

# BEEF

## 2007 NORTH DAKOTA BEEF COMMISSION ANNUAL REPORT



### From The Chairman

#### Who's Looking Out For You?

Recently, the World Cancer Research Fund and American Institute for Cancer Research released their ongoing review of worldwide cancer research. In 1997 they released a similar report.

I'm curious as to whether you, the beef producers of North Dakota, heard or read anything about it when it was released on November 1. Hopefully your answer is NO. The reason I say this is that sometimes the BEST news is NO news at all!

I bring this report up to give beef producers a perspective on exactly what your checkoff dollars do when they leave your checkbook. While we were all home dealing with everyday problems that ranchers deal with, our state and national beef checkoff staff had been preparing for the release of this report for over a year. These people were ready to defend your product and your industry against potential attacks and accusations of beef being the cause of various types of cancer. They had experts ready to respond, review research, critique scientific methods, and offer research that defends beef's place in the diet. All in all, the report release was rather lackluster. And while obesity was cited as a much more serious link to various cancers, they still took aim at red meat and processed meats as was expected given the researchers' continual bias against beef in general. I expect that we will hear this report referred to over the next decade and various health organizations may also use it to try and change dietary recommendations.

My question to my fellow beef producers is this: Would you be able to answer questions and debate experts on beef and cancer? My answer would be NO! That's why I'm happy to invest my checkoff dollars in programs and people that do these tasks for me. Let's face it. We can't do this alone. We're small in numbers and have too much of our own work to do. So the next time you hear beef demand is going up or hear experts on the news calming the public's fears in a crisis, just remember that you did your part by contributing your checkoff dollars toward making beef the healthy choice for consumers.

For more information on this and other issues, or to view our annual report online, visit our newly released website at [www.ndbeef.org](http://www.ndbeef.org).

Jason Schmidt, Chairman  
ND Beef Commission

### PRODUCERS SEE FIRST HAND



North Dakota's Beef Quality Assurance program, a partnership between the NDSU Extension Service and Beef Commission, grows and reaches out in new directions each year. In 2007, over 300 of the state's youth were trained in BQA while an additional 20 producers participated in "Beef 101: From Calves to Carcasses" in Bowman. They learned how their decisions and practices impact beef carcass value and consistency. State BQA staff also played a role in the 2007 National Market Cow and Bull Audit along with assisting to develop an educational DVD for use by livestock markets.



The Beefmobile, and Beefmobile wrangler Tracey Orsburn, spent a week in ND making livestock market visits and assisting the Commission staff with other promotions. The Beefmobile is part of the national beef checkoff producer communications program and provides producers with direct access to the results of beef checkoff programs while giving producers a chance to ask questions and provide input to the program.

New beef value cuts were at the center of the plate at the ND Stockmen's Association convention luncheon for producers to enjoy.

### RESEARCH MOVING FORWARD



With a groundbreaking ceremony in August, the long awaited NDSU Beef Systems Center of Excellence is taking shape. The Beef Commission has currently approved over \$180,000 in research projects to be conducted by several new meat scientists on staff at NDSU.

Over \$150,000 of national checkoff funds has been approved to further research started by the Commission at the USDA ARS Human Nutrition Research Center in Grand Forks on the effects of beef on calcium retention in women.



# BEEF

## NORTH DAKOTA BEEF COMMISSION

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## PROMOTION HIGHLIGHTS



Prime Rib took center stage as over 1400 people attended the Holiday Food & Wine Experience hosted by Clear Channel Radio in Bismarck. A partnership between the Beef Commission and CashWise Foods resulted in Certified Hereford Beef Prime Rib samples being enjoyed by over 1100 people during the evening event.

One-hundred-and-three degrees in the shade didn't deter over 1200 service men, women and their families from attending the fourth annual Beef Industry Military Appreciation event during the ND State Fair. They were treated to a scrumptious slow roasted beef picnic hosted by the ND Beef Commission, ND Stockmen's Assn., and ND CattleWomen.



Millions of favorable consumer impressions result annually from effective use of the media across North Dakota. This includes TV cooking programs on the KX-TV Network, seasonal beef promotions in newspapers, radio and area magazines, and special beef recipe features in magazines including Area Woman, Inspire, City Magazine, and Fine Living.



