



Washington State Beef Commission

Washington State Beef Commission
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2013

WASHINGTON STATE BEEF COMMISSION



The Seattle Game

The 2012 Seattle Game promotion enabled the Beef Checkoff to reach consumers through media, QFC grocery stores and inside CenturyLink Field with the goal of increasing beef sales and putting a face on

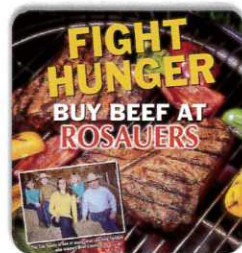
Washington's beef community. The seasonal, "Beef. It's What's for Tailgating" promotion featured the Rathbuns, our "Cougar Ranching Spokes-family" from Moses Lake and reached 89% of Seattle adults an average of 6½ times during the four week radio campaign and social media sweepstakes. In addition, advertising reached over 475,000 consumers on Facebook. On game day, about 150 beef and dairy producers traveled to Seattle to serve 10,000 cups of chili and hand out coupons, recipes and information about Washington's beef community. Diamond Vision messages, the t-shirt cannon and half time programming exposed over 60,000 Washington State University and Oregon fans to "Beef. It's What's for Tailgating" messages. Consumers were also engaged in the tailgating campaign at the meat case where beef sales were up 23% during the promotional period.



Explore Beef Experience

This summer 26 chefs, educators, registered dietitians and meat

department directors traveled the state to experience Washington's unique beef community. This in-depth tour provides thought influencers with a learning experience to share with their audiences, whether that's in a classroom, kitchen or corporate office. As in past years a pre- and post-tour survey gauged the learning and attitudes of attendees. 100% of attendees ended the tour with a positive attitude when asked what they think about ranchers, ranchers who run feedyards and managers of meat processing plants. One attendee noted, "I have already told several friends and co-workers about how amazing it was to really see behind the scenes operations. Everyone has their own preconceived opinions and it's good to now have an opinion based on what I've seen, not just what I've heard."



Beef Counts

From Memorial Day to Labor Day, Spokane area consumers were encouraged to buy beef and fight hunger through their St. Helens Beef purchases at Rosauers, with a portion of sales contributing to Beef Counts at Second Harvest. The message was delivered in partnership with the popular Tom Sherry's weekly BBQ Forecast on KREM-2 television and website advertising featuring local ranchers. Beef Counts and summer grilling advertising reached 87% of viewers eight times, and bonus exposure through the media partnership increased the checkoff investment by 85%.



"Grill Your Grad Sweep-Steaks"

Hundreds of consumers entered the "Grill Your Grad Sweep-Steaks" online contest last year. Family and friends entered on Facebook telling us why their special graduate deserved a backyard steak barbecue for 50 catered by Seattle's renowned Metropolitan Grill. Web banner and Facebook ads promoting the contest generated 14.9 million consumer impressions, and 800 new Likes on the Washington State Beef Commission Facebook page.



Cooking Beef on Television

Seattle and Spokane television viewers got a healthy dose of beefy inspiration this year when the Beef Commission staff demonstrated beef recipes and provided tips and fresh seasonal ideas on air. Summer grilling segments and a St. Patrick's Day special segment in Seattle generated over 102,000 (total) viewers. Each television cooking demonstration generated a tremendous increase in consumers visiting wabeef.org for beef recipes.

Dietitians Compare Cattle Nutrition to Human Nutrition

Checkoff-sponsored keynote speaker, Mary Lee Chin, spoke on "The Sustainable American Dinner Plate" to 300 attendees at the annual Washington State Academy of Nutrition and Dietetics conference. The exhibit showed nutrition influencers what cattle eat, opening a dialogue about beef nutrition and cattle production methods.

Incentive Increases Beef Sales

The Beef Commission partnered with US Foods, a restaurant distributor, to conduct an 8-week beef sales incentive for their Washington Division sales staff. The promotion resulted in a 10% increase of pounds of beef sold between March 17 and May 11 compared to the same time period a year earlier.

Winco "Slice & Save" Promotion

Washington was one of seven states to participate in a "Slice and Save" on-pack label promotion designed to educate consumers and promote beef sales. The labels included a \$4.00 instant rebate coupon and a QR code directing consumers to checkoff-created videos demonstrating how to purchase beef in bulk to cut and store at home. During the Spring promotion, Winco reported a 49% increase over the same time period last year in Washington stores.

Tri-Tip Sizzles at Fred Meyer

For Summer Grilling 2013, the Beef Commission coordinated a three-state Beef Tri-Tip promotion at 133 Fred Meyer stores. The promotion resulted in an increase of 114% in pounds sold compared to the previous summer's sales.



Voracious Tasting & Food Awards

Sixty of Seattle's hip restaurants, bars and food trucks were featured at Seattle Weekly's Voracious Tasting & Food Awards Presented by the Washington State Beef Commission.

The Beef Commission conducted a "blind taste test" comparing grass-finished versus grain-finished beef. Painted Hills Natural Beef donated strip steaks and answered consumer questions about the differences between production methods: Over 1,200 millennial consumers attended, and 10 % of the ticket price went to support Beef Counts at Food Lifeline. The sponsorship included website banner ads, social media promotions and advertising in Seattle Weekly, Seattle Magazine and the Voracious Dining Guide.

International Trade

The Oregon Beef Council, Idaho Beef Council and the Washington State Beef Commission teamed up with the U.S. Meat Export Federation to promote beef in Japan last summer. The promotion was designed to capitalize on the lifted ban of cattle under 30-months old by partnering with retail and restaurant groups to reintroduce the high quality beef produced in the Northwest to Japanese consumers. The promotion successfully increased sales of beef from the Northwest and strengthened our image as a source for outstanding beef.

WASHINGTON STATE BEEF COMMISSION

Audited Financial Statements of the Year Ended June 30, 2013

REVENUE	
Total Revenue	\$1,694,335
Less Beef Board and State of Origin	(\$554,459)
Interest	\$80
Total In-state revenue	\$1,139,956
EXPENDITURES	
Promotion	\$536,682
Consumer Information	\$182,095
Research	\$15,216
Industry Information	\$74,743
Foreign Marketing	\$33,335
Producer Communications	\$34,129
Collection Compliance	\$16,672
Administration	\$192,841
Federation of State Beef Councils/NCBA	\$21,216
Total Expenses	\$1,106,929

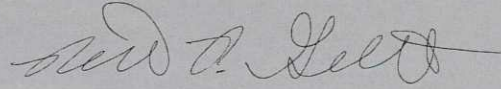
Dear Fellow Beef Producers,

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.



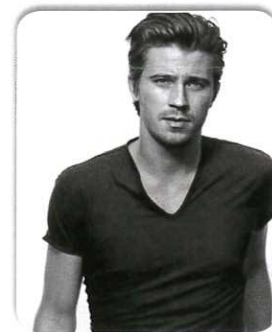
Convenient Fresh Beef products include the beef, seasonings and instructions in an attractive sleeve-wrapped tray, prepared in the meat department at the grocery store or brought in as a case ready product. A photo of the finished dish is on the front of the sleeve; from 1-3 recipes are printed on the 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

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