



## DEAR FELLOW BEEF LEADERS,

If you are involved in production, feeding or processing you must possess an optimistic outlook. Searching for better genetics, labor retention, compliance and efficiency, increased gains or something else that improves the bottom line becomes an everyday goal. If you prayed for rain this year – your prayers were answered! If you prayed for higher dollars per head when selling, those prayers were also answered!

As a member of the California Beef Council since 2010, I have been privileged to rub elbows with the industry and be a part of the decision making for dollars collected for 13 years now. It is with tremendous respect that I congratulate those serving on the council in their decision-making processes, collaborations and well thought out directions for the use of collections.

Multiple years of drought created a large selloff of cattle and in turn created high funding of beneficial projects, until we reached 2022 and most producers had decreased their herds to bare minimums. Now with so much moisture the trend is to rebuild herds which has resulted in a decrease in collections. The 2022 staff created avenues for the best use of funds and the council with their foresight, funded many substantial and worthwhile uses of dollars collected.

Social media presence is a low cost/high return constant. Radio, TV and print advertising are innovative, well executed and attractively presented. In 2022 overall beef consumption was at a 12-year high, something the return on investment of .50 cents in California can take partial credit for.

Coming up from the Executive Committee and observing the leadership of past Chair, Tom Barcellos, and his ability to interact and lead was inspiring. Handing the reins over to the 2023 Chair, Steven Maxey, is equally inspiring, and I am excited to see his vision come to fruition.

Thank you for the honor and privilege of serving,

*Cindy Tews*

Fresno Livestock Commission, LLC

## HEALTH & NUTRITION



Beef nutrition messaging for California's children was an area of emphasis for the California Beef Council's (CBC) Food and Nutrition Outreach program in 2022. The CBC was represented

at the Culinary Institute of America's Healthy Kids Collaborative annual summit, the California Ag in the Classroom convention, the California School Nutrition Association's annual conference, California Academy of Nutrition and Dietetics conference, California Women, Infants, and Children conference, and many other nutrition conferences. During these conferences, the CBC connected with K-12 school nutrition professionals, school chefs, suppliers, and other stakeholders about beef's role in healthy school meals.

## RETAIL & FOODSERVICE



One of the key strategies for the CBC's Retail & Foodservice Marketing and Influencer Program is immersion experiences that take food industry leaders and immerse them into the

beef supply chain. In 2022, nearly 40 retail and foodservice professionals attended the CBC's annual Pasture to Plate Beef Tour and Beef Leadership Summit. Both of these multi-day experiences connected food industry professionals with beef farmers and ranchers and provided a first-hand experience into their operations. Participants walked away with a greater understanding of how beef is produced and what challenges and opportunities lie within the industry. Attendees included leaders from retail and foodservice companies such as Costco, Smart & Final, WinCo Foods, Jack in the Box, Panda Express, UC Davis Health, and more.

## PROMOTING BEEF



The CBC ran four major integrated marketing campaigns in 2022. One of these, the April/May promotion Tacos, Tequila, y Más for Cinco de Mayo, ran in partnership with the California Milk Advisory Board (CMAB) for Hispanic cheese and crema, and E&J Gallo's Camarena Tequila. The statewide campaign included in-store point-of-sale, broadcast spots during drive time weather reports and targeted podcasts, digital display ads and video, and geo-targeted mobile ads activated within one mile of targeted retailers. All campaign creative directed consumers to the website, TacoTimeCalifornia.com, for offers on all partner products, including a money-saving offer on beef. Consumers could save \$3 on a beef purchase of \$10 or more through the Checkout 51 mobile app and online. Media reached almost 10 million consumers and tracked just under 27,000 store visits attributed to the digital campaign. More than 16,200 beef offers were redeemed, generating **\$383,046 in beef sales** at California retailers.



For fall, the CBC activated the September/October Your