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# NORTH DAKOTA BEEF COMMISSION

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— Annual Report —

## A Note from the Chairman

Dear Beef Producers;

As the ND Beef Commission (NDBC) chairman I am honored to report on our industry and checkoff activities for 2015. It has been my honor to represent you for six years with the last four as chairman. Terms on the NDBC are limited to a maximum of six years so this will be my last year as a voting member and with that, I would like to express my extreme gratitude to our staff, past and present, for their passion and professionalism through my time on the Commission. I also would like to say that you, as an investor in the beef checkoff, can be proud of your fellow beef producers that serve and represent you on the NDBC. Each and every board and staff member working with the ND Beef Checkoff program take their responsibility very seriously and have an amazing passion for the beef industry.

This past year has been a challenging one for everyone in the cattle industry. The market has seen drastic moves over the last year. When we start with extremely high prices, the percentage moves seem very large to most of us. Please know that your investment in the beef checkoff is at work every day at the state, national and international level to increase demand for beef by ensuring that consumers understand the benefits of including beef in their diet.

On the international level, beef exports accounted for around 13% of our total beef production in 2015. This was down around 1% from the last year. Our export value per head of fed slaughter is at \$278.06 which is also down 5% from a year ago. This is largely due to the increased strength in the American dollar.

On August 1, 2015, a ND state checkoff of \$1 per head was enacted by the ND Legislature. This new checkoff dollar is solely managed by your NDBC board. With this added responsibility, the Commission decided to conduct a special strategic planning session in April prior to the implementation of the law. Those involved in that planning session included beef industry leaders and stakeholders from dozens of related industry organizations and associations along with retail, health and nutrition representatives. The priorities resulting from that session provided important direction that the Commission would use as guidance in future funding decisions. The responsibility for investing these new dollars is taken very seriously by the NDBC with checkoff dollars being put toward projects that we believe will improve demand for every pound of beef our producers work so hard to produce.

I would encourage everyone in the beef industry to take the time to review this Beef Checkoff annual report and learn about the programs that were funded at the state, national and international level.

I will conclude with a wish that everyone has a safe, prosperous, and sustainable year. It is my honor to present to you the annual report of the ND Beef Commission.

Clark Price, NDBC Chairman

In 2015, the ND Beef Commission laid the groundwork for an advertising campaign, including television and print advertisements and an updated website. This is an example of one of the advertisements that appeared in regional specialty papers.

**BEEF**  
the undisputed  
**TAILGATING**  
**CHAMPION**

**TOUCHDOWN T-BONES**  
WITH FRESH PARSLEY PESTO

**INGREDIENTS:**  
2 beef T Bone Steaks, cut 1 inch thick  
2 small red, yellow or green bell peppers,  
cut into quarters

**PARSLEY PESTO:**  
1/2 cup fresh Italian parsley leaves  
4 large cloves garlic, minced  
3 tablespoons olive oil

**GAME PLAN:** Place pesto ingredients in small bowl of food processor or blender container. Cover; process until parsley is finely chopped, stopping and scraping side of bowl as needed. Spread pesto generously on both sides of beef steaks and bell peppers. Place steaks and peppers on grill over medium, ash-covered coals. Grill, covered, 11 to 16 minutes. Cover medium heat on preheated gas grill, 15 to 19 minutes for medium rare (145°F) to medium (160°F) doneness and until peppers are tender, turning occasionally. Remove bones; carve steaks into slices. Season with salt and pepper, as desired. Serve beef with peppers.

For more tasty tailgating recipes, visit [www.NDBeef.org](http://www.NDBeef.org).

North Dakota Beef Commission  
(701) 328-5120 — 4023 State Street, Bismarck, ND 58503  
Brought to you by North Dakota Cattle Producers through the Beef Checkoff.

