



GREETINGS FROM THE CHAIRMAN

As the ND Beef Commission (NDBC) chairman, I am not only honored but excited to report on our industry and checkoff activities for 2017. This is my final year representing beef producers as a commission member and it has truly been a wonderful experience. As I attended my first meeting, I wondered how I could make a positive impact on the beef industry. Now, nearly six years later, I know that my fellow commissioners and I work at every board meeting and event to advance beef producers' goals of beef promotion, education and research.

Each and every board member is truly passionate about our industry. With nine members, from different parts of the industry, we all have one goal: to spend your checkoff dollars wisely. Do we please everyone all the time? Certainly not, but I have never been a part of a team as passionate about the industry or more concerned about making good, sound financial decisions. The funds that come into the NDBC are not just our own, but our childrens', our parents', our friends', and our neighbors.' We take our roles very seriously and spend every dollar the best we can. The NDBC staff is also a huge part of the team. They do a great job keeping the daily tasks of the NDBC running smoothly. They all take on more than what is requested and will always go the extra mile to make sure that they do their job professionally and with a smile.



Jodi Carlson,
NDBC Chairman

This past year was challenging for everyone in the cattle industry. The winter came early and with drastic cold temps and above normal snow amounts only to turn into spring and summer with one of the most severe droughts in many years. We have all had to tighten our budget and make cuts but I can't stress enough the importance of the checkoff and the importance of your investment into the checkoff. We continue to increase demand for beef by ensuring that consumers understand the benefits of including beef in their diet. Without the checkoff where would this positive message come from?

Internationally, beef exports accounted for around 13% of our total beef production in 2017. Our export value per head of fed slaughter is at \$278.06. We have made some pretty exciting gains this year with more to come.

The ND state checkoff of \$1 per head, which is solely managed by your NDBC board has played a huge role increasing our ability to do more within our state promoting and educating consumers as well as advancing several research projects. We have also partnered on research and promotional

projects with other state beef councils, through the Federation of State Beef Councils, to get even more mileage on your checkoff dollar.

We are extremely proud of the North Dakota beef producers who are making a difference on the national level. Jerry Effertz of Velva serves as the chairman of the Federation of State Beef Councils and, on an international level, Clark Price of Hensler serves as the Co-Chairman of the Export Growth Committee for the National Beef Checkoff Program. Price also serves on the U.S. Meat Export Federation.

Please take the time to review this annual report and learn about the programs that were funded at the state, national and international level. If you have any questions please, contact me or any beef commission member. We would love the chance to visit with you and share about the good work the NDBC is doing on your behalf.

I wish each and every beef producer a safe, prosperous, and sustainable year. It has truly been my honor to work for the beef producers of North Dakota.

2017 NORTH DAKOTA Beef Commission Annual Report



Funded by Beef Farmers & Ranchers

BEEF FEATURED DURING ND SPORTS EVENTS

If you are a ND Class A or B high school sports fan or an NDSU Bison football enthusiast, beef was part of the excitement on television and in print. Beef ads selling the sizzle of beef aired on statewide television networks resulting in millions of consumer impressions while hundreds of thousands of consumers saw enticing print ads encouraging beef tailgating for football season. In addition to advertising, the NDSU BBQ Boot Camp program, which is supported in part by the beef checkoff, also provided a delicious tailgating experience at several Bison football games.





PROMOTING BEEF IN FOREIGN MARKETS

Many producers ask “WHY?” Why spend money and time promoting beef in foreign countries?

The answer is - because 96 percent of the world’s consumers live outside the United States and many of them love beef.

The answer is - because the global middle class is growing at unprecedented rates and they now have increased purchasing power that can be used for beef.

The answer is - because foreign customers typically like different beef cuts than the high demand cuts used in the US. That boosts demand, and prices, for a wide variety of beef cuts that are considered “underutilized” in the US.

The answer is - because that additional value derived from exporting US beef adds significant value to each head of fed cattle and can range from \$250 to \$300 per head of fed slaughter.