## EDUCATION & PR PROGRAMS



Consumers continue to be exposed to new beef products and great new recipe ideas through food events, beef cookery presentations, fairs, displays, ND CattleWomen programs and large events including the Women's Showcase, ND State Fair, Working Women's Summit, Rural Women in America, and others.

Education programs and materials touch students, from preschool to college. This ranges from the Beef Mini Grant Program for Family & Consumer Science teachers to the Living Ag Classroom events in Fargo, Minot and Bismarck for 4th graders to college scholarships for four members of the NDSU Meats Judging team. The ND CattleWomen receive funding for events like the Beef Ambassador contest and Beef Challenge.



## RETAILERS EXTEND MESSAGE

Super Valu meat managers attended a "Beef 101" educational session updating them on the latest cuts, proper cookery methods, and new ideas for merchandising beef to consumers.

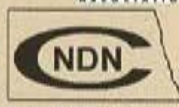
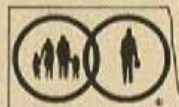
Over 30,000 holiday recipe brochures reached consumers through 215 grocery stores across ND serviced by the Super Valu and Nash Finch companies when they partnered with the Beef Commission to promote holiday beef roasts.



## NUTRITION PARTNERSHIPS

Partnering with reputable nutrition and health organizations helps reach tens of thousands of consumers with a positive beef message. This past year these included the ND Academy of Family Physicians, ND Dietetics Assn., ND Nutrition Council, NDSU Extension Service, the American Heart Association, and various community health and wellness groups.

North Dakota Academy of Family Physicians



North Dakota Nutrition Council



Dayle Hayes, a registered dietitian and member of the highly esteemed national Council For Women's Nutrition Solutions, brought a message of common sense, moderation and variety for good health to four different audiences across the state. This included over 400 women attending the Heart Association's Go Red event, public school wellness program staff for the Jamestown school system, and public and community health providers, all from the Jamestown area, as well as dietitians and nutritionists attending the ND Dietetics Assn and ND Nutrition Council Convention in Bismarck.



The NDSU Extension Service partnered with beef producers to take the beef message to several audiences. The "Eat Smart. Play Hard. Together" campaign continues to reach tens of thousands of elementary students with a sensible message about food and exercise. The "Teens Serving Food Safely" education program teaches over 1500 high school students annually about safe food handling practices. The Beef Commission contributes over 1500 meat thermometers to this program. And the new "Now Serving Lean Beef" lesson plan for county extension agents is being enthusiastically received by consumers through local workshops.



## OFFICERS



Jason Schmidt,  
Chairman



Jerry Schaefer,  
Vice Chairman



Gladys Woroniecki,  
Secretary



Kim Lees,  
Buchanan



Jerry Schaefer,  
Des Lacs



Jason Schmidt,  
Medina

## — BEEF PRODUCER MEMBERS AT-LARGE —



Jerry Elbert,  
Velva



Marshall Hermanson,  
Stanley



Gladys Woroniecki,  
Hebron



Shawn Arndorfer,  
Hettinger



Allan Tellmann,  
New Salem



Ray Erbe,  
Streeter

## — EX-OFFICIO —



Van Amundson,  
Jamestown



Larry Schnell,  
Dickinson



Jeff Dahl,  
Gackle



Margie Harde,  
Amidon

## BEEF PRODUCERS

## — FEEDERS —

## — DAIRY —

## — LIVESTOCK MARKETS —

## — CATTLEMEN'S BEEF BOARD —

## STAFF

Nancy Jo Bateman, Executive Director  
Sylvia Brown  
Joan Hoovestol

## ND BEEF COMMISSION

Combined statement of revenues, expenditures and changes in fund balances  
JULY 1, 2006 — JUNE 30, 2007

