



California Beef Council – At Work for You in 2020

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Pivoting in a Crisis

The year 2020 was certainly an unprecedented one, but the work being done on California beef producers' behalf didn't halt. In the aftermath of the onset of a global pandemic, the California Beef Council (CBC) stepped up to show our beef producers' continued commitment to providing a great product and offer reassurances about the availability of beef in a tumultuous market. CBC programming pivoted to share resources for preparing beef at home as millions returned to the kitchen, and beef-focused educational tools for distance learning.

An extensive library of content, including advertisements, recipes, cooking videos, and educational materials about beef nutrition were deployed in the early days of the pandemic to help consumers while they remained at home. Resources and recipes were also provided to food influencers, supply chain partners, and the news media to support their efforts in educating consumers about food preparation and healthy eating.

Despite the challenging times of 2020, the CBC team remained committed to reminding consumers that, more than ever, *Beef. It's What's For Dinner.*

Continuing to Share Beef's Message



Things might have looked a little different in 2020, but the CBC still worked to promote beef through a variety of campaigns.

In the summer months, **United We Steak (UWS)**, a joint campaign between national and state Beef Checkoff-funded organizations, surpassed 350 million impressions nationally and 12 million impressions statewide. UWS highlighted the shared tradition of grilling steaks over

the summer and the people behind the beef, with a CBC-specific campaign that featured additional advertising, offers for cash-back rebates on beef products, a sweepstakes to win a Traeger grill, and more.

As summer shifted to fall, the CBC then launched a grilling and tailgating promotion celebrating football season. With the 2020 season looking entirely different from years past, the focus of the campaign was grilling at home for the big game. **The Your Grill. Your Game. Your Win.** campaign included a partnership with E&J Gallo's Dark Horse wine label and the Molson-Coors Blue Boom and Light Sky brands to round out the "homegating" experience. California consumers were able to take advantage of cost-saving offers on beef available through the popular retail apps Ibotta and Checkout 51, and consumers over 21 could enter to win one of four ultimate grilling prize packs.

A variety of advertising components were deployed as part of this campaign, including targeted radio ads, streaming audio, digital display ads, video pre-roll, geo-fencing, social media and non-skippable commercials airing on OTT Connected TV (such as Roku, Amazon FireTV, AppleTV, Sling, etc.) - all garnering nearly 18.7 million gross impressions.

National Campaigns Target California Consumers



Through the 2020 summer months, two additional Beef Checkoff-funded campaigns targeted California consumers, leveraging California beef producers' dollars even further. The "Western U.S. State Campaign" and the

"Top 5 State Campaign" both deployed additional YouTube and Google Search targeted advertising to disseminate beef recipe content to consumers in the targeted states.

The Western State campaign targeted California, Nevada, Oregon, Washington, Arizona and Idaho, and the Top 5 campaign included five states with a total population of more than 100 million consumers, or roughly a third of the U.S. population – California, Illinois, New York, Pennsylvania and Florida. In California, they enhanced other beef promotion efforts taking place concurrently by increasing the number of consumer impressions and engagements, with a total of nearly 19 million impressions and more than 12 million views of beef-related YouTube videos.

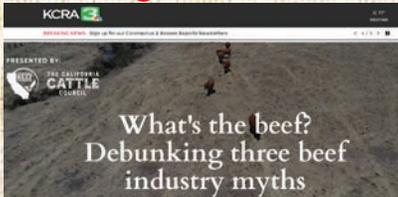
A Trusted Resource for Foodservice



Several years ago, the CBC launched a groundbreaking mobile app targeting the foodservice industry, providing chefs, restaurateurs, and other professionals in the foodservice community with a single, downloadable resource featuring training and education on all things beef.