The US Meat Export Federation has a long history of promoting and educating those in foreign markets about the benefits of buying US beef. That’s why the Beef Commission has been a long-time supporter of the USMEF. And this year the Beef Commission upped their support.

Focusing on Japan, the US’s largest beef customer, North Dakota dollars helped to conduct customized beef promotions with targeted national and regional retail grocery accounts to boost US beef sales and displace Aussie beef and other competitors. Through these efforts the USMEF has been striving to educate meat buyers about the attributes of US Beef, support product trials, encourage continual sales, and expand the number and variety of cuts sold.

And beef producers like you, serving on the ND Beef Commission, continue to help make these programs happen. Clark Price from Hensler, ND, currently represents the NDBC on the USMEF and the Federation of State Beef Councils as the co-chair of the national Global Growth Committee and he is also a producer member of the USMEF’s Beef Steering Subcommittee.

Other ND producers that have had a hand in influencing international beef marketing efforts include Jerry Effertz of Velva, Mark Wagner of Monango and Jim Bitz of Napoleon.

BEEF PRODUCERS INVEST \$590K IN RESEARCH

North Dakota beef producers know the industry needs quality science to not only promote our product but to defend beef against adversaries. Through the implementation of an additional \$1-per-head state beef checkoff, the NDBC invested more than \$590,000 in cutting-edge research at North Dakota State University (NDSU) and Purdue University to explore new health benefits of beef and build additional value for beef products. This is the most North Dakota producers have ever invested in beef research since the checkoff’s inception in North Dakota in 1973.

Commissioners allocated checkoff funds to nine different research studies from a field of 23 proposals received. Five of the research projects examine health-benefits of beef consumption, while four look at methods to improve beef’s value in the marketplace and enhance customer satisfaction.

Supported human nutrition projects include:

- A study at NDSU to investigate if beef consumption increases bone mineral density and muscle function among adolescent to older females. Proposed by Dr. Sherri Stastny, the study builds upon work previously funded by the NDBC, the National Beef Checkoff and the Minnesota Beef Council;

- Research conducted by Dr. Kimberly Vonnahme at NDSU to investigate if replacing sugar with beef in prenatal diets could have a positive impact on childhood obesity and heart disease;

- A study to determine if replacing sugar with beef in maternal diets will increase secondary muscle fiber development in offspring, which has been shown to reduce the chances of obesity and heart disease, conducted by Dr. Eric Berg and Dr. Megan Nelson at NDSU;

- A study to determine whether replacing sugar with beef in prenatal diets has any effect on bone density and bone health, by NDSU’s Dr. Berg; and
- Research at Purdue University that explores

Dr. Sherry Stastny received international recognition for her work on sarcopenia prevention (preventing the loss of muscle mass) in women who increase their intake of high quality protein like beef. This research is funded in part by the NDBC.



how consuming beef influences the gut microbiome of young adults. The study will investigate whether omnivores - beef-eaters – have better gastrointestinal health and are generally healthier than vegetarians.

Product quality and safety projects selected for funding by the NDBC include:

- A study by Dr. Robert Maddock who will investigate if today’s larger carcass sizes and weights impact meat quality and how post-mortem management techniques may improve consumer satisfaction and demand.

- Research to determine how the inclusion of beta-agonists in beef production might affect tenderness. The research, by Dr. Kasey Carlin at NDSU, will research the cellular mechanisms involved;

- Methods to reduce pathogens and spoilage of ground beef through novel microbiological interventions. Dr. Birgit M. Pruess will research bacterial presence and growth, along with consumer acceptance of product involved; and

- A study at NDSU with Dr. Berg and Dr. Xin Sun to investigate if oleic acid, a monounsaturated fatty acid generally found abundantly in beef fat, can be quantified by in-line image analysis, and if so, whether this could help predict beef flavor in high-quality cuts where customer expectations are highest.

