

Texas Beef Council Annual Report

FISCAL YEAR 2011

A SUMMARY OF STATE AND NATIONAL BEEF EDUCATION, PROMOTION AND RESEARCH PROGRAMS FUNDED BY THE \$1 PER HEAD BEEF CHECKOFF PROGRAM.



Beef Checkoff Celebrates 25th Anniversary

The Beef Checkoff Program celebrated 25 years of programs that have helped build consumer demand for beef. Since its inception on October 1, 1986, the Beef Checkoff has provided a framework for a coordinated state and national plan for research, education and promotion. Established as part of the 1985 Farm Bill, the checkoff assesses \$1 per head on the sale of live cattle and the dollar equivalent on beef products that are imported. The program became mandatory following approval from 79 percent of beef producers in a national referendum. In Texas, 89 percent approved the referendum.

For an audited financial statement, contact the Texas Beef Council at beef@txbeef.org or call 1-800-846-4113.

Visit us online at www.TexasBeef.org for more checkoff information or at www.TxBeef.org for beef recipe information.

Consumer Events – The state checkoff participated in several events across Texas in FY11. The TBC mobile marketing unit, the Ultimate Backyard, was showcased at two large events while the Tailgate Trailer was featured throughout the Texas A&M football season, HEB Central Market Independence Day Grilling and Beef Team Grilling 101 Classes. In total, TBC attended 27 events, served over 107,000 beef samples, disseminated nearly 383,000 brochures and promotional prizes and generated more than 575,000 impressions including public relations and paid media.

Export Teams and Promotions – Chefs from the Caribbean and Russia visited Texas in FY11 to learn more about the beef industry. As guests of TBC and the U.S. Meat Export Federation, the chefs were educated on the advantages of U.S. beef and trained to cook and promote underutilized cuts at Texas Beef Festivals held in their own countries. TBC also helped retail and foodservice promotions in Hong Kong, Korea, Taiwan, Russia and the Middle East.



Beef Quality Training – The Texas Beef Quality Producer program, developed to train producers and workers on the principles of beef quality assurance (BQA), directly trained nearly 600 producers, and exposed an additional 6,300 producers to BQA practices in Beef Quality Credit meetings. A similar online training, BQAOnline.com, educated over 360 producers on BQA principles. Other educational programs – Beef 706 and Market Cow Management – reached over 300 producers with total quality management principles.

Health Influencers

Thirty of Texas' key nutrition thought leaders participated in "The Ranch: An Insider's View of the Beef Industry". Designed to build champions within the nutrition community, the program presented the science related to beef's nutrition package as well as showcased how Texas farmers and ranchers provide safe and nutritious beef. This event helps leading dietitians convey positive messages about beef to media, clients and other key audiences influenced by health professionals.



Issues Management

The crisis communications team continued working to protect the beef marketing climate from potentially damaging issues. TBC took a proactive approach through a letter-to-the-editor campaign surrounding Earth Day. Letters were distributed to 20 newspapers throughout the state with four being published. In addition, TBC continued utilizing the Beef Story video in efforts to educate consumers about the beef production process.

Heart-Healthy Partnership – Continuing a long standing relationship, TBC partnered with the American Heart Association (AHA) Texas affiliate for the fourth consecutive year to share the many ways beef fits into a heart-healthy diet. Beginning in February with National Heart Month, lean beef was showcased on television cooking segments and radio interviews and at AHA luncheons, nutrition and health influencer meetings and consumer events across the state. Leveraging partnership dollars, TBC showcased the AHA logo alongside heart-healthy lean beef information to more than 1.5 million consumers.

Culinary Education – TBC reaches influencers in the foodservice channel through promotions and education. Key events included Dallas Restaurant Week, reaching over 85,000 diners in the Dallas-area at more than 135 restaurants, and the Annual Culinary Educators Conference, which trained over 125 high school culinary instructors who influence more than 10,000 students. TBC also worked to provide beef resources and educational programs to five of the largest foodservice distributors and purveyors.

