



2013



ARIZONA BEEF COUNCIL

Dear Fellow Beef Producers,

Your Arizona Beef Council (ABC) was busy in FY2013. We know Arizona's beef ranchers are working hard and we let consumers know that beef works hard for them. Your ABC placed heavy focus on reaching out to nutrition and food influencers -- those who impact the grocery shopping and nutritional choices of others. These key groups include dietitians, food bloggers, school lunch programs, high school career and technical education programs, teachers, and retailers and food service operators, providing the foundation for our statewide promotion programs. Our excellent staff -- Lauren Scheller, Director of Consumer Marketing and Public Relations, and Tiffany Hayes, Director of Consumer Education and Producer Communications -- continues to reach beef consumers across the state.

In today's cyber and social media-driven world where information is just a click away, credible information about beef and raising cattle must be readily available. The updated www.ArizonaBeef.org serves as the go-to source for information about beef in Arizona. You will find information about beef nutrition, videos about Arizona ranchers and seasonal recipes. Additionally, the ABC's Facebook page and Twitter account provide constant dialogue to those looking to find beef cooking information and facts about how beef is raised.

The ABC continued its strong partnership with the Arizona State Cowbelles by providing financial support for important activities including *Phoenix Cooks!*, the Beef Ambassador program and the National Beef Cook-Off®. We continue to join forces at events to deliver our positive message about beef. The Cowbelles are our boots on the ground.

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

Norman Hinz

Arizona Beef Council Chairman

Arizona Advertising & Promotion

- The Beef. It's What's For Dinner consumer advertising campaign added the tag "Above All Else," emphasizing beef's superior qualities while setting the record straight on beef's essential nutrients in an engaging and educational way.
- ABC promoted beef over the airwaves on Culinary Confessions, Phoenix's longest continually running food and restaurant radio show. Our 13-week schedule consisted of daily "beef" commercials, in-studio interviews and live remotes at local restaurants.
- ABC and the Arizona State Cowbelles dished up approximately a thousand samples of Tri Tip Steak at *Phoenix Cooks!*, Arizona's premier culinary event. Checkoff-funded Chef Dave Zino and Director of Product Innovation Shenoa French, taught two beef classes.
- ABC partnered with Shamrock Foods to promote beef to their customers by providing beef cut charts and sales materials to center-of-plate specialists in conjunction with their "Get Grilling" beef recipe contest.
- To celebrate Earth Day, ABC utilized high-impact digital billboards to share the message that beef is "Good for the planet; Good for you."
- A partnership with BJ's Restaurant and Brewhouse on a seven-week holiday steak and seafood promotion resulted in a 53% increase in steak entrée sales.
- Arizona Team BEEF runners from across the state turned a Federation Initiative Fund grant into an opportunity to take the good news about beef nutrition and literally run with it during the annual P.F. Chang's Rock 'n' Roll Marathon in Phoenix.



Arizona Beef Education

- ABC had another successful year of in-class visits with high school and college Food and Consumer Science and Agriculture Education students. Programs focused on raising cattle, food safety, nutrition, cooking methods and cut fabrication.
- The Beef 101 workshop at the Arizona Cattlemen's Association summer convention focused on learning about beef's millennial audience, or those consumers born between 1980 and 2000.
- Ten beef grants were awarded to high school culinary teachers for beef purchases to use in their classrooms. One teacher introduced students to high end cuts, complete with a white table cloth meal where students enjoyed delicious beef. For some students, this was their first taste of a steak!
- Through continued support from the Marley Foundation, ABC has maintained touch screen displays in Harmony Farm at the Phoenix Zoo, allowing the zoo's 1.3 million annual visitors to learn about Arizona's cattle industry and beef nutrition. ABC also participated in the annual Boo! At the Zoo and Earth Day events.
- ABC reached 250 students at the Family, Career and Community Leaders of America (FCCLA) conference with beef culinary information and a "Name that Lean Cut" game. It also donated beef to the "Mystery Basket Cooking Contest."
- Sponsoring the Arizona Dietetic Association annual meeting allowed ABC to reach nutritional professionals about beef.
- Ag students from the University of Arizona participated in the country-wide "Where's The Food Without The Farmer Day," talking to their peers about agriculture and reaching 500 people in four hours with handouts, beef snack sticks, pecans and cheese sticks.
- 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 Pinal Feeding Co Inc., Cienega Ranch, University of Arizona Meat Lab, and Willcox Livestock Auction Inc.



- Made possible by the Federation Initiative Fund, ABC hosted a Gate to Plate tour of the beef community allowing nutrition influencers to get a firsthand experience with how cattle are raised. Stops included Pinal Feeding Co Inc. and the Quarter Circle U Ranch. A second tour for beef retailers, meat distributors and chefs took place in the spring with stops at Heiden Land & Cattle Company and JBS Tolleson, Inc. harvesting facility.