PRODUCERS EARN CONSUMER TRUST



Consumers want to trust the people who raise their food, but one bad report on the nightly news about one producer that doesn’t think he or she needs to play by the rules gives every producer a black eye. It undermines the trust consumers may have developed, and even worse, it gives ammunition to those that plant doubt about the safety and value of beef in our diet. That’s why state and national Beef Quality Assurance programs are critical to the future of the beef industry.

ND beef checkoff dollars have supported BQA research and education at the state and national level for decades. Local producers attending two events this past summer in McClusky and Carson learned that low stress cattle handling makes a big difference. Curt Pate, with assistance from NDSU BQA Specialist Lisa Pederson, gave hands-on direction while moving cattle around an arena. Flat iron steaks also rounded out the events as everyone tasted and learned about this value cut from the chuck and other checkoff accomplishments from ND Beef Commission executive Nancy Jo Bateman.

Veterinarians in attendance at the ND Veterinary Medical Association annual convention also learned about checkoff efforts that they could share with their beef producer customers. The teres major, a popular beef value cut from the chuck made possible through beef checkoff research, was featured for lunch.

MEET YOUR COMMISSIONERS, NATIONAL REPRESENTATIVES AND STAFF



Jocelyn Carlson
Chair
Beef Producer At Large
Killdeer



Mark Wagner
Vice Chair
Beef Producer
Monango



Gloria Payne
Secretary/Treasurer
Beef Producer At Large
Elgin



Jim Bitz
Livestock Market Rep.
Napoleon



Weston Dvorak
Cattle Feeder
Manning



Dan Rorvig
Beef Producer
McVille

TEACHING CHILDREN ABOUT BEEF

It's hard for some to believe, but the vast majority of children in North Dakota don't have a connection to a farm or ranch and they don't have a good understanding of where their food comes from. This should be alarming when we consider this state to be very rural with strong agricultural roots. Programs like the "Living Ag Classroom" held annually in Minot, Bismarck and Fargo, take on increased significance as we think about children, our future beef buyers, developing trust for those that raise the beef and other foods they eat. Annually, between 4000 and 5000 4th grade students participate in the Living Ag Classroom learning how their food gets from the farm to their fork, courtesy of the Beef Commission and approximately 12 additional ag commodity groups and farm organizations.



Another popular event hosted by the NDSU Animal Science Department, called "MOOS, EWES, and MORE" attracts between 1200 and 1600 children and parents during this one day event. The day begins with a special breakfast made possible through the beef checkoff featuring a beef breakfast burrito, fruit and milk for the first 500 attending. Then the fun really begins as children participate in educational activities centered on animals and agriculture.

MEAT CUTS TRAINING FOR AG EDUCATORS

North Dakota is home to approximately 8,000 agriculture students in junior high and high school.

Retailers have told the North Dakota Beef Commission (NDBC) that they have a need for well-trained meat-cutters.

In order to fill that need and grow interest in meat animal science among the state's ag students, the NDBC, the North Dakota Association of Agricultural Educators and the North Dakota Department of Career and Technical Education (NDCTE) partnered to train 34 high school agricultural educators about new cuts of beef and beef cutting procedures so they could expose their students to the information.

"In order for ag educators to have a good understanding of the meat animal industry, it is important to conduct trainings like this to ensure they have the most accurate and latest information," said Aaron Anderson, State Supervisor of Agricultural Educators for NDCTE. "We rely on experts in the industry to provide the knowledge and resources to conduct these trainings, which wouldn't be possible if it weren't for industry partners like the NDBC."



