

Greetings

FELLOW BEEF PRODUCERS:

I am writing you about all the great things your checkoff dollars are doing today. First off I would like to extend my gratitude to Laurie Lickley for her great leadership and vision as our preceding Chairman of IBC. I would also like to extend my thanks to outgoing board member Jay Theiler. Their leadership and input will be missed and I thank them on behalf of the industry for their tireless efforts. I would also like to welcome our new board members to the IBC; Morgan Evans from Downey, and Scott McNeley from Grand View. I look forward to working with them and value their input as we move forward.

As many of you are probably aware, there has been much controversy surrounding the checkoff between the Cattlemens Beef Board and the National Cattlemens Beef Association. I can assure you that these issues have been resolved and that both organizations are moving forward, together, with a keen focus on making the checkoff stronger, effective, and efficient. On the National level I feel very confident about the direction things are moving. It was unfortunate that things had to get aired out through a somewhat public process but the results are good for the industry and the checkoff.

I have been fortunate to represent Idaho the last two years, on the Beef Promotion Operating Committee, which funds the national programs. Through this process I can assure you that your checkoff dollars are being invested wisely and efficiently. We are all focused on the declining value of our dollars, not only in purchasing ability but also in total program dollars as a result of decreased cattle numbers. This has made us focus on how we invest those limited resources to maximize the return to you, the producer. The evaluation committee is making great strides in the evaluation process which will result in even better utilization of the checkoff resources. All combined, look for even better results and effectiveness of your checkoff dollars on the national level.

On the State level, I am so excited about the programs and the staff we have to make things happen. The IRONMAN, that takes place in Boise each year, is our signature event and has been a great success for us. Many states are now following our lead with programs like this. What a great feeling it is to have so many people wanting to join the "Team Beef" and represent our industry by being spokespersons and representatives on our behalf. Please take the time to read all about the exciting things the Checkoff is doing in Idaho.

As we move forward we will continue to focus on our priorities. We will continue to collaborate with key beef influencers such as the Culinary, Foodservice, and Health Professionals, to help build demand for our product. We are building retail partnerships with a focus on product diversity and the positive nutritional aspects of beef. And we are working to strengthen the image of beef through positive nutritional messages using social and traditional media.

I would like to extend an offer to any industry organization that would like a IBC representative to come talk to their group about the great things the Checkoff is doing. Please feel free to contact us and we will make every effort to accommodate your request.

Thank you for your support,



Cevin Jones
Chairman, Idaho Beef Council

Idaho Beef Council
2118 Airport Way
Boise, ID 83705



CHECKOFF DOLLARS AT WORK OUTSIDE OF IDAHO

Beef Promotion and Research Board

By law, 50 cents of the \$1.50 collected in Idaho goes to the Cattlemen's Beef Board (CBB). These funds form the base for national beef promotion, education and research programs. For more information on how these funds are spent, contact the Idaho Beef Council or log onto www.mybeefcheckoff.com.

Federation of State Beef Councils

Idaho is one of 45 state beef councils who make up the Federation of State Beef Councils. In addition to the \$0.50 we send to CBB, the IBC contributes additional funds each year toward national promotion activities through the Federation of State Beef Councils. Last year the IBC contributed \$240,000 and the IBC Board of Directors specifically chose which national activities to fund based upon the IBC's strategic priorities.

In addition to our investment in the Federation of State Beef Council's, Idaho contributed an additional \$80,000 to a special fund for states with high populations and few cattle, such as New York and California, to assist in beef promotion activities.

In 2010 U.S. Beef Exports reached a value of more than \$4 billion - the highest level on record.

International Marketing

With 96% of the world's population outside of the U.S., increasing beef demand outside our borders is important. The IBC contributed \$124,000 to the U.S. Meat Export Federation for continued support of beef promotion in international markets. An elected IBC board member represents Idaho producer's interest as a USMEF delegate.