- Staff attended industry events to distribute checkoff information at Cattleman's Weekend, Gila County Sale, Arizona Cattlemen's Convention, Cowpunchers, Yavapai Calf Sale and auction barns.

Arizona Beef Council Board of Directors

Norman Hinz, Chair, Cattle Feeder
 Linda Brake, Cattle Grower
 Wesley Kerr, Dairyman
 Larry McDonald, Cattle Feeder
 Michael Milroy, Cattle Grower
 Billy Sawyer, Cattle Feeder
 Casey Stechnij, Dairyman
 Gary Thompson, Dairyman
 James Webb, Cattle Grower

Staff

Bas Aja, Executive Director
 Lauren Scheller, Director of Consumer Marketing and Public Relations
 Tiffany Hayes, Director of Consumer Education and Producer Communications

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AZ Beef

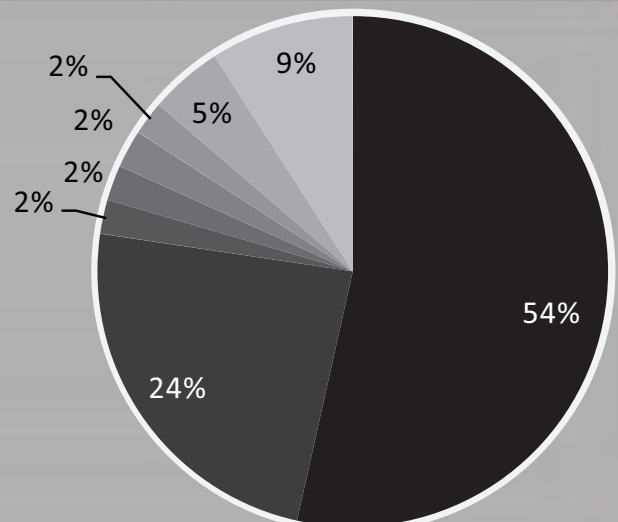


ArizonaBeef

ARIZONA BEEF COUNCIL FISCAL YEAR 2012-2013

FINANCIALS

■ National Programs.....	\$348,129
■ Consumer Information.....	\$155,287
■ AZ Industry Information	\$13,969
■ AZ Cowbelle Programs	\$14,609
■ Administrative Costs	\$15,637
■ Producer Communication.....	\$13,969
■ AZ Department of Agriculture Fees	\$29,995
■ Retail & Foodservice.....	\$59,088



Dear Fellow Beef Producers,

Is the Federation of State Beef Councils still relevant after 50 years? In my opinion, it is. Beef producers today want as much input as possible into how their dollars are spent.

Thanks to forward-thinking producer leaders almost three decades ago, the mandatory Beef Checkoff Program had as part of its framework then-existing and to-be-created beef councils at the state level, which would collect the \$1-per-head mandatory checkoff and help populate important direction-establishing and funding committees.

Many of those states had already joined together as a Federation to share expenses for common needs, such as Information Technology, design services, planning guidance and communications. By not duplicating costs from state to state, and joining in a common vision and message, councils extend checkoff programs in the state and assure that producers throughout the country are getting the most for their checkoff dollar. Relevant? Absolutely. The Federation of State Beef Councils is a mechanism for grassroots input and influence.

Yours truly,



Richard Gebhart, Chair
Federation of State Beef Councils
Beef Producer, Claremore, Okla.



Fresh Strategies for a Changing Beef Landscape

Because of grassroots producer leadership, the beef industry is positioned to capitalize on future changes in the beef marketplace. Committee restructuring, which parallels the industry's Long Range Plan, was completed this past year to provide the Cattlemen's Beef Board and the Federation of State Beef Councils a better focus on industry goals.

Following are some national and international beef checkoff efforts that reflect that plan:

Solving the Millennial Dilemma

Through checkoff-funded research, we know consumers born in the 1980s and 1990s – sometimes called millennials – enjoy beef. But they have some concerns about preparation, nutrition and convenience. Now the question becomes, just how do we turn them into long term beef lovers?

Through a new checkoff-funded retail campaign, with additional support from the Federation and individual state beef councils, that question is being addressed.

The checkoff-funded Convenient Fresh Beef project explores a way to develop an easy-to-prepare fresh beef product at retail stores, make it appealing and create the education and training to make it successful.



Convenient Fresh Beef products include the beef, seasonings and instructions in an attractive sleeve-wrapped tray, prepared in the meat department at the grocery store or brought in as a case ready product. A photo of the finished dish is on the front of

the sleeve; from 1-3 recipes are printed on the back.

