

20

NEVADA BEEF COUNCIL

15

Annual Report

YOUR NBC BOARD OF DIRECTORS

Gary Ward, Chair
(Cow-calf, Gardnerville)

Jay Dalton, Vice Chair
(Cow-calf, Wells)

Ray Callahan
(Cow-calf, Reno)

Ted Christoph
(Dairy, Fallon)

John Jackson
(Cow-calf, Tuscarora)

Bernard Petersen
(Cow-Calf, Ely)

Lucy Rechel
(Feeder, Yerington)

PROMOTING BEEF, THE NEVADA WAY

Every year, the Nevada Beef Council (NBC) implements a number of programs and campaigns designed to get consumers thinking about (and ultimately buying) beef. Ensuring that those programs are on-target and effectively reaching the right audiences with messages that resonate is critical to long-term success.

For the NBC, reaching the millennial audience – and more specifically, the millennial audience that ranges in age from roughly 18 to 34 years old – is a priority. This demographic includes young parents who are establishing their own homes and have young children, as well as those who are just out of high school and establishing patterns of independence.

Based on consumer data, reaching this audience with messaging that focuses on the ease of cooking beef, meals using fewer ingredients, new recipes, and information on beef cuts helps address areas that they are eager to explore and learn more about. But the NBC goes beyond just sharing information. Through an integrated approach that engages consumers directly, we are striving to not just communicate our messages, but prompt new thinking about beef.

28
in-store retail
promotions
throughout
the state



250 dietitians and
nutrition experts
reached through
trainings and events

10,000+ Clark County
students and youth
educated about beef.



70 foodservice
professionals
educated at
immersive beef
training in
Las Vegas



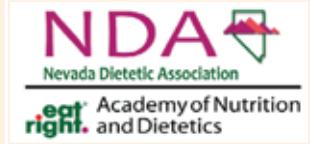
~FOODSERVICE TRAINING~

The NBC helped conduct an immersive beef training for Outwest Meat Company in Los Vegas. The educational event brought together over 70 foodservice professionals representing the Las Vegas food and beverage and casino industries.

~SHARING BEEF'S NUTRITIONAL BENEFITS~

Engaging Nevada dietetic and nutrition professionals is another priority for the Nevada Beef Council. This year, the NBC presented beef messages and nutritional information to hundreds of dietetic experts, helping inform

them on the benefits of beef, and thus giving them the tools to encourage their clients and patients to incorporate beef in a healthy diet. Partnerships with the Nevada Dietetic Association, Southern Nevada Dietetic Association, American Heart Association and others, allowed for visibility of beef messaging with this important and influential audience.



~SAVE MART SUPERMARKETS AND RESER'S FINE FOODS PROMOTION~

This integrated campaign involved nine Nevada retail stores, an extensive broadcast and digital consumer campaign, in-store savings and beef featuring that highlighted beef and its promotional partner, Reser's Fine Foods. The campaign encouraged consumers to purchase beef with a Reser's pre-made deli salad for a quick, convenient and delicious dinner done right. The promotion provided on-pack coupons for savings in-store, with a six-week social media, broadcast and digital campaign driving consumers to the retailer to purchase beef. There was an 18 percent increase in beef pounds moved during the promotion, compared with the five weeks prior to the promotion.

~RALEY'S SUPERMARKETS & CROCK-POT™ PROMOTION~

As another integrated campaign, this partnership brought together beef and a popular slow-cooking appliance that was perfect for the fall 2014 season. Through this campaign, consumers were encouraged to pick up their favorite cuts of beef perfect for slow-cooking. What's more, they

had a chance to win a high-end Crock-Pot™ through a Facebook contest. This campaign also featured four weeks of extensive radio advertisements in the Northern Nevada media market, slow cooker recipe cards from the NBC that shoppers could pick up

in a dozen Raley's Supermarkets, and savings on select cuts of beef during the promotional period. Three popular slow-cooker beef roasts during the promotion saw an increase of nearly 18 percent in beef pounds moved compared to the four weeks pre-promotion, and a 3.5 percent overall increase in beef pounds moved compared to four weeks pre-promotion.

~KEEP UP WITH THE NBC~

Want to keep up-to-speed with what the Nevada Beef Council is doing all year long? Like us on Facebook, follow us on Twitter, or visit www.nevadabeef.org.



~NEVADA BEEF COUNCIL DAY AT THE ACES~



In May 2015, the NBC hit a home run with a popular (and fun) day at the Reno Aces ball park, where BEEF was center of the (home) plate. With a sell-out crowd in attendance, the Aces game was a prime time to engage with Nevada consumers on topics ranging from how cattle are raised to our

favorite beef recipes. On the plaza, as Aces fans waited to get into the game, Nevada's 2015 beef Ambassador, Bailey Kelton, was on hand with two of her cow-calf pairs. Kids attending the game got a kick out of petting the calves and getting their "I Heart Beef" temporary tattoos applied, while their parents asked NBC council members and beef producers questions about the cattle, ranching, and cooking with beef.

Inside the stadium the fun continued, with NBC staff handing out free samples of beef jerky provided by new promotional partner Oberto Sausage Company, along with recipe and nutrition brochures, kids' beef activity booklets, and of course, "Beef. It's What's For Dinner." bumper stickers. To kick off the game in proud Nevada ranching fashion, Clover Valley rancher Peyton Peltier joined the NBC and threw out a beautiful first pitch, doing a great job of representing Nevada's beef community.

In addition to the presence at the game, the NBC partnership with the Reno Aces also incorporated a promotion with several Northern Nevada Scolari's markets, where shoppers could get free tickets to the Nevada Beef Council Day at the Ballpark with a minimum beef purchase of \$20. Tied into this promotion was extensive broadcast advertising, social media outreach, and online engagement during the weeks leading up to the game.

FY2015 Nevada Beef Council
FINANCIAL REPORT
For the fiscal year ended June 30, 2015

Programs	
Consumer Information	\$46,052
Promotions.....	\$32,922
Producer Communications.....	\$14,388
Total Programs	\$93,362
 Supporting Services	
Collection and compliance	\$24,211
Administrative expenses*	\$33,354
National Program Investment**	\$13,641
Total Supporting Services	\$71,206
Total Expenses.....	\$164,568

* Includes all costs and overhead expenses associated with contracting with the California Beef Council for full-service staffing and support, as well as audit fees, bookkeeping fees, and insurance.

** Investment in national programs through the Federation of State Beef Councils, which also assures Nevada representation on the Federation.

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 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 "agvocates" 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.

~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*	\$246,888
Program Development	\$315,491
Program Evaluation	\$202,093
Producer Communications	\$1,555,711
Foreign Marketing	\$7,661,823
Industry Information	\$1,781,595
Consumer Information	\$10,660,349
Research	\$9,776,601
Promotion	\$8,092,825
Total expenses	\$41,835,303

Audited numbers

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