## Directors & Staff

### OFFICERS

Clark Price ..... Chairman  
Gabe Thompson, Jr. .... Vice Chairman  
Jocelyn Carlson ..... Secretary

### BEEF PRODUCER

Dan Rorvig ..... McVille  
Gabe Thompson, Jr. .... Antler  
Mark Wagner ..... Monango

### BEEF PRODUCER MEMBERS AT-LARGE

Jocelyn Carlson ..... Killdeer  
Jeff Dahl ..... Gackle  
Merle Jost ..... Grassy Butte

### CATTLE FEEDER

Clark Price ..... Hensler

### DAIRY PRODUCER

Dale Kuhn ..... Towner

### LIVESTOCK MARKETS

James Bitz ..... Napoleon

### EX-OFFICIO

Jerry Effertz ..... Velva  
Kathy Tokah ..... St. Anthony

### FEDERATION OF STATE BEEF COUNCILS

#### NATIONAL DIRECTORS

Jerry Effertz ..... Velva  
Clark Price ..... Hensler  
Jocelyn Carlson ..... Killdeer

### STAFF

Nancy Jo Bateman ..... Executive Director  
Joan Hoovestol  
Robin Berger

### CATTLEMEN'S BEEF BOARD DIRECTORS

Pat Becker ..... Selfridge  
James Schmidt ..... Menoken

## NORTH DAKOTA BEEF COMMISSION

COMBINED STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
JULY 1, 2014 – JUNE 30, 2015

### REVENUE:

Checkoff Assessments	\$1,057,977
Less Remittance to States of Origin	(17,683)
Less Remittance to Cattlemen's Beef Board	(520,670)
Net Assessments	519,624
Other revenue- interest & receipts	3,732
Other revenue- Beef Gift Certificate sales	3,085
Net In-State Revenue	\$ 526,441

### EXPENDITURES:

International promotion	20,009
Promotion	5,693
Research	663
Consumer Information	93,906
National program development	119,260
Beef gift certificates	3,085
Administration	182,884
Operations	66,094
Total Expenses	\$ 491,594

REVENUES OVER (UNDER) EXPENSES	\$ 34,847
FUND BALANCE, JULY 1, 2014	\$ 270,055
FUND BALANCE, JUNE 30, 2015	\$ 304,902

## American Heart Assoc. Partnership Begins

Reaching those who are concerned about good health and healthy eating has always been a priority for the beef checkoff. That's why a new partnership with the AHA in ND is so exciting. To say there were looks of surprise on consumer faces to see beef as



a sponsor of the three HeartWalk events in ND would be an understatement! Walkers in Bismarck, Fargo and Grand Forks HeartWalks were excited to learn that there are over 38 beef cuts that are "lean" and 8 cuts that are actually endorsed by the AHA with their "Heart Check" mark at participating retail grocery stores. HeartWalk participants also had fun making their own heart healthy no-salt seasoning mix to use with extra lean ground beef for a beef breakfast sausage burrito.

The first annual AHA National Eating Healthy Day Event in Bismarck was also a big success. Working with the "40 Steak & Seafood" restaurant, 50 guests participated in a program about heart healthy eating including beef, how to cook healthy meals, and then were treated to samples of three beef recipes prepared by the "40's" amazing Chef Alan Abryzo. Consumer questions were answered by Sanford Hospital cardiologist Dr. Howard and NDBC executive Nancy Jo Bateman.

## Beef Education for Children and Adults Alike

Beginning in 1994, the Living Ag Classroom events in Fargo, Minot and Bismarck have taught 4th grade children how food gets from the "Farm to the Fork". In that time, best estimates are that somewhere close to 84,000 children have participated. NDBC staff members walk them through everything "beef" from where their favorite cut of beef comes from, to the value of beef in our diet, guessing how many quarter-pound hamburgers come from one steer, and ending with all the other products cattle provide beyond beef.



The beef message is also spread by providing materials and programs for school teachers, 4-H & FFA program sponsorship support, NDSU Extension Agent workshops on beef cookery and beef industry updates, NDSU "Eat Smart. Play Hard." programs all help to incorporate the latest good news about beef in the diet, and the list goes on.

## Nutrition Thought Leaders Think Beef

Several highly respected national nutrition experts assisted in educating their peers in North Dakota. These included:

**Dayle Hayes**, a nationally acclaimed dietitian from Billings, MT, and expert with a passion for making school lunches healthier, who presented at the ND School Nutrition Association.



