



IDAHO BEEF COUNCIL ANNUAL REPORT July 2018 - June 2019

The Idaho Beef Council (IBC) has the responsibility of allocating the state checkoff program dollars for promotion, research, and education to influence beef sales both at home and abroad. Funded by a mandatory \$1.50 per head assessment on the sale of cattle in Idaho, the IBC develops and implements programs with the sole aim of increasing consumer demand for beef. The IBC is guided by an eight-member Board of Directors consisting of representatives from all sectors of the Idaho beef industry.

4.02 Million

The YouTube advertising campaign featuring Rethink the Ranch, Lance Pekus, and Nicely Done Beef videos registered 4,022,461 views, conveying key messaging about the value of beef and the beef industry to a large audience. The campaign ran from February through June 2019, achieving a large impact in a short amount of time, and had a low cost per video view of \$0.01, enabling the IBC to stretch the checkoff investment.

15,169 Clicks

Idaho's investment in Google Search Advertising generated 148,320 impressions, resulting in 15,169 clicks to the *Beef. It's What's For Dinner.* website — a click through rate of 10.23%. This year's cost per click of \$0.28 was significantly lower than the previous year, allowing the IBC to impact more Idaho consumers at a far lower media spend.

2,600 Weekly Engagements

The IBC Facebook page, which reminded consumers of the importance of beef in their lives by sharing holiday and season-specific recipes, nutrition information, and promotion reminders, drew 16,328 likes among online consumers. This year's FB social media campaign was more social than ever; consumer engagement was up with an average post reaching 2,600 people per week.

13,857 Hockey Fans



Idaho expanded its annual Beef Night on the Ice to include more signage and promotion throughout the season, including a year-round social media campaign that reached 13,857 people, greatly extending the activity reach beyond the 5,200 people seated in the stadium during Beef Night. Social media aimed at hockey fans resulted in 587 engagements.

23 Community Events

Participation and sponsorship of at least 23 local community events built goodwill while also heightening awareness about the role of Idaho's beef industry within the state. This included sponsorships of community gatherings such as the Lemhi County Cattlemen Appreciation Barbecue and the Beehive Picnic, and providing materials and signage for the Bonner County Cattlewomen Farm Tour, Boundary County Farm Tour and similar events.

595,000+ Out of "The Blue"

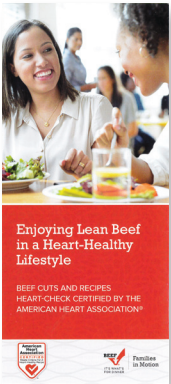


A greatly expanded partnership with Boise State University Broncos included a social media campaign that achieved 387,336 impressions, leading to 2,811 engagements with users. Expanding Beef Night from one to six games, and increasing promotional activities both in and outside the stadium resulted in a total reach of more than 595,000 impressions/views throughout the season, representing a 575% increase in in-stadium impressions and a 1,600% increase in overall impressions, all without increasing the IBC sponsorship level.

\$88,678 for Beef Counts

The beef community raised \$88,678.17 to feed beef to hungry families in Idaho this past year. The Beef Counts partnership promoted the crucial role of beef in providing nutritious food to families, and created awareness of the program's fund-raising through Beef Nights at sporting events, Albertson's promotions, and the Race for the Steaks Run.

15,000+ Fair Attendees



Health fairs and county fairs served as a platform to reach out to Idahoans and spread the word person-to-person about beef's nutrition and role in a healthy diet. These were also a venue to distribute recipes and cooking tips to encourage more beef usage. More than 15,000 consumers attended the five health fairs where the IBC had a booth and distributed materials. Lance Pekus helped draw attention to the value of beef nutrition through presentations at the Fit One Expo and the Idaho State University Health Fair.

248 BQA Certifications



The Idaho Beef Quality Assurance program certified approximately 248 producers through in-person trainings throughout the state. Checkoff funds supported

11 BQA workshops as well as several presentations at industry events on BQA training, reaching more than 400 producers. Four Young Producer BQA workshops were held, reaching hundreds of Idaho youth who are active in 4-H and other agricultural events, and ensuring the next generation learns skills to produce quality beef products.