The items are convenient and provide shoppers options. They

address a millennial's lack of cooking skills and desire for a restaurant experience, and meet the needs of families looking for shortcuts on busy week nights. In addition, they meet mature consumers' desire for easy home-made foods that feed two and provide leftovers.

The test program is being conducted in the Midwest at Price Cutter stores, which have the in-store capabilities to produce the kits and have provided significant support for testing. Additional support for implementation has been provided by individual state beef councils.

Consumer research, post implementation to document interest and sell the programs to other stores, as well as point-of-sale materials, demonstrations and training, and initial spice inventory were made possible through national beef checkoff funds.



Campaign Sizzles with New Voice

New "Beef. It's What's For Dinner." consumer advertising premiered in 2013, bringing the recognizable tagline to both older millennials and Gen-Xers. It features sizzling beef recipes, juicy details about essential nutrients and the voice of one of Hollywood's most promising new

talents. The new "Above All Else" campaign reaches out to those who care about food and nutrition.

While keeping many brand mainstays, such as Aaron Copeland's "Rodeo" music, the new beef campaign uses Garrett Hedlund's voice in radio spots. Garrett personally represents healthful living, and his strong, warm voice is perfect for provoking a new understanding about beef.

Research has shown that 45 percent of the target demographic said they would choose beef more often if they knew about

how its nutrients compared to chicken. The new campaign helps set the record straight about beef's essential nutrients in an engaging and educational way.

In addition to traditional print placements, the campaign appears across a wide range of digital platforms, such as 22 tablet versions, online radio stations (e.g., Pandora), video websites (e.g., Hulu), social networking sites (e.g., Facebook) and popular recipe websites (e.g., AllRecipes.com).

State Beef Councils are extending the campaign through print, radio, digital, in-person promotions, sporting events, outdoor advertising and more.



Boosting Beef Internationally

The Beef Checkoff Program assisted as U.S. beef and beef variety meat exports performed very well in 2013. Through

July, exports were 9 percent ahead of last year's record pace in terms of value, at \$3.45 billion. This translates into great returns for producers, as export value equated to nearly \$235 per head of fed slaughter – an increase of 11 percent over last year.

Through international marketing programs conducted by the U.S. Meat Export Federation, the Beef Checkoff Program is working aggressively to increase export opportunities for U.S. beef. For instance, with recently expanded access in Japan the checkoff helped attract new buyers to U.S. beef and expanded the range of cuts available, allowing Japan to reclaim its position as the No. 1 destination for U.S. beef exports. Other Asian markets performing well included Hong Kong and Taiwan. Exports are also significantly higher to Central and South America, as the checkoff helped the U.S. beef industry capitalize on recently implemented free trade agreements.

Program Builds Nutrition Relationships

With their local and state focus, state beef councils are instrumental in building relationships with state professional organizations dedicated to improving the health of Americans. The national Beef Checkoff Program is assisting those councils in strengthening those ties.

The Nutrition Seminar Program (NSP), coordinated by NCBA, a Beef Checkoff contractor, provides an opportunity for state beef councils to get closer to their state chapters of health professional groups by providing a nationally recognized expert to speak on a nutrition topic at that organization's annual meeting. The Beef Checkoff also provides free client education resource materials to all session attendees.

State councils coordinate and execute the NSP session, while the national Beef Checkoff covers the honoraria and travel expenses for each speaker. This past year, 36 speaking engagements were coordinated by numerous councils.

There are 40 different speakers for states to choose from, covering 148 session topics.

Partners in Time



Throughout its 50-year history, the Federation of State Beef Councils has provided a platform for state beef council representation at the national level, while offering services needed by states to conduct their in-state promotion, education and research programs. The partnership is made possible three ways: through the 1985 Beef Promotion Act; by deliberate

collaboration with national programs funded through the Beef Checkoff Program; and by voluntary contributions to the Federation by state beef council boards.

The voluntary investments by cattle-rich states helps make sure greater emphasis is placed on programs where the majority of consumers live and buy beef. It supports the teamwork necessary for building a successful state and national Beef Checkoff Program.

CATTLEMEN'S BEEF BOARD FISCAL YEAR 2013 EXPENDITURES

FINANCIALS

Administration	\$1,536,830	
USDA Oversight	\$279,075	
Program Development	\$179,088	
Program Evaluation	\$179,590	
Producer Communications	\$1,529,824	
Foreign Marketing	\$6,036,723	
Industry Information	\$3,492,377	
Consumer Information	\$3,390,267	
Research	\$6,036,100	
Promotion	\$15,528,767	
Total expenses	\$38,188,641	

**unaudited numbers*