That app - previously dubbed “BEEFlexible” – was overhauled and redesigned in 2020 to provide even more up-to-date, relevant and useful information for our partners in the foodservice industry. The new iteration, BEEFoodservice, provides some of the training and education previously featured, with the added intent of helping increase the profitability, versatility and crave-ability of beef in foodservice operations. Whether it’s innovative beef cuts, new menu applications, beef cutting demonstrations or how and what beef cuts to order, there is always a need for updated, targeted resources both for seasoned and new foodservice staff, and that’s exactly what BEEFoodservice provides.

Building Consumer Trust



To help enlighten consumers and shift perceptions about how cattle are raised, introduce the people who produce beef in California, and

use storytelling to address myths, a series of unique native advertising stories were launched in late 2020. Funded in part by the California Cattle Council, these stories were placed on popular news websites that consumers visit often, allowing positive beef information to reach millions.

This type of “native” advertising allows positive beef information to reach consumers when they are actively seeking out and reading timely, newsworthy-related content. The key California markets of Sacramento, San Francisco/San Jose, Los Angeles, San Diego and Fresno were targeted as part of this campaign, and the native stories garnered more than 7.5 million impressions and 65,000 engagements.

A Focus on Nutrition and Health

In 2020, the CBC welcomed a new Director of Food and Nutrition Outreach, Kori Dover. Dover’s role focuses on programs and partnerships that elevate positive beef nutrition messaging, highlighting the nutritional importance of beef in a variety of lifestyles, and engaging with health and nutrition communities about the benefits of beef in a healthy diet.

“Over the years, the Beef Checkoff has invested in comprehensive research about beef’s nutritional profile, with a myriad of scientific studies ranging from beef’s role in a heart-healthy lifestyle, to the benefits of beef in a healthy diet brings to all phases of life, and everything in between,” says Bill Dale, Executive Director of the CBC. “Sharing the growing body of evidence about beef’s nutritional benefit with those

in the health and nutrition communities is an increasingly important role for State Beef Councils such as ours and the beef producers we represent.”

Dover’s position is focused on nutrition outreach and engagement in California, but it is actually funded by two other states. The Kansas and Nebraska Beef Councils have funded the position in California for a number of years, recognizing the value of pooling their producer dollars to reach more consumers in the west.

Connecting Consumers With Producers



As consumers showed a renewed interest in food security and buying local in response to the COVID-19 pandemic, the CBC launched the California Local Beef Directory, a portal that connects local buyers with

beef producers in their area who sell direct to consumers. The directory helps shoppers navigate the buying process and connect to area ranchers or meat suppliers, while also providing information about different cuts of beef and what to look for when purchasing beef through any channel – whether that be a traditional retailer, or a local rancher. Learn more at calbeef.org/resources/california-local-beef-directory

Your Checkoff Dollars at Work in California

Learn more about efforts happening in California on your behalf. The CBC provides a monthly e-newsletter, a series of producer-focused webinars, and recordings of staff updates from CBC board meetings, all available at CalBeef.org/resources/producer-resources.

2020 California Beef Council Financial Report For the fiscal year ended December 31, 2020

PROGRAMS

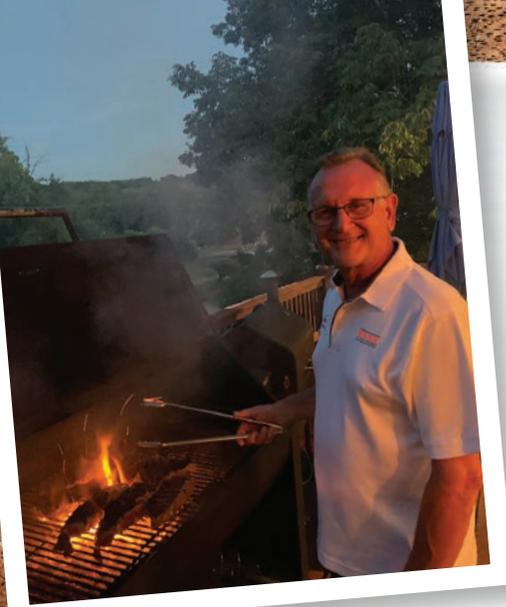
Consumer Information	\$885,661
Promotion	\$620,974
Producer Communications	\$199,498
General Program Development	\$31,382
National Program Investment	\$40,500
Total Programs	\$1,778,015