North Dakota State University Meat Scientist Dr. Rob Maddock explains the cutting procedures for new cuts of beef to several of the state's agricultural educators. The NDBC furnished the primal cuts for the training. Participants learned to cut the chuck clod, including two value cuts: the flat iron and ranch steaks

| ND BEEF COMMISSION | |
|---|--------------|
| COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES | |
| JULY 1, 2016 - JUNE 30, 2017 | |
| Revenue: | |
| Checkoff Assessments | \$ 2,393,238 |
| Less Remittance to States of Origin | (22,181) |
| Less Remittance to Cattlemen's Beef Board | (591,599) |
| Less Refunds | (109,364) |
| Net Assessment Revenues | 1,670,094 |
| Other revenue- interest & receipts | 21,736 |
| Other revenue- Beef Gift Certificate sales | 1,340 |
| Total Revenues | \$ 1,693,170 |
| Expenditures: | |
| International promotion | 36,190 |
| Promotion | 124,230 |
| Domestic/International Special Projects | 50,000 |
| Industry Information | 1,432 |
| Research | 163,126 |
| Consumer Information | 144,370 |
| National program development | 352,139 |
| Beef gift certificates | 1,340 |
| Administration/Operations | 341,302 |
| Total Expenditures | \$ 1,214,129 |
| Revenues over (under) expenses | \$ 479,041 |
| Fund Balance, July 1, 2016 | \$ 1,117,492 |
| Fund Balance, June 30, 2017 | \$ 1,596,533 |



With a tip of their hats and a generous portion of beef, North Dakota beef producers said "Thank You" to more than 1,600 active military personnel and their families during the 13th Annual Military Appreciation Day at the North Dakota State Fair.

NDBC CONTRACTS WITH CATTLEWOMEN

Before the checkoff began in 1973, an enthusiastic group of North Dakota women made it their mission to promote beef across the Peace Garden State. Still as strong today, members of the North Dakota CattleWomen donate thousands of hours of time promoting beef at countless events across the state, reaching tens of thousands of consumers. As contractors of the NDBC, the NDCW promote beef's role in a healthy diet through the annual Beef Run, showcase beef at community events, home/garden and sportsmen expos, and conduct extensive elementary education programs.



CattleWomen help educate consumers about the value of beef in a healthy lifestyle.



Travis Maddock
Beef Producer
Davenport



Mark Voll
Beef Producer at Large
Sidney, Mont.



Lilah Krebs
Dairy Producer
Gladstone



Clark Price
Ex-Officio Member
Cattle Feeder
Hensler



Jerry Effertz
Ex-Officio Member
Beef Producer
Velva

Federation Directors:
Jodi Carlson
Jerry Effertz
Clark Price
Mark Wagner

US MEF Director:
Clark Price

Beef Promotion Operating Committee:
Jerry Effertz

BEEF NUTRITION IS A HOT TOPIC!

From dietitians to doctors, nutrition educators to cardiopulmonary rehab, school foodservice directors to public health officers and beyond, the Beef Commission brought the message of the value and importance of beef in the diet to nutrition influencers across the state.

Close to 100 members of the ND Nutrition Council listened as national nutrition expert Dayle Hayes, MS, RD, addressed their annual conference with her presentation on "Strong Bodies, Smart Brains, and Super Behavior!" The beef checkoff sponsored Hayes' presentation. She is recognized across the country for her common sense approach to getting children to eat nutrient rich foods like beef in schools and at home.



Dale Hayes



Registered dietitians and family physicians are two groups that the Beef Commission has worked closely with for over 30 years. This past year dietitians attending the ND Academy of Nutrition & Dietetics conference and family physicians participating in the ND Academy of Family Physicians annual meeting enjoyed the taste of lean beef at their respective dinners courtesy of beef producers and the beef checkoff.

When heart health becomes an issue, cardiopulmonary rehab professionals are on the front line helping and counseling their clients. It is important that these professionals have the most current science based information when they are making diet recommendations. The ongoing partnership that's been developed with the Upper Plains Cardiopulmonary Rehab Association

members has led these professionals to feel good about recommending lean beef. Those attending their annual convention enjoyed a beef luncheon while ND Beef Commission staff presented the latest information on beef.

