



2013



NEVADA BEEF COUNCIL



Dear fellow Nevada beef producers,

The Nevada Beef Council (NBC) is proud to share this annual report of our FY2012-13 activities, offering a glimpse of the many ways in which we strive to promote and advance Nevada's beef industry.

Established as part of the 1985 Farm Bill, the national Beef Checkoff Program was created to fund promotion, education and research programs to improve the marketing climate for beef. Since that time nearly 30 years ago, our industry has seen many changes and challenges, making it even more important that we work together to market our product and respond to consumer demand.

Here in Nevada, the NBC is guided by beef producers who take very seriously the role of determining the most effective ways to invest our producers' beef checkoff dollars in meaningful programs and efforts. With many of us

coming from families that go back several generations in Nevada agriculture, my fellow NBC board members and I have a vested interest in the success of our industry.

Whether it is through retail or restaurant promotions designed to increase beef sales, media or outreach campaigns that promote beef to consumers, or efforts to educate and inform influential audiences about the many benefits of beef, the NBC team works throughout the year to promote our product, educate consumers, and provide other valuable resources and services that ultimately help fuel beef demand.

Being a beef producer is not an easy job, but it's a rewarding one. Thank you for the work you do every day to bring a delicious, high-quality product to consumers' dinner tables.

Sincerely,

Lucy Rechel

Chair, Nevada Beef Council

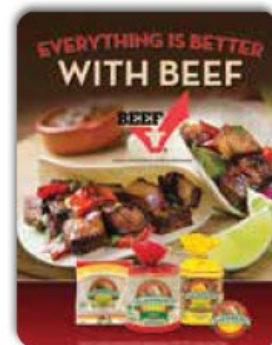
Promotions Help Keep Beef Front and Center

Throughout the year, the NBC partners with a variety of retailers on promotions designed to increase beef sales and FY2013 was no exception, with a number of partnerships that saw some impressive results.

- In September 2012, the NBC sponsored beef Tri Tip demos at Costco's six Nevada stores to provide shoppers with a tasty bite of expertly prepared beef. The stores saw an increase of over 1,250 pounds of Tri Tip moved during the demo period, as compared with the same weekend in 2011.
- The NBC and Nevada Food 4 Less stores partnered together on two highly successful promotions. In 2012, the NBC collaborated with 15 of the grocery chain's southern Nevada stores on a bilingual beef promotion for the two weeks leading up to Mexican Independence Day, resulting in a 242

percent increase in beef pounds moved as compared with the same two week period in 2011.

- The following March, the two organizations partnered once again, this time including various elements courtesy of Tortillas Guerrero, which offered a consumer sweepstakes featuring one month of free rent or a mortgage payment. This promotion also included a coupon for beef products on select packages of Tortillas Guerrero, as well as in-store beef demos. Food 4 Less saw a 73 percent increase in beef pounds moved compared to the two weeks prior to this promotion.



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- The NBC joined with several other beef councils, as well as the national Beef Checkoff Program, in partnering with WinCo Foods to launch its Slice 'n Save program in May 2013. The Slice 'n Save program offers price-conscious shoppers the option to buy boneless middle meat subprimals and slice their own steaks and roasts at home to save money. All four Nevada WinCo stores participated in the launch, which included educational consumer brochures provided in-store, on-pack labels showing how to cut larger subprimals at home, and on-pack \$4-off Instant Redeemable Coupons. WinCo saw a 49 percent increase in their beef pounds moved compared to the same weeks the year prior.
- The NBC also partnered with 13 Reno-area Raley's Supermarkets on a grilling-themed beef promotion for two weeks leading up to and during the 2013 Memorial Day weekend. The promotion included a variety of elements, including a consumer contest that was promoted through social media and radio advertising in the greater Reno media market, and Get Your Grill On consumer brochures distributed at the participating stores' meat cases. The stores saw a 10 percent increase in beef pounds moved for the two weeks of the promotion compared to the same two weeks in 2012.