The board is comprised of 8 appointed volunteers, representing various segments of the industry

- Cevin Jones • Chairman • Feeder • (Eden)
- Dan Schiffler • Vice Chairman • Auction Market • (Jerome)
- Judy Hinman • Secretary/Treasurer • Cow/Calf Producer & CattleWomen • (Emmett)
- Scott McNeley • Feeder • (Grand View)
- Lynn Keetch • Dairy • (Montpelier)
- Brenda Richards • Cow/Calf Producer • (Murphy)
- Tom Dorsey • Dairy • (Caldwell)
- Morgan Evans • Cow/Calf Producer • (Downey)

Cattlemen's Beef Board Representatives

- Dan Hinman, Caldwell
- Kim Brackett, Castelford

Federation of State Beef Councils Representatives

- Cevin Jones, Eden
- Judy Hinman, Emmett
- Dan Schiffler, Jerome

USMEF Representatives

- Cevin Jones, Eden

Idaho Beef Council Staff

- Traci O'Donnell, Executive Director
- Shea Nesbitt, Program Manager
- Janice Streng, Office Manager



(208) 376-6004 • www.idbeef.org



Annual Report

FISCAL 2011



BUILDING CONSUMER DEMAND

Advertising and Media Fuel Consumers' Passion for Beef

When it comes to building awareness about beef and Idaho's beef industry - advertising and media play a critical role. In fiscal 2011 we expanded our reach and frequency to consumers with a comprehensive plan involving radio, TV, print, billboard and online social media. Through the use of media we keep beef top of mind with consumers, reinforce their passion for beef and promote beef's healthy qualities. In winter 2010 a new TV ad premiered across Idaho reminding consumers that for over 100 years Idaho's cattle ranching families have been putting beef on America's dinner tables.

IBC staff appeared in featured news segments on FOX12, KBOI and KTVB Boise, KIDK East Idaho, and KMVT Twin Falls, and conducted numerous radio and newspaper interviews around the state. Each month IBC staff pushed out multiple press releases and pitches to Idaho media resulting in beef being featured in a wide variety of news stories and articles in the *Idaho Statesman*, *Range Magazine*, *Idaho Press Tribune*, *Times News*, *Post Register*, *Standard Journal*, *Idaho Magazine*, and many other publications.

More than a half million Idahoans were exposed to beef messaging through 16 weeks of statewide radio ads, 5 weeks of TV ads, 50 billboards placed in high-traffic areas throughout the state, a print ad campaign for Earth Day, and 7 on-air seasonal radio promotions. Overall, in-state advertising, when combined with National efforts, reached over 88% of our target audience and 28.4 million favorable consumer impressions resulted. And, research indicates these individuals are significantly more likely to buy and spend more on beef.

Promoting Beef Products to Idahoans

FY11 was another busy year for checkoff-funded consumer education and outreach. The IBC promoted beef and provided samples, recipes, and nutrition information to consumers of all ages across the state. Over 201,000 consumers were reached through food events, cooking demonstrations, health and fitness expos, fairs and large format events. This is a 19% increase in the number of consumers reached versus the prior year.

The power of Beef was once again front and center to the 12,000+ athletes and spectators at the 2011 Boise Ironman Triathlon. Beef was visible at all pre- and race day activities including the 2-day sports expo, on-course race signage and the Beef Recovery Zone where athletes re-fueled themselves by dining on Beef Sliders. The Beef Swat Team worked various locations of the 70.3 mile race course passing out beef jerky, Powered by Beef cheer signs, cow bells and Team BEEF noise-makers. Team BEEF was back this year with nearly 70 competitors donning "BEEF - Fuel for the Finish" race jerseys. These team athletes created a huge buzz along the race course as they demonstrated the power of protein. This event continues to provide an excellent vehicle to educate and inform thousands of people about the many benefits of beef and build beef's position as the number one protein in consumer minds.

With the success of Team BEEF at the Ironman Triathlon, coupled with the growing popularity of running events, in April we expanded our Team BEEF efforts and established the Beef Running Team. With over 120 team members, the power of protein is being seen all over Idaho. Team members are required to attend an orientation with IBC staff to learn about the health benefits of beef and background of the Beef Checkoff and Idaho Beef Council before becoming part of the team. Following orientation team members, wearing their Team BEEF running shirts, participate in select running races around Idaho. Team members are also encouraged to wear their beef jerseys in other races as well. So far several have done that...including wearing them in races in other states! The beef industry has a whole new group of advocates and they're doing their part to spread the good word about beef.