GENERAL AND ADMINISTRATIVE

Administration	\$164,756
Collections	\$46,006
USDA Oversight	\$41,212
Total Supporting Services	\$251,974

TOTAL EXPENSES

\$2,029,989



Dear Fellow Producers,

When state beef councils in 1963 pushed for a national beef promotion effort through what was then the Beef Industry Council, they created the Federation of State Beef Councils. Since then, the Federation and states have enjoyed a synergistic state/national partnership that combines the strengths of national expertise, unity and coordination with state agility, on-the-ground energy and grassroots producer support.

It follows a common theme. When a mandatory national beef checkoff started being discussed in the 1970s and 80s, survey after survey delivered the same producer request: We want a national program that works, but we want state beef councils to retain their independence. After all, some councils had been in operation since the 1950s. I believe our system achieves that aim and continues to build on a strong foundation laid by those forward-thinking volunteers and staff who served before us.

Today more than 700 producers sit on state beef councils around the country and make decisions for work by their states. States send more than 100 representatives to serve as Federation directors at the national level. This unified effort is one of the reasons yearly producer attitude surveys show continued strong support for the Beef Checkoff. Some of the national and international programs those producers help direct are described in this report.

The United We Steak grilling promotion campaign is another example of state and national cooperation. The campaign allowed states to benefit from national expertise and organization while showcasing an effort that was decidedly state-friendly. This cooperative effort, funded through the Beef Promotion Operating Committee, further demonstrates the value of a strong partnership between state beef councils and the national Beef Checkoff.

Our approach shows that together, there's little we can't accomplish to increase demand for beef.

Yours truly,

Buck Wehrbein
Mead, Nebraska

Chairman, Federation of State Beef Councils



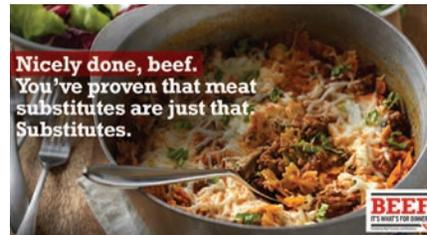
United We Steak

Summer wouldn't be summer without steaks on the grill. The *Beef. It's What's For Dinner.* brand took advantage of that in 2020 with an aggressive United We Steak grilling campaign.

Funded by the Beef Checkoff and managed by NCBA, a contractor to the Beef Checkoff, the effort encouraged families to unite in their love of beef. Consumers were reminded that the grilling season was brought to them by beef farmers and ranchers, who work day-and-night to ensure that Americans have access to great beef. A video was released on social media as well as through Connected TV and YouTube to showcase that beef farmers and ranchers keep beef on grills.

The campaign drove users to BeefItsWhatsForDinner.com or UnitedWeSteak.com, where they found a profile page for each state with state-themed beef recipes, a "meet your state beef producer" section and fun and informative state facts. The successful campaign generated more than 338 million impressions, including almost 90 million video views.

No Substitute for Beef



While plant-based meat substitutes remain a media darling in some circles, in 2020 the Beef Checkoff made sure beef maintains its position as the consumer protein of choice.

Last year the *Beef. It's What's For Dinner.* brand conducted an online search campaign that served up a *Beef. It's What's For Dinner.* ad to consumers who Googled new plant-based burger options and linked them to BeefItsWhatsForDinner.com to give them mouthwatering real beef recipes.

It also conducted a webinar for supply chain professionals from the retail, foodservice, manufacturing, distributing and packing industries featuring updates on the regulatory and labeling landscape for meat substitutes, insights on consumer research and facts about beef's nutrition and environmental sustainability.