Retail Promotion – Working to promote beef products during key consumer holidays while also leveraging dollars, TBC partnered with several retail chains between Thanksgiving and the New Year to provide more than 10,000 holiday roast recipe brochures, 300,000 on-pack cooking labels and in-store signage to more than 250 grocery stores. In addition, TBC focused on summer grilling through partnerships with vendors and retailers for point-of-sale materials at more than 600 retail stores. TBC also participated in several cross promotional programs with various partners investing on average \$2.46 for every \$1 invested by TBC.

Beef Running Team – The Texas Beef Running Team is made up of more than 550 athletes serving as beef and fitness advocates. The team was represented over 900 times at more than 30 races throughout the year. In FY11 the program added additional sponsors and a volunteer component requiring team members to volunteer at a race once a year. TBC hosted 16 pre-race dinners and served over 500 meals where runners "fueled up with beef" before their race. In addition, a team website and continuing education components were added to this grassroots campaign.



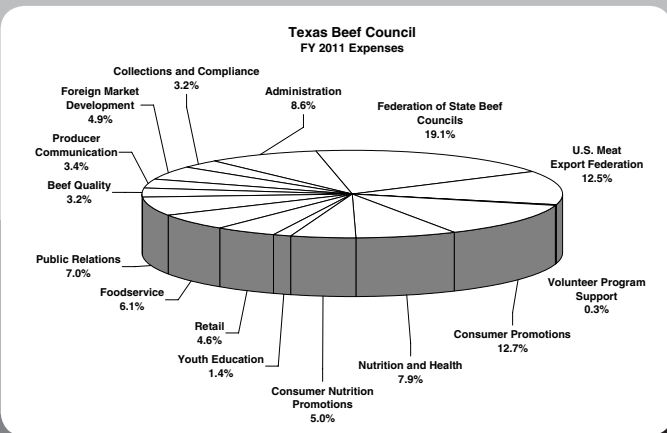
Producer Communications – In an effort to educate producers about the Beef Checkoff, TBC distributed 20 press releases featuring checkoff-funded initiatives to media outlets resulting in a reach of more than 1.2 million readers. The Texas Beef Checkoff was showcased in eight feature articles and provided numerous interviews for ag radio. In addition, TBC attended 55 industry meetings directly interacting with more than 20,000 farmers and ranchers. The checkoff newsletter, *Cattle Talk*, was distributed every other month in addition to outreach efforts to feedyards and livestock markets.

Public Relations

TBC spokespersons appeared on television programs in 12 of Texas' leading media markets. Promoting positive beef messages, these 58 food segments reached more than 1.2 million viewers showcasing beef recipes and beef cooking techniques. In addition, TBC conducted Firehouse Grill-Off events at the Houston Livestock Show and Rodeo and the State Fair of Texas in Dallas. The events garnered coverage on local television networks, local radio stations and online totaling a reach of more than 850,000 consumers.



Social Media – TBC continued efforts to reach food and health involved audiences through social media outlets. Hosting two "Appetite for Inspiration" blog events in Austin and Houston, TBC interacted directly with nearly 40 influential mom bloggers providing information about lean beef, family mealtime nutrition and beef recipes resulting in 12 blog posts and more than 150 Tweets. During Dallas Restaurant Week TBC invited 22 area bloggers to attend a preview party and visit one of the restaurants featuring a beef dish garnering coverage in 11 blogs and more than 290 Tweets. The TBC Twitter and Facebook pages continue to gain momentum sharing positive beef information online.



TEXAS BEEF COUNCIL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2011

FY 2011 REVENUE	
Total checkoff assessments	\$13,913,581
Less remittance to:	
Cattlemen's Beef Board	(6,477,845)
State of origin	(957,891)
Texas checkoff revenue	6,477,845
Investment and other revenues	16,659
TOTAL TBC REVENUES	\$6,494,504
FY 2011 EXPENSES	
	\$5,799,474

Of every dollar collected in the state, by law, 50 cents is remitted to the Cattlemen's Beef Board for funding of national and international checkoff programs. The pie chart above shows TBC's investment of the remaining 50 cents.