Over 75 teachers from K-12 specializing in physical education, wellness, health, recreation, and coaching from across the state attended the ND Shape Conference in Fargo. The Beef Commission was excited to be able to bring one of our national beef industry registered dietitians to present a "Beef Nutrition Reality Check" to the group. Shelley Johnson, RD, is the Director of Nutrition Outreach for the National Cattlemen's Beef Association and was greeted with enthusiasm and support for nutritious beef in the diets of children.



Shelley Johnson

The partnership between the American Heart Association (AHA) and state beef producers continues strong. The Beef Commission has been involved in two Heart Walks, one in Bismarck and the second in Fargo. In addition, the Commission is a major sponsor of the AHA's National Eating Healthy Day celebration in Bismarck where beef takes center stage with Chef Alan Abryzo of The 40 Steak & Seafood restaurant showcasing heart healthy beef.

The ND School Nutrition Summit brought school foodservice directors from schools across the state to Bismarck. The number of children that the school lunch program reaches daily in ND exceeds 116,000. Giving these decision makers new ideas for beef on their menus means the potential for significant increases in nutritious beef meals. A lunch food bar with several beef toppings for potatoes and salads served to provide new ideas that could be taken back and used in local school lunch programs.

NDBC HOSTS TOUR FOR NUTRITION INFLUENCERS

About 20 North Dakota dietitians and health professionals got a behind-the-scenes tour of North Dakota's beef and dairy industries during the first ever Nutrition-Influencer Farm Tour organized and hosted by the North Dakota Beef Commission (NDBC) in partnership with the Midwest Dairy Association in October. The one-day, pasture-to-plate tour of the state's beef and dairy industries featured stops at Kist Livestock Auction in Mandan to learn about livestock auction markets, brand inspection, cattle handling, transportation and the Beef Quality Assurance program; Northern Lights Dairy of Mandan to learn about modern dairy production; Tokach Angus Ranch of St. Anthony to learn about modern beef production and 40 Steak and Seafood in Bismarck, where International Steakhouse of the Year restaurateur Dale Zimmerman discussed beef cuts and the value of beef in his business.

"We are very pleased with the number of influencers who participated in the tour and the thoughtful questions they had for our presenters: Matt Lachenmeier of Kist Livestock, North Dakota Chief Brand Inspector Stan Misek, Beef Quality Assurance Director Lisa Pederson, Kenton Holle of Northern Lights Dairy, Richard and Kathy Tokach of Tokach Angus Ranch and Zimmerman," said Nancy Jo Bateman, NDBC executive director.

At right: NDBC Executive Director Nancy Jo Bateman (far right) introduces beef producers Richard and Kathy Tokach of St. Anthony.



Participants got a pasture-to-plate tour of the industry.



Restaurateur Dale Zimmerman explains how beef is prepared at his steakhouses.

NDBC PROMOTES BEEF AT UNIQUE FUNCTIONS

The NDBC also participated in these important consumer events:

- Banquet In A Field
- Bismarck Holiday Food & Wine Show
- Cooking demonstrations at Hettinger, held in conjunction with the NDSU Extension Service and the Southwest District Health Unit; and in McClusky, held in conjunction with NDSU Extension Service.



"Iron Chef" competitors hold their winning beef dish. NDBC sponsors the competition at the Grand Forks Air Force Base.



Nancy Jo Bateman
Executive Director



Joan Hoovestol
Administrative Assistant
Compliance



Robin Berger
Office Manager



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DEAR FELLOW PRODUCERS,



Beef and great, unforgettable meal experiences seem to go together. A succulent steak on your birthday, juicy summer hamburger straight from the grill or wonderful

Sunday pot roast with the family not only create immediate and delicious taste sensations, but plant wonderful memories in the brain.

Assuring that the beef in these situations is the best it can be is important. But what beef attributes are most important to consumers when they sit down to enjoy a beef meal? And how do we measure how well we're doing in producing high quality beef for them? How can we make these beef-eating experiences even more memorable?