<b>Revenue:</b>	
Checkoff Assessments	\$1,185,901
Less Remittance to States of Origin	(36,031)
Less Remittance to Cattlemen's Beef Board	(574,938)
Net Assessments	574,932
Other revenue- interest & receipts	23,657
Other revenue- Beef Gift Certificate sales	24,420
Net In-State Revenue	\$ 623,009
<b>Expenditures:</b>	
International promotion	17,200
Promotion	30,538
Research	12,568
Consumer Information	126,974
Industry Information	10,000
National program development	166,725
Beef gift certificates	24,420
Administration	166,350
Operations	42,566
Total Expenses	\$ 597,341
Revenues over (under) expenses	\$ 25,668
Fund Balance, July 1, 2006	\$ 525,719
Fund Balance, June 30, 2007	\$ 551,387



# BEEF

## YOUR BEEF CHECKOFF PROGRAM FISCAL YEAR 2007 IN REVIEW

No matter what business you are in, it is important to stop and annually review what you are getting done. The Beef Checkoff program is no exception and in this annual report you will find some of the highlights of what beef checkoff funded programs have accomplished in Fiscal Year 2007.

The audiences reached by checkoff funded programs continue to be as diverse as the population; from retailers to school nurses and from dietitians to beef producers. As you will read, your checkoff dollars are funding a variety of programs ranging from the development of five new convenience beef product concepts to a program designed to help parents learn how to enrich their family mealtimes.

The state and national partnership continues in implementing checkoff programs. In 2007, state beef councils voluntarily invested approximately \$10 million in the Federation. This investment multiplies the reach and impact of national programs funded by the Cattlemen's Beef Board and materials provided to state beef councils.

Thank you for your investment!

### ADVERTISING

While "enjoyment" print and radio advertising continued to fuel consumers' passion for beef, nutrition ads delivered an unfiltered message setting the record straight about beef's great nutrition story. In a recent tracking study, 88 percent of consumers who had seen the checkoff ads are more interested in beef. The campaign ran from January through Labor Day and reached 91 percent of the target audience 16.8 times, at less than half a cent each time.



48.5 million trade media impressions in the channel, four major showcase and product sampling events, and five promotions with chain restaurants.

### FOODSERVICE

The BEEFflexible message continued to resonate with operators across all foodservice segments, where more than 8.66 billion pounds of beef were sold during fiscal year 2007. Volume data shows the Flat Iron and Petite Tender continue to outsell both the T-Bone and Porterhouse in this \$631 billion channel. The integrated foodservice marketing plan delivered

### RETAIL

Retail marketing executed another productive Summer Grilling Campaign in 2007. The outreach was a combination of promotional efforts that included development of point-of-sale materials, partnering on freestanding inserts, radio advertising and in-store merchandising. More than 22,000 point-of-sale pieces were distributed by 22 state beef councils. Additionally, 70 retailers partnered in 42 markets to broadcast radio spots on 68 stations nationwide. Reduced beef supply and the resulting higher retail prices again reinforced the strength of beef demand as dollar sales during the summer grilling months increased by 1.5 percent to \$5.3 billion over 2006.

### BEEF INNOVATIONS GROUP

Fiscal year 2007 was a BIG year for the checkoff-funded Beef Innovations Group. Major initiatives were completed and include creating five new convenience



beef product concepts which are ready for

commercialization; launching a new and informative web site; creating new industry partnerships; and rolling out four new chuck roll cuts plus an innovative cooked chuck roll item. The new chuck roll cuts include the Denver Cut, America's Beef Roast, Delmonico Steak, Country-Style Beef Chuck Ribs, and a fully cooked Country-Style Beef Roast.

### VEAL

The Beef Checkoff-funded Veal Go To Market strategy reached a milestone in fiscal year 2007 with four casual dining chains representing more than 350 restaurants nationwide placing a new veal item on each of their menus. These four new veal items help create new consumer demand with a younger target audience. The checkoff-funded veal program yielded over \$1 million dollars in Estimated Advertising Equivalency through an integrated veal public relations programs.

### CULINARY CENTER

2007 brought exciting opportunities for the checkoff-funded Culinary Center. Beef U, a Foodservice Guide to Beef, was rolled out jointly with the Foodservice team. The center also focused on developing recipes and taking photography for the Beef Made Easy program, Food Communications, Veal and Foodservice. The Culinary Center also partnered with the Youth Education team in developing recipes for *Enriching Family Mealtimes*.

