAL MARKETING



The beef checkoff's veal "Go to Market Strategy" integrates consumer marketing and communications programs to help build demand for veal. By integrating veal promotions, increased sales were reported in retail and foodservice channels in FY 2010. The checkoff also shared the positive veal production story through veal issues management and quality assurance programs. The checkoff and state beef councils, along with veal partners, helped implement vealfoodservice.com; a veal Columbus Day promotion; and a veal farm tour program.

FOODSERVICE MARKETING

With about half of all beef sold in the U.S. moving through the foodservice channel, the checkoff's award-winning BEEFlexible trade advertising campaign kept beef top-of-mind as restaurants struggled through the economic recession. With reports of renewed optimism, the 2010 campaign opened with a focus on traditional middle meats. Steaks were featured at major industry events, such as the Multi-Unit FoodService Operators conference (MUFSSO) and during the National Restaurant Association's annual convention. Strong relationships with media yielded beef editorial features that netted a return on investment of more than \$2 million in ad equivalency, and partnership promotions with three national restaurant chains involved 2,137 units in 43 states.

ISSUES MANAGEMENT

In FY 2010, the checkoff distributed 42 FYIs - electronic updates that provide background, media coverage overviews and response recommendations and tools for state partners, producer leaders and beef industry stakeholders. The checkoff also coordinated submission of numerous letters-to-the-editor last year, including two published online in *The New York Times*. 2010 marked the fourth year IM worked with state partners on Earth Day to tell the "Everyday Environmentalist" story. Earth Day ads on Google (viewed by more than 300,000 people), social media posts on Facebook and Twitter and a viral e-mail delivered positive environmental messages online and drove consumer traffic to www.ExploreBeef.org, more than doubling daily sessions on the site.

NUTRITION INFLUENCERS

The nutrition influencer education program communicated the "power of protein" to health professionals in 2010 through a series of interactive webinars, in partnership with 17 state beef councils. During the last six months of FY 2010, more than 1,000 registered dietitians participated in discussions about the power of protein and shared checkoff-funded electronic resources with their clients. Outreach included sending educational materials to nutrition thought leaders, illustrating protein's role in bone health and continuation of the popular Nutrition Seminar Program, which has conducted 39 sessions in partnership with state beef councils this year.

PUBLIC RELATIONS



The checkoff's state-national public relations partnership helped spread the good news about beef nationally, through materials including monthly media pitches and consumer and media fact sheets. The *I Heart Beef* program generated more than 96 million media impressions, and the checkoff's overall public relations program achieved more than 1.8 billion media impressions in FY 2010, including placements with *Larry King Live*, *CBS Early Show* and *Parade*. Through media relations and spokesperson training, beef producers had a voice in media dialogue about

U.S. beef production practices. The Masters of Beef Advocacy (MBA) grassroots network has grown to some 1,500 graduates in 43 states and the District of Columbia.

PRODUCER COMMUNICATIONS

Producer communications provided more than 25 million paid media opportunities for producers and importers to get to know their checkoff. This effort was supported through more than 5,000 news articles; video news releases aired on more than 600 stations; delivery of more than 100,000 newsletters; and participation in 15 industry trade shows. Online, viewers accessed more than 240,000 pages during 90,000 visits to www.MyBeefCheckoff.com and participated in more than 5,000 interactions on checkoff social-media sites.

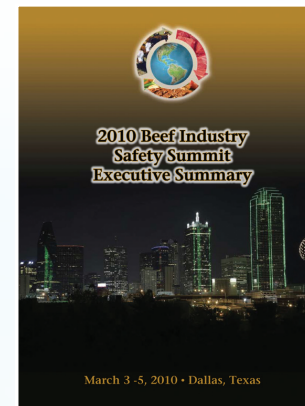
RETAIL

Simple Steps to Creating Your Favorite Steaks and Roasts



The retail team focused efforts on keeping beef top-of-mind with consumers as the weak economy continued to shape buying behavior. Many new retailers introduced checkoff-funded programs such as Beef Alternative Merchandising (BAM) and Slice 'n Save to help shoppers stretch their grocery dollars. Through partnerships with national packaged goods companies, more than 100 million coupons and rebates were issued in the retail channel to encourage consumers to buy beef and to help keep it affordable. To help strengthen beef's position among Hispanic consumers, a retail pilot test using Spanish-language materials produced notable results: Participating locations achieved higher traffic at the meat case and significant sales volume increases during the test period.

RESEARCH, EDUCATION AND INNOVATION



The checkoff's REI team works in several areas that are important to insuring consumers have beef options that are delicious, nutritious and safe. The checkoff's product enhancement research studies muscle traits and characterization, muscle tenderness and yield, flavor and palatability, carcass trait genomics and new technologies that lead to better products. Meanwhile, beef safety research advances the knowledge of

pathogens with a focus on *E. coli* O157:H7, *Salmonella* and non-O157 *E. coli* while tracking other pathogens, and promotes industry-wide cooperation to address safety threats. Human nutrition research provides scientific evidence showing how lean beef's high-quality protein and essential nutrients help Americans get important nutrients, improve cholesterol, manage diabetes, and maintain bone health and muscle mass. The culinary innovations team puts it all into practice. In FY 2010, the team conducted applied grill cookery research on 60 grilling cuts; developed and tested more than 100 new recipes; and participated in 42 state beef council/industry meetings to showcase new beef recipes. In FY 2010, the Beef Innovations Group (BIG) focused on creating six new round cuts and several new processing applications and launched eight new beef convenience products, while the Beef Quality Assurance team provided cattlemen numerous instructional videos on topics such as antibiotics or cattle handling, to demonstrate the importance of BQA certification for producers.

Cattlemen's Beef Board

Fiscal Year 2010 Expenditures

Audited	
Promotion	\$17,372,674
Research.....	\$5,571,678
Consumer Info	\$4,256,384
Industry Info.....	\$2,297,946
Foreign Marketing.....	\$5,643,117
Producer Comm	\$1,816,072
Program Evaluation.....	\$218,564
Program Development.....	\$65,694
Total Program Expenses	\$37,242,129
USDA Oversight	\$186,108
Administration	\$1,793,471
Total Expenses	\$39,221,707