Those are just a few of the questions we ask ourselves through the Beef Checkoff Program to assure that we're not just meeting consumer expectations for wonderful beef experiences, but exceeding them. This report shows how the checkoff helps provide measurements for beef quality that are quantifiable, guidelines that are reasonable and consumer insights about quality that are helpful and valuable. You will also learn about some of the tools we're using to communicate quality and value to consumers.

The pursuit of quality is never-ending, but at the same time satisfying and rewarding. Beef is a great product that already fills a consumer want. Making it better is the icing on the cake.

Yours truly,

Jerry Effertz, Chairman
Federation of State Beef Councils



Funded by Beef Farmers & Ranchers

THE QUALITY EQUATION

When they sit down for a meal, more than anything else consumers want food that tastes great. Beef producers have a product that both tastes good and is good for them. What should the beef industry do with this fact?

Through its checkoff program, a wealth of knowledge about beef and beef eaters becomes the foundation for research, education and promotion programs that establish benchmarks for beef quality, while providing guidelines for delivering even more of those beef qualities that consumers want.

Obviously, it starts at the beginning.

THE 2016 NATIONAL BEEF QUALITY AUDIT



What cattle producers do to raise beef has an impact on quality. Every five years since 1991 the beef industry, through its Beef Checkoff Program, has provided a set of guideposts and measurements for cattle producers and others to help determine quality conformance of the U.S. beef supply. Results from the National Beef Quality Audit have helped lead to improvements in cattle and beef production through the years, including reductions in carcass blemishes and fewer lost opportunities related to branding and other practices.

Reported in 2017, results from the 2016 NBQA, conducted for steers and heifers as well as cows and bulls, show that the industry continues to improve the quality of its product, and identifies where improvements can still be made. Among the findings was a significant increase in USDA Choice and Prime carcasses, and a high mobility score for cattle entering packing plants, which shows an improvement in animal handling. The number of blemishes, condemnations and other attributes that impact animal value remain small.

Improvements can still be made, however. The NBQA for steers and heifers identified lost opportunities in hitting optimum carcass yield and grade targets and reducing offal condemnation rates, particularly for livers, while among other issues the cow and bull report identified opportunities to make progress by implementing measures to eliminate carcass bruising on the farm, in transport and at the packing facility.

To help tell the positive beef story, the checkoff-funded Beef Quality Assurance Program, managed by NCBA as a contractor to the Beef Checkoff Program, helps beef producers understand the do's and don'ts of raising high quality beef.

Consumers can learn more about how beef is produced through many checkoff-funded programs that tell that story. The multiple efforts to connect with consumers about issues have been highly successful. For example, research conducted by IPSOS Public Affairs in 2016 showed that over 80 percent of consumers graded fresh beef an A or B for safety.

Safety isn't the only beef attribute on the radar. The checkoff-funded Consumer Beef Index (CBI) shows that more than 70 percent of consumers consider beef to be a good balance of taste and nutrition.

A TRAIL TO TENDERNESS

The checkoff-funded National Beef Tenderness Survey demonstrates tenderness has improved significantly since 1990. In fact, there has been a 34 percent improvement in beef tenderness over that time.

Improvements in beef tenderness have remained fairly steady over the past five years despite drought and other challenges that could have derailed its progress. The 2015/2016 survey found that beef is delivering a good eating experience to consumers. It also suggested the industry is keeping its eye on the ball when it comes to protecting the improvements in tenderness it has made.

Most steaks surveyed were considered tender. While cuts from the round have a wonderful flavor profile they remain an industry tenderness challenge. Increased efforts to optimize aging practices and checkoff-funded consumer education on proper cooking for cuts from the round and other primals will help provide greater consumer satisfaction with tenderness.

AN EVOLVING CONSUMER

Knowing what the consumer wants, and how they go about purchasing it, is at the heart of beef checkoff consumer research and marketing efforts. The research is conducted by the checkoff's market research team using a variety of surveys and data-driven consumer behavior and attitude research tools.