**Georgia Kostas**, a nationally recognized nutrition consultant who specializes in heart health, weight management, wellness and prevention addressed members the Upper Plains Cardiopulmonary Rehab Association from North & South Dakota on how to rank today's popular diets based on which is best for health, weight loss, and heart, and why!

**Felicia Busch**, MPH, RD, FADA, a nationally recognized dietitian with expertise in marketing nutrition services by those qualified to offer advice to consumers, addressed

the ND Academy of Nutrition & Dietetics with advice for dietitians in the 21st century.

Two other organizations that the NDBC works with on a continuing basis include the ND Nutrition Council and the ND Academy of Family Physicians. Members of both groups received the latest in beef nutrition information and enjoyed a delicious beef meal at their annual conferences. These long standing relationships have brought the beef industry close to the health professionals involved in their respective organizations making the beef industry a trusted source of scientifically based nutrition information about the benefits of beef in the diet.

## Banquet In A Field

What better way to showcase the abundance of food products our state has to offer and have a conversation about modern food production than by taking our non-agriculture city friends and thought leaders to a Banquet In A Field. Led by CommonGround volunteers, the NDBC partnered with 14 other sponsoring agricultural groups and hosted 120 guests who met farmers and ranchers and learned about eleven North Dakota crops and three meats while touring field plots. All enjoyed appetizers and a meal centerpiece with beef tenderloin prepared by local chefs, Tony and Sarah Nasello and the NDSU BBQ Bootcamp members at Peterson Farms Seed near Fargo, North Dakota.



## Military Events

Over 2000 beef consumers who also happen to be active military, reserve and National Guard members participated in the ND State Fair and Grand Forks Air Force Base military events hosted by the beef industry this past summer. Over the history of these events, that brings the total of those who have been involved to over 18,000. From a hand carved roast beef picnic lunch in Minot to a grilled burger picnic with the trimmings in Grand Forks, there is no doubt that our military members and their families enjoy beef.

In addition to eating beef, the Grand Forks event includes a Beef Iron Chef grilling contest. Up to 12 teams, each representing a squadron on the base, take to the grills to create a beef meal that will impress the judges. They begin with a "mystery" cut of beef provided to them along with a "pantry" of ingredients to pick from provided by the Commissary on base. The results are beef dishes with literally a "world" of flavors. Members of the winning teams receive a gift of beef from the NDBC and the Commissary.



## Cooking Programs Help Put Beef on the Menu



Hundreds of consumers across the state participate in beef cooking programs designed to give them a look at new beef cuts and healthy meal ideas. From cooking programs at Ag shows to in-depth

beef cookery updates for food & nutrition specialists with the extension service, being able to see, taste and learn about beef creates excitement about meal choices.

## New State Checkoff Assessment Begins in ND

Implementation of a new state beef checkoff assessment of \$1 per head on August 1 brought ND producers' investments in beef promotion to \$2 per head each time cattle change ownership. This includes one national dollar and now an additional state dollar. This was the result of work by many producers and producer organizations in ND that supported the beef checkoff programs and felt there was a great need to increase funding for beef promotion, research and education programs after almost 30 years without an increase. The ND Legislature agreed.

Both the state and national assessment are now due when any person sells cattle in ND or from ND. In most cases, this is taken care of by livestock markets, dealers, and packers so producers don't need to do anything. However, in the case of private sales or sales where some other entity does not collect the checkoff, it becomes the producer's responsibility to see that it is paid in a timely manner by the 15th of the month following the month when the cattle were sold. While the NDBC tries very hard to put programs in place that increase demand for beef and that will benefit beef producers, should a producer not want to support beef promotion, research and education programs through the state assessment, a refund provision is in place. Additional information on this is available by calling the NDBC or going to [www.ndbeef.org](http://www.ndbeef.org).

## Keeping Producers Informed

The NDBC is proud of the programs that are being funded on behalf of producers and want producers to know about them. This past year board members and staff have attended producer meetings, beef and dairy industry conferences, Extension education programs and other events in an



effort to keep producers informed about where their dollars are being used.