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77% of Americans recognize the tagline "Beef. It's What's For Dinner."



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1. Featured news segment
2. TV spot
- 3-5. Team BEEF
6. Earth Day Ad
7. Beef Billboard



Continued from cover

Beef Producers Reach Thousands

“Beef - It’s What’s For Dinner...and for Tailgating” was the message 36,000 consumers received at the Boise State University football game in November. To continue enhancing beef’s reputation and enticing consumers to continue to purchase and eat beef, a unique program was developed with BSU athletics for beef to be the game day sponsor of a BSU football game. Multiple consumer touch-points occurred, both inside the stadium as well as during the tailgating pre-game hours. More than 55 ranchers, cattle feeders and industry partners volunteered and served over 8,000 samples of beef chili in the Beef VIP tent

prior to the start of the game as a way to connect consumers to the men and women who raise beef. Football fans witnessed beef messaging all throughout the game via the stadium jumbotron, announcements, signage, on-field activities at kickoff, half-time contests and more.

July is Idaho Beef Month

July was once again declared Idaho Beef Month by Governor C.L. “Butch” Otter. Since 2001 this annual event celebrates Idaho’s beef industry and promotes consumer awareness of beef’s versatility, nutritional value and economic contributions to Idaho through

special events, media coverage and promotions. New for 2011 was a promotion called Flat Iron Fridays with The Eagle 96.9, a top radio station in the Treasure Valley, to bring consumer’s attention to the Flat Iron steak, a beef value cut whose development was funded through Checkoff Dollars, and to celebrate grilling season. During the month of July radio DJ’s promoted the campaign through on-air and social media, gave out facts about the Flat Iron steak and Idaho’s beef industry, and encouraged listeners to enter the contest to win a Flat Iron Steak BBQ for their office. A winning business was chosen every Friday in July and received a special tailgate grill party featuring Flat Iron steaks. A radio station DJ hosted each BBQ, which included live broadcasts, on-air interviews with IBC staff and more.

For a second year, the Idaho Beef Checkoff partnered with the Snake River Stampede rodeo as a chute sponsor. The chute featured the Beef - It’s What’s For Dinner logo. The Snake River Stampede is one of the historic sporting events in Idaho, but it also boasts more than 50,000 Idaho consumers over the five day event. Being an urban-style rodeo, the event presents a unique opportunity to reach our target audience and build awareness.

1. Sponsor of the Boise State University football game
2. Beef VIP tent serving free chili

Over 50% of all domestic beef volume in the U.S. is sold through the retail channel.

Retail Marketing Outreach

Grocery retailers represent the primary interface with consumers buying beef, so IBC makes it a priority to develop impactful programs with this segment of the industry. IBC worked with retailers across Idaho to develop campaigns reminding consumers to choose beef for their holiday and summer grilling meals. Checkoff-funded Holiday Roast and Summer Grilling point-of purchase merchandising kits were distributed to 174 retailers to grab consumer attention in the meat case and stimulate beef purchases. IBC also provided close to 43,000 recipe and informational brochures to Idaho retailers to hand out to their customers.

A new retail program pilot tested in fiscal 2011 to drive incremental purchases of middle meats and put a face on Idaho’s beef industry was Cowboy Cookouts. Held in 3 locations across the state, this one day beef sales blitz consisted of in-store specials on middle meats and a number of activities taking place in the parking lot of the select retailer. Consumers were invited to stop by the grocery store, sample cuts of beef being served up by local cattle ranchers, spin the beef prize wheel, learn to rope, guess the weight of the steer, and engage in a number of other beef-related activities...all while loading up their grocery

basket with some great buys on beef. Each location garnered a lot of media attention including live radio broadcasts and coverage by local TV news stations. The results? All three store locations reported outstanding increases in total beef sales for the week versus the same period prior year ranging from +8% to as high as +50%. One retailer sold 850 pounds of London Broil steaks on the day of the event.