Spreading the Word on Beef Nutrition

Getting people to more fully understand beef's nutritional benefits is a high priority for the NBC, and there's perhaps no better way to do that than by working directly with the influential health and dietetic communities to provide educational resources and share information about beef nutrition.

Every year, the NBC collaborates with organizations like the Northern Nevada District and Southern Nevada Dietetic Associations and the American Heart Association, helping to organize healthful beef meals and providing educational information and material to organization members about the nutritional profile of beef and its importance in a balanced diet. In September 2012, the NBC's in-house Registered Dietitian was the keynote speaker at a meeting of the Southern Nevada Dietetic Association, providing the 70-plus attendees with information about beef as part of a healthy diet. At the Northern Nevada District Dietetic Association's meeting in April 2013, the NBC collaborated with the organization on sponsoring a speaker at an event, and even helped organize a presentation about wine and beef pairings.

Jr. Iron Chef, Las Vegas

The NBC's participation in the 2013 Jr. Iron Chef, Las Vegas cooking competition marked the second year that beef was the center-of-the-plate for this high school cooking challenge. The event, held June 1, 2013 at The International Culinary School at The Art Institute of Las Vegas, featured students from local career and technical schools competing against one another in a hands-on cooking contest. The NBC's sponsorship included an advertising schedule of 30-second "Above All Else" radio commercials, Internet and social media exposure and other audience engagement opportunities. But perhaps the best part of the partnership was providing young, up-and-coming chefs and their families with more exposure to cooking with beef in creative—and delicious—ways!

Collaboration on Menu Innovation

Among the NBC's many efforts to promote beef are partnerships with restaurants and foodservice operators on launching new menu items. One example of this came in 2012, when the NBC partnered with Jack in the Box's 20 northern Nevada locations to help launch and promote their limited-time-offer Sourdough Cheesesteak Melt.



The NBC partnered with Jack in the Box on elements such as menu board, external and window signage promoting the new beef sandwich, which is made with thinly sliced steak. The signage also featured the "Beef. It's What's For Dinner" logo. The promotion for the new item also included a free-standing insert with coupons distributed in major newspapers for a two-week period. This was above and beyond the restaurant chain's traditional media and promotional efforts, such as broadcast television, radio, digital media, social media, e-blasts and more.

The promotion resulted in more than 12,400 pounds of thinly sliced steak being sold in the 20 northern Nevada locations. Nationally, nearly 1.1 million pounds of thinly sliced steak on the Sourdough Cheesesteak Melt were sold across all of the chain's 2,000 restaurants. More impressive, however, is that consumers responded so favorably to this limited-time offer that the sandwich ultimately became a permanent menu item, giving consumers yet another beef option at Jack in the Box restaurants.

NEVADA BEEF COUNCIL

For the Fiscal Year Ended June 30, 2013

PROGRAMS

Consumer Information	\$17,363
Producer Communications	\$10,837
Promotions	\$34,285
Total Programs	\$62,485

SUPPORTING SERVICES:

Collections and Compliance Expenses	\$24,040
Administrative Expenses	\$30,316
National Program Investment	\$13,740
Total Supporting Services	\$68,096

Total Expenses	\$130,581
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Learn more about what the NBC is doing on producers' behalf by visiting www.nevadabeef.org, calling 877.554.BEEF (2333), or e-mailing askus@nevadabeef.org. Be sure to look for the NBC on Facebook and Twitter, too!

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	\$1,536,829	
USDA Oversight	\$279,075	
Program Development	\$179,088	
Program Evaluation	\$179,590	
Producer Communications	\$1,529,824	
Foreign Marketing	\$6,036,724	
Industry Information	\$3,492,377	
Consumer Information	\$3,390,267	
Research	\$6,036,100	
Promotion	\$15,528,767	
Total expenses	\$38,188,641	

*audited numbers