The Commission also reached out to the leaders of dozens of beef industry organizations, associations, groups and stakeholders including retailers and nutritionists as plans were being made to implement the new state beef checkoff. A strategic planning session was held with these industry leaders and the information gained will be used to guide programs that are developed for the benefit of state beef producers investing in the ND beef checkoff.

## Supporting ND Beef Quality Assurance

The NDBC has been a supporter of the ND Beef Quality Assurance program since the beginning and continues to support the program which is touted as one of the best cow-calf BQA programs in the country. This is certainly due to the great team of experts involved through NDSU and because of the leadership of NDSU Extension Service BQA specialist, Lisa Pederson. Special emphasis has been put on cattle handling training this year including programs by cattle handling expert Curt Pate in Carrington.



## DEAR FELLOW BEEF PRODUCERS,



Many Americans have become afraid of the food they eat. It's no wonder. Headlines admonish them to avoid fat. Newscasters gravely announce the latest study about one food ingredient or another. Bloggers rant about pesticides, hormones, antibiotics and/or their pet dietary restrictions. Every neighbor, it seems, touts his or her favorite diet regimen.

Meanwhile, beef and other good, basic foods have often fallen from the discussions, at least the ones that present our products – and our industries – accurately.

Without a bottomless funding source, it would be impossible to counter all of the swirling, often internet-based negative information. However, through your Beef Checkoff Program a tremendous amount of work is being done to increase understanding of beef, and present positive impressions of beef producers.

The information in this report isn't the whole story of those efforts, but it will give you an overview of the progress being made on your behalf with consumers. Through the partnership between your state beef council and the national Beef Checkoff Program, we are having success in building more demand for what we produce and trust in how we produce it.

For more information on beef checkoff efforts, please contact your state beef council. I want you to know that I and other beef producers on voluntary boards helping direct these efforts always have your interests – our interests – at heart.

Yours truly,

Jennifer Houston

Chairman, Federation of State Beef Councils



Funded by the Beef Checkoff.

## Protein Stages a Comeback

After decades of taking a back seat to publicity about carbohydrates and fat,

protein is making a comeback. Today, the macronutrient is the focus of both research and positive information, and reasserting itself as a key component of a healthful diet.

It makes sense. Protein is essential to the diet, while protein from animal foods is more rapidly and readily absorbed than plant protein in our diets. A 3-ounce serving of lean beef provides 25 grams of protein – as well as 10 essential nutrients – in just 154 calories.

The beef industry has been promoting the message of protein and its value for years, but the Beef Checkoff Program took it to a new level in 2015 by helping coordinate the Protein Challenge, a 30-day step-by-step way for consumers to understand how protein intake could be balanced to optimize good health through the diet. The idea was for consumers to work their way up to eating 30 grams of protein at every meal, giving them the chance to feel the difference in their everyday lives.

Studies show doing this would not only improve health, but control food cravings at critical times during the day. It will help consumers take control of their appetites and kick-start benefits of balancing protein consumption.

During a national program introduction in April 2015 more than 10,500 consumers were actively participating in the program by subscribing to a daily inspirational email, which helped them succeed in keeping to their protein intake goals. The program's website landing page had become the most visited page on the [www.beefitswhatsfordinner.com](http://www.beefitswhatsfordinner.com) website, with more than 70,000 visits over the first month, thanks to state and national efforts to promote it.

## A Sharpened Tool for Defending the Industry

Having producers trained and able to defend their product and their

practices is an important element of a successful “on the ground” strategy. The Beef Checkoff Program's Masters of Beef Advocacy (MBA) program, with about 6,000 graduates to date nationwide, is an effort to properly arm producers with the facts they need when in contact with consumers.



A new version of the MBA program called MBA 2.0 was launched this past year, allowing beef and dairy producers to step up and be true “advocates” for their industry. Building on the success of the

original MBA program, MBA has new content based on consumer research that tackles current questions about the beef industry and its end product. The new elements of MBA 2.0 take about an hour to complete.