1,000 Influencers

The IBC reached approximately 1,000 influencers through participation in nine health professional events such as the annual conferences of the Idaho Academy of Family Physicians, Idaho Academy of Nutrition and Dietetics, Idaho Perinatal Project, the Idaho Dept. of Health and Welfare Early Years Conference, and the IBC-organized Sports Nutrition Symposium. Through these, the IBC provided information and resources on beef's nutritional benefits to medical and nutritional specialists, thus overcoming misperceptions about beef and cultivating this influential group as beef advocates.

367 Races

Eighty-two members of Team Beef participated in 367 races throughout Idaho and beyond. By wearing their signature red BEEF shirts, Team Beef helped promote the value of lean beef in a healthy diet by providing real life examples of athletes who fuel with beef. Members also volunteered as Beef Ambassadors at health/fitness and sporting events.



14% More Retail Sales



Did you know that 1 in 8 Idahoans face hunger and food insecurity? Beef Counts is a program designed to provide a consistent supply of high-quality beef protein to The Idaho Foodbank, putting nutritious meals on all Idahoans' tables.



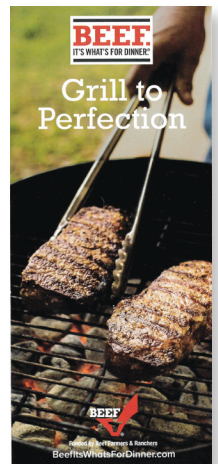
A retail promotion partnership with Albertsons during August 2018 yielded a 14% increase in sales volume compared with sales during the same month the previous year. Sales following the promotions were 12% higher than the previous year, indicating an ongoing impact. Promotions included appearances by Idaho's Ninja rancher, Lance Pekus, helping to link beef to health and fitness.

116 Retail Outlets

The IBC provided Idaho beef point-of-sale materials such as brochures and recipes to 116 retail outlets requesting POS materials last year. This amounted to nearly 1,000 promotional pieces for distribution to consumers through these outlets.

1,000 Festival Goers

Beef and wine make a classic pairing, and Idaho beef's sponsorship of the 10th annual Savor Idaho event continues to make that clear. The event, which fosters the state's growing "Buy Local" mindset, attracted a record 1,000 participants in June 2019.



7,495 Cases of Beef

A foodservice promotion with Sysco Corp. resulted in 7,495 cases of incremental beef sales sold during January-March 2019, representing an 18% increase over the same time period the previous year. The promotion focused on educating its foodservice customers on branded beef options from Double R Ranch and Country Natural Beef. It included hands-on training in the kitchen for chefs and others to learn to utilize different cuts of beef. It also featured a steak of the month flyer and provided weekly recipe ideas.

3 Japanese Restaurants

Three restaurants in Japan added their own "Idaho Finger Steak" menu item within months of the initial launch of the IBC's new international marketing initiative to introduce finger steaks. Two additional restaurants added a finger steak menu item by the end of 2019. The IBC produced a finger steak brochure and materials, participated in two trade shows, and held several cooking seminars and media/consumer events to launch the concept. Japan is the U.S.' largest export market, accounting for \$2.07 billion in U.S. beef sales in 2018, and holds considerable room for additional growth.



890 Metric Tons



Idaho's participation in the Pacific Northwest Initiative led to 890 metric tons of incremental beef sales to Japan this past year. Leveraging funds from Idaho, Oregon, and Washington beef councils, the U.S. Meat Export Federation worked

with individual national supermarket groups and regional chains to expand the range, grades, and variety of meats offered at retail in Japan. Activities included Private Label Branding Initiatives with three chains as well as three in-store promotions/tasting demonstrations. A Consumer Co-op trade team, representing a major group of supermarkets in Japan, came to the US in October 2018 to visit feeding and processing operations in the Pacific Northwest, resulting in two trade team members holding American Beef Fairs.

75% Eat Beef Weekly

According to an Idaho Dashboard survey in February 2019, 75% of Idahoans surveyed said they eat beef at least weekly. This is higher than the national average of 70% who said they eat beef weekly. Idaho consumers also demonstrated a strong awareness of the *Beef. Its Whats For Dinner.* brand, with 45% indicating they were aware of BIWFD. Research correlates awareness of the BIWFD brand with a positive image of beef and increased demand. The IBC's investment in consumer research enables it to evaluate its programs' impact and improve the industry's responsiveness to the market.