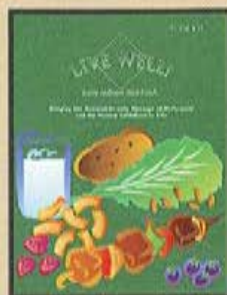


## SAFETY

The beef industry is being recognized by government agencies and consumer groups for effective safety systems and safe products. Much of this success is a result of checkoff-funded beef safety research that has developed interventions, fostered communication among all industry sectors and advanced the knowledge of foodborne pathogens and their prevalence in the beef chain.

## NUTRITION

The Beef Checkoff co-sponsored a scientific summit titled, *Protein Summit 2007: Exploring the Impact of High-Quality Protein on Health*. The Summit was an important scientific and influencer meeting that convened 65 researchers from around the world to engage in dialogue to "build the case for high-quality protein," such as lean beef. The results of the Summit will help foster ongoing efforts to help protect and promote the importance of protein.



## HEALTH PROFESSIONAL EDUCATION

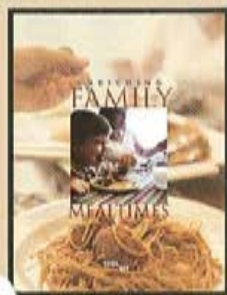
More than 30 checkoff-funded nutrition seminars were conducted across the country in 2007 for a variety of health professionals, including dietitians. More than 6,500 individuals attended these events, where the popular "Live Well" toolkit was utilized and distributed, as were a variety of printed materials about beef as part of a healthy diet.

## ISSUES MANAGEMENT

A public opinion survey in May 2007 found consumers rated beef highest of all proteins in terms of food safety. Another recent Issues Management survey found 95 percent of Americans support raising cattle for food. Issues management's work in monitoring, analyzing and managing potentially damaging issues in food safety, nutrition, the environment and animal welfare has been integral to Beef Checkoff investments since the program began.

## PUBLIC RELATIONS

In fiscal year 2007, checkoff-funded public relations generated more than 5.4 billion impressions as a result of efforts related to food communications, nutrition, safety, media relations and crisis preparedness. The PR program continues to tell the beef production story and help share information about nutrient rich beef available through media relations, consumer outreach and Web sites such as BeefFromPasturetoPlate.org, BeefItsWhatsForDinner.com and BeefNutrition.org.



## YOUTH EDUCATION

A growing body of research shows regular family mealtimes have a positive impact on all aspects of a child's development – physical, mental, behavioral, social and educational. To help reach parents with this important message, the Beef Checkoff has produced *Enriching Family Mealtimes*, a kit that provides school leaders, health professionals, and parent volunteers the tools needed to promote family mealtimes in their schools or youth organizations. Contents include "how-to" tips, advice, simple recipes, shopping lists, conversation starters plus many other resources.

## FOREIGN MARKETING

U.S. beef is back in nearly all international markets and due to trade requirements, many boneless beef items are in tight demand. USMEF (United States Meat Export Federation) has focused on marketing underutilized U.S. beef cuts to offer buyers in many markets alternative cuts at more affordable prices. Through July 2007, beef sales amounted to 425,394 metric tons (937.8 million pounds), worth more than \$1.4 billion.

## CBB COMMUNICATIONS

CBB communications outreach included production of the 2006 Beef Board Annual Report, as well as tracking activity at checkoff meetings via the Beef Board meeting blog, at [www.beefboardmeeting.com](http://www.beefboardmeeting.com). In addition, these producer communications efforts took a CBB presence to seven industry trade shows, and provided CBB members and other producers information and materials to help them tell the checkoff story to the country.



## NATIONAL BEEF COOKOFF\*

The 27th National Beef Cook-Off was held in September 2007 with publicity running at record pace. The Food Network spent days filming the event and will air a second hour-long special devoted to the Cook-Off in mid-2008. In addition, nearly 2,000 stories reaching over 317 million consumers appeared about the Cook-Off in the past year—all of which reinforce the integral role beef plays in America's kitchen.

## CATTELMEN'S BEEF PROMOTION AND RESEARCH BOARD FISCAL YEAR 2007 EXPENDITURES\*

Does Not Include State Beef Council Investments  
\*unaudited numbers