Those who complete the MBA program say it allowed them to gain a clear and useful understanding of beef industry issues that are important to consumers, and as a result are important for producers to share. To sign up for the MBA program go to [www.beef.org/mba](http://www.beef.org/mba).

## Five Key Findings of the Consumer Beef Index

- ☞ An overwhelming majority of millennials (79 percent) believe the positives of beef outweigh the negatives.
- ☞ Among the beef industry's core audience (millennial parents) more than four of five (82 percent) think the positives either strongly or somewhat outweigh the negatives.
- ☞ For the first time, when asked “which do you prefer to eat for dinner,” an equal proportion of consumers (34 percent) prefer beef as prefer chicken. (As recently as 2012, 38 percent preferred chicken, while 29 percent preferred beef).

- After nearly a decade of recession, lower supply and higher beef prices, the decline in beef consumption appears to have stabilized at an average of two servings per week.
- More Americans intend to increase beef consumption in the future as intend to decrease it (18 percent versus 15 percent).

The Consumer Beef Index is a semi-annual national survey completed with more than a thousand U.S. consumers ages 13-65. Initially developed in 2006, it is used by the Beef Checkoff Program to track changes in consumer perception of beef, assess the impact of the industry's communications efforts, monitor areas of relative strength and potential vulnerability for beef and provide input for national checkoff strategies.

## Digital Advertising Continues to Build

This past summer the Beef Checkoff Program made the biggest push yet for its "Beef. It's What's For Dinner" digital campaign, reaching consumers in a variety of ways, across different platforms:

- The BeefItsWhatsForDinner.com website, which serves as the go-to resource for recipes and meal inspirations, cooking tips and techniques, and nutrition information. A new landing page supporting the grilling season was launched;



- New videos, with three new "No-Recipe Recipe" advertising spots created to inspire new meal ideas and cooking techniques, while showing how beef can help bring a delicious and nutritious meal to life;

Social, Banners, Search

Advertising, used throughout the summer to drive traffic to the website and various content assets throughout the year, such as recipe

collections, videos and the grilling season landing page; and

- The Protein Challenge, launched in April 2015, which was the most popular page on the website. Search and Facebook advertising efforts motivated more than 10,500 consumers to subscribe to daily Protein Challenge e-mails.

## Support Grows as Knowledge Improves

Research shows three of four producers support the Beef Checkoff Program, and that the more they know about the program the more supportive they are. That same research shows the number of producers who say they do not support the program is the lowest ever found – 10 percent.

The survey of beef and dairy producers nationwide was conducted by an independent research firm in June and July. It found a vast majority of beef and dairy producers continue to say their beef checkoff has value for them by contributing to a positive trend in beef demand, contributing to the profitability of their operations, representing their interests and being well-managed.

## Beef Exports Deliver Strong Value for Producers

Beef exports continue to deliver excellent returns for producers, as the value per head of fed slaughter was nearly \$292 in 2015. While the tightening of U.S. beef supplies has constrained overall export volume growth for the past three years, international demand has remained strong as customers have paid higher prices, supporting record export values.

With USDA forecasting a 4.5 percent increase in U.S. beef production next year, there will be greater availability of U.S. beef cuts that command a premium overseas, including short ribs, short plate, skirts, chuck rolls and tongues. Checkoff-funded efforts conducted by the U.S. Meat Export Federation around the world are focused on those markets that maximize potential for U.S. beef exports.

## CATTLEMEN'S BEEF BOARD FISCAL YEAR 2015 EXPENDITURES

Administration	\$1,541,927	
USDA Oversight*	\$246,889	
Program Development	\$315,491	
Program Evaluation	\$202,093	
Producer Communications	\$1,555,711	
Foreign Marketing	\$7,661,822	
Industry Information	\$1,781,595	
Consumer Information	\$10,660,349	
Research	\$9,776,601	
Promotion	\$8,092,825	
<b>Total expenses</b>	<b>\$41,835,303</b>	

Unaudited numbers

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



## North Dakota Beef Commission

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