The United States cattle industry is most likely reaching the peak period of expansion. This comes at a time when we are facing stiff competition from poultry and pork. As a result, record amounts of protein are available both domestically and internationally. Through this period of large supplies, demand for our product has been excellent. In maintaining beef demand, the importance of beef checkoff dollars cannot be overstated. That is why we at the Idaho Beef Council (IBC) remain committed to the implementation of the core Idaho strategies developed for our market based on the National Long Range Plan. Here are just a few examples of the programs that we are currently undertaking:



Jeff Johnson, Chairman
Feeder Rep., Parma, ID

- Idaho ranching families through the IBC have partnered with The Idaho Foodbank to take on hunger in our local communities, leveraging check off dollars by investing in the *Beef Counts* program.
- The IBC continues to support local events and causes throughout the state, and has worked to put a producer face behind these programs.
- We have recently revamped our digital marketing strategy and campaign.
- The IBC continues to support research at the University of Idaho and elsewhere to improve beef's competitiveness. This funding also helps build a strong beef research sector within Idaho's institutions, developing the next generation of beef industry stakeholders.
- With consumers' increasing interest in where and how their food is produced, we are stepping up the focus on Beef Quality Assurance so that more Idaho producers get BQA certified.
- The IBC continues to promote beef demand in Asian markets and board members have travelled to Japan to promote our products. We continue to play an active role in the Pacific Northwest Initiative with the goal of increasing consumption of Pacific Northwest beef in Asia.
- The IBC is very excited about the new Idaho Finger Steak marketing program that we have promoted both domestically and internationally. This has already had strong results in generating media coverage and convincing Japanese restaurants to add Idaho Finger Steaks. We are also working with neighboring states and the NCBA to leverage additional resources. Stay tuned, this is very exciting!

As Chairman, I would especially like to recognize the hard work and dedication of our staff. Our CEO, T.K. Kuwahara, brings a tremendous amount of passion and energy to the organization and we are excited about the strategic direction we are going.

Board of Directors and Financial Statements

About the Idaho Beef Council

The Idaho Beef Council is the beef producer funded and directed beef promotion, research and consumer information arm of Idaho's beef community. This includes Idaho's 9,700 beef producers and related industries. A mandatory \$1.50 assessment is paid by ranchers and farmers for every head of cattle sold. The program is authorized under state and federal law to implement programs that increase demand for beef on behalf of local beef producers.



THE IDAHO BEEF COUNCIL

Audited Financial Statements, June 30, 2019

REVENUE:

Checkoff Assessments	\$2,568,493
Less Remittance to Beef Board	(859,452)
Net Assessments	1,709,041
Interest Income	1,044
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Net In-State Revenue	\$1,710,085

EXPENSES:

Consumer Program	\$ 381,304
Retail Program	47,770
Foodservice Program	11,895
Research Program	17,925
Industry Outreach Program	69,583
International Marketing Program	233,775
National Program	101,958
Collection Fee Paid to State Brand Dept. Administration	128,376
	232,785
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Total Expenses	\$1,225,371

The IBC Board of Directors (2018-2019)

Lou Murgoitio, *Chairman*
Dairy Representative
Boise, Idaho

Jeff Johnson, *Vice Chairman*
Feeder Representative
Parma, Idaho

Trish Dowton, *Secretary/Treasurer*
Cow/Calf Producer & CattleWomen Representative
Ellis, Idaho

Lee Bradshaw
Feeder Representative
Caldwell, Idaho

Bill Lickley
Cow/Calf Producer Representative
Jerome, Idaho

Matt Nelsen
Dairy Representative
Burley, Idaho

Ira Brackett
Cow/Calf Producer Representative
Homedale, Idaho

Steven Taylor
Auction Market Representative
Jerome, Idaho

Cattlemen's Beef Board Representatives

Jared Brackett, Rogerson
Lynn Keetch, Montpelier

Federation of State Beef Councils Representatives

Lou Murgoitio, Boise, Idaho
Jeff Johnson, Parma, Idaho
Trish Dowton, Ellis, Idaho

USMEF Representatives

Lee Bradshaw, Caldwell, Idaho
Bill Lickley, Jerome, Idaho

Idaho Beef Council Staff

T.K. Kuwahara, *CEO*
Shari Gulledege, *Office Manager*



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