For instance, CBI research shows that beef performs well on key quality attributes important to consumers. Almost 90 percent of consumers say beef is great tasting as well as a great source of protein. A checkoff-funded steak satisfaction tracker supports this, showing in a current survey that 90 percent of consumers say they were very satisfied with their recent beef eating experiences.

Consumers who say they are planning to consume more beef give their reasons as:

- They prefer the taste (85 percent);
- They want to add protein to their diet (77 percent);
- They believe there is better availability of cuts (76 percent); and
- They say beef is more of a family favorite (73 percent).

REACHING BEEF'S FINAL STOPS

The beef checkoff's Masters of Beef Advocacy (MBA) program had acquired 10,000 graduates by 2017, providing consumers with a link to producers who put quality beef on their tables. Started in 2009, this group of beef and dairy producers – along with chefs, teachers, doctors, dietitians and others in the beef community – are equipped to engage with consumers and encouraged to participate in advocacy efforts.

MBA graduates have put their skills to use in many ways, from providing a rancher's perspective for a magazine article to promoting an MBA campaign. The Top of the Class, a next-level advocate training program, regularly taps its members for media interviews, speaking engagements and other national opportunities.

Building on the program's initial success, a new set of MBA lessons were released in 2015, and an interactive app for iPhone and Android introduced in 2016, giving MBA graduates access to beef information at their fingertips.

Consumer beef marketing efforts use digital media that include social and entertainment platforms such as Facebook, YouTube, Instagram, Hulu and others. The Beef. It's What's For Dinner Facebook (www.facebook.com/BeefItsWhatsForDinner/) page has more than 1 million followers, and the BeefItsWhatsForDinner.com website has circulated more than 1.4 million recipes.

The beef checkoff will have had more than 40 million video views in 2017. This past year Facebook Live, for instance, hosted a "Be Your Own Butcher" episode from the checkoff's Culinary Center that provided a hands-on cutting demonstration by a meat cutting expert, reaching nearly 140,000 consumers.

OUTSIDE OUR BORDERS

Whether working to expand high-end chilled beef exports to Asia, or helping find new destinations for beef livers, the Beef Checkoff Program's international marketing efforts are boosting global demand for U.S. beef. In the first six months of 2017, U.S. exports totaled 606,876 metric tons (mt) – an increase of 12 percent over the first half of 2016. Export value increased 15 percent to \$3.35 billion, which equates to about \$270 for every fed steer and heifer slaughtered – up 8 percent year-over-year.



Beef exports to leading market Japan exceeded last year's pace by 23 percent in volume (150,812 mt) and 28 percent in value (\$905.8 million). Exports to South Korea were up 13 percent in volume (83,357 mt) and 21 percent in value (\$527.7 million). Chilled beef exports to Japan and Korea were up 40 percent and 83 percent, respectively, as the U.S. captured more than 50 percent of both countries' chilled beef market.

The beef checkoff will also play a major role in reintroducing U.S. beef to meat buyers in China, which in June reopened to U.S. beef for the first time since 2003.

BECKER, SCHMIDT REPRESENT NORTH DAKOTA PRODUCERS ON THE CATTLEMEN'S BEEF BOARD



Patrick Becker
Cattlemen's Beef Board
Selfridge



James Schmidt
Cattlemen's Beef Board
Menoken

CATTLEMEN'S BEEF BOARD FISCAL YEAR 2017 EXPENDITURES

| | |
|-----------------------------------|---------------------|
| Promotion | \$7,871,078 |
| Research | \$9,102,863 |
| Consumer Information | \$7,913,258 |
| Industry Information | \$4,180,808 |
| Foreign Marketing | \$8,140,797 |
| Producer Communications | \$1,498,613 |
| Evaluation | \$202,832 |
| Program Development | \$292,090 |
| USDA Oversight | \$465,853 |
| Administration | \$1,796,725 |
| TOTAL EXPENSES | \$41,464,917 |

Unaudited Numbers

*This total also includes CBB's costs associated with Freedom of Information Act requests and legal fees associated with lawsuits.