A fact sheet and infographic were distributed to key audiences showing how ground beef and meat substitutes stack up when it comes to nutrition profile and ingredients. The *Beef. It's What's For Dinner.* brand continues to be active in protecting beef's number one protein position in both traditional and social media.

Dietary Guidelines



The Beef Checkoff-funded human nutrition team has been engaged throughout the Dietary Guidelines process. In 2019 and 2020 NCBA, as a Beef Checkoff contractor, submitted 21 sets of public comments and more than 100 research studies in support of beef's role in a healthy diet to the Dietary Guidelines Advisory Committee.

DGAs are important because they provide Americans with a roadmap for healthy eating and are the foundation for federal nutrition programs along with school, military, hospital and nursing home menus. They are also the basis for many expert nutrition recommendations.

The 2020 DGAC report included meat in a healthy dietary pattern, highlighting beef's nutrients in the first years of life, but they continued to exclude other high-quality evidence demonstrating beef's role in a healthy diet. The Beef Checkoff's role in providing relevant and science-based research to the process continues to be important.

BQA Continues Success



The Beef Quality Assurance program continues to grow, with more than 100,000 cattle producers now certified through its online learning system. Since the program was initiated in the early

1990s hundreds of thousands have become BQA-certified through in-person and online training, with an estimated 85 percent of the U.S. fed beef supply now touched by BQA-certified operations.

The BQA program is also now recognized as an industry-leading animal welfare program. The USDA has reviewed and certified that the BQA program complies with the International Organization for Standardization (ISO) Animal Welfare Management/General Requirements and Guidance for Organizations in the Food Supply Chain. This recognition will mean the BQA program is listed on USDA's Quality Assessment Division website as being compliant with the ISO specification.

A World View

There is sustained demand for U.S. beef in other countries, thanks in part to efforts of the U.S. Meat Export Federation, a Beef Checkoff subcontractor. From January through May of 2020, most Asian economies experienced significant economic slowdowns. But in countries like South Korea, consumers are still buying red meat, with a 10 percent sales growth at discount retail stores in that country during that period. U.S. beef sales in South Korea recorded an 18 percent sales increase, on average.

Responding in a Crisis



These COVID-19 times have caused significant hardships for beef farmers and ranchers. These include challenges to the industry's Beef Checkoff-funded promotion, research and education programs. To address

the quickly emerging issues and help maintain energy and continuity, checkoff programs used consumer and market research to adjust to meet changing consumer, influencer, supply chain and media needs.

The efforts have been well-directed. As the supply chain started to recover, a checkoff-funded research tracker, managed by NCBA as a Beef Checkoff contractor, showed consumers remained largely positive toward beef. When asked if the current U.S. and global environment has changed their overall perception of beef, nearly 90 percent of consumers said their attitudes have not changed or have gotten even more positive. In fact, the percentage who said they are more positive steadily increased from a low of 12 percent in early April to 26 percent in early May.

NCBA continued to monitor the issue and adjust programming to meet the needs of consumers, stakeholders and state beef council partners throughout the COVID-19 pandemic.



Funded by Beef Farmers and Ranchers

Cattlemen's Beef Board Fiscal Year 2020 Expenditures

Promotion	\$10,206,858
Research	\$8,349,734
Consumer Information	\$7,260,148
Industry Information	\$3,392,835
Foreign Marketing	\$6,933,262
Producer Communications	\$1,553,796
Program Evaluation	\$202,046
Program Development	\$388,847
USDA Oversight*	\$761,214
Administration	\$1,505,256
TOTAL EXPENSES	\$40,553,996

*Included in the USDA Oversight amount is approximately \$600,000 paid by the Cattlemen's Beef Board to USDA for oversight fees during the year. The remaining \$161,000 is related to cost incurred by Cattlemen's Beef Board for litigation, meetings with USDA, freedom of information act requests, settlement requests, and authorization requests.