Idaho Retailer Recognized with Prestigious Beef Award



The Beef Checkoff’s National Beef Backer Award honors retailers that are doing an outstanding job of marketing and merchandising beef at the meat case. Broulim’s Fresh Foods, a regional grocer chain in Eastern Idaho, was recognized as the winner in the “Independent Retailer” category for the 2011 National Beef Backer contest. This is the first time for an Idaho grocery retailer to win and illustrates the effective ways your checkoff dollars have been used in Idaho to build successful retail programs. Entries for this award program originate at the state level.

Close to 8 billion pounds of beef move through the foodservice channel in the U.S.

Foodservice Marketing & Outreach

With consumers spending 49% of their food dollar on meals prepared away from home, marketing beef to foodservice professionals is

a necessity for the beef industry. Through checkoff funded programs numerous chefs and foodservice professionals statewide were introduced to new cuts and menuing ideas to keep beef the number one selling protein.

The Idaho Beef Checkoff partnered with Tri-City Meats, one of the leading distributors in the state, for a seven-week sales promotion for their sales reps focused on increasing sales of beef in the foodservice channel. The promotion resulted in a 10% increase in sales versus the prior year, which equates to approximately 112,000 pounds of new beef business during the promotion period.

To reach menu influencers, the IBC held two foodservice workshops with chefs and foodservice professionals from various restaurants, hotels and culinary schools to increase beef knowledge. Workshop participants received a hands-on demonstration of new chuck roll cutting techniques and also were provided with checkoff-funded resource packets specifically for foodservice. The IBC, in partnership with the Washington State Beef Commission, held a 2-day Pasture-to-Plate tour for 32 chefs. The tour provided the chefs a complete picture of the beef industry and included visiting a cow/calf and feedlot operation, beef processing plant and comprehensive overview of consumer trends, new products and cutting demonstrations.

1. National Beef Backer Award Winners
2. Summer Grilling Point of Sale
3. Cattle Are Amazing Drawing Contest Winner
4. Stockman and Stewardship Workshop

Calorie-for-calorie, beef is one of the most naturally nutrient-rich foods and the leading source of zinc.

Promoting Beef’s Nutritional Advantage

With obesity, heart disease, cancer and other chronic diseases on the rise, the clamor to change American eating habits has led to confusion about the role of beef in the diet. Many consumers have the misconception that beef must be eliminated or reduced from their diet. It’s imperative we keep health professionals armed with the most recent scientific information on dietary recommendations, the nutritional value of beef and how beef easily fits into a balanced, healthy lifestyle - while reinforcing the accessibility and popularity of the 29 lean beef cuts.

The Idaho Beef Checkoff maintained a high level of visibility and distributed educational resources to over 800 doctors, dieticians, and nurses at conferences held by the Id. Dietetic Assoc., Id. Medical Assoc., Id. Academy of Family Physicians, Id. Nurse Assoc., and Id. Academy of Physician Assistants.

Checkoff-dollars enabled us to bring in third-party, nationally-known speakers who endorse beef and add credibility to beef’s nutrition message. Dr. Robert Murray, a leading pediatric researcher, was the keynote speaker for the Id. Medical Association Convention. Dr. Murray’s presentation focused on the childhood obesity and the steps necessary to overcome this epidemic. Georgia Kostas MPH, RD, LD, award-winning nutritionist and co-founder of the prestigious Cooper Clinic, was the keynote speaker for the Id. Academy of Family Physicians Convention. Ms. Kostas’ presentation “Nutrition and Cardiovascular Disease - What You Need to Know” broke down the myths surrounding beef and heart disease and showcased beef’s role in optimal health.

Reaching Key Audiences through Health Organizations



Partnering with reputable health organizations helps reach thousands of consumers and creates a positive correlation between beef and health. The Idaho Beef Checkoff sponsored two American Heart Association events to communicate how lean beef easily fits into a heart-healthy diet. This relationship is very important to the beef industry because it helps enhance the image of beef as part of a heart-healthy lifestyle. In addition, it showcases our partnership with the AHA, an organization perceived positively by 98% of Americans. The IBC was a top-tier sponsor of the AHA’s Go Red for Women luncheon held in Boise. The multi-layer sponsorship included a lean beef entrée, an IBC lead educational breakout session, visibility in pre-event marketing and a checkoff-funded keynote speaker. Mary Lee Chin, former ambassador of the American Dietetic Association and highly esteemed nutrition expert, was the keynote speaker and delivered a message pertaining to the seven steps women can take to improve their heart-health, which included a pro-beef message. The IBC was also a sponsor of the AHA Heart Walk where lean beef messaging was delivered to 3,000 walkers.

Educating the Next Generation of Beef Consumers

Today’s youth represent our future beef shoppers. More than 14,000 students were reached with a beef message in fiscal 2011 through educational materials and programs funded by the checkoff. And, close to 28,000 pieces of beef nutrition, cooking information and curriculum materials were distributed to educators across the state.

IBC staff presented a workshop at the Family & Consumer Science Teachers of Idaho annual conference ensuring beef’s role in a healthy diet continues to be a focus in the classroom. Further, the successful Beef in the Classroom program for Consumer Science Teachers keeps growing. For the 2010-11 school year, we had a 210% growth in the number of applications received for beef grants. During this difficult economic time, checkoff dollars are instrumental in helping middle and high schools in Idaho teach students to cook beef.

As most of today’s youth are two or three generations removed from farming and ranching, and the amount of agricultural-related lesson plans continues to decrease in our schools, we must find new ways to excite children about beef and the cattle industry. A new Idaho checkoff program launched in 2011 to K-6 schools was the Cattle Are Amazing! Drawing Contest. The goal of the program was to provide a fun way to engage educators in the beef story and facilitate a lesson plan in their classroom. To participate, educators had to teach a 30 minute lesson plan on such topics as beef nutrition, cattle and the environment or how cattle enrich our lives. Once the educator facilitated the lesson plan, they then had their students illustrate, or draw, how cattle are amazing. Over 1,000 students participated in the contest and prizes were awarded in various age groups. One grand prize winner was awarded and had her entire classroom taken on a field trip to a local cattle ranch. Not only did this program educate our youth about the important role cattle play in our lives it also garnered attention in various newspapers around the state.

Beef Quality Assurance

The Idaho Beef Quality Assurance (BQA) program concluded its 9th year in FY11. Under the direction of the Idaho BQA Advisory Board, cattle producers have the opportunity to receive continual education on current best management practices to improve product quality and increase consumer demand. A portion of the focus in 2011 was dedicated to animal handling. A joint program with the IBC, Univ. of Idaho Extension and the National Cattlemen’s Beef Association resulted in four Stockman and Stewardship workshops held in Idaho. The program featured Curt Pate, a rancher, stockman, and nationally known speaker from Montana who demonstrated low-stress handling methods for gathering, penning, sorting and working cattle from horseback and on foot. Attended by more than 430 people, the program not only expounded on the benefits of low-stress handling to the cattle and the final product, but also the impact it has on the quality of life and harmony on the ranch.



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IDAHO BEEF COUNCIL
Audited Financial Statements

for the Year Ended *June 30, 2011*

REVENUE:	
Checkoff Assessments	\$2,337,497
Less Remittance to Beef Board	(781,587)
Net Assessments	1,555,910
Interest Income	238
Net In-State Revenue	1,556,148

EXPENSES:	
National Programs	343,614
International Marketing Programs	125,630
Promotion Programs	366,348
Consumer Information Programs	170,320
Research Programs	132,580
Industry Information	93,419
Producer Communications	60,457
Collection Fee Paid to State Brand Dept.	143,690
Administration	141,762
Depreciation	4,321

Total Expenses 1,582,141

Increase in Net Assets (25,993)

NET ASSETS:	
Beginning of Year	355,384
End of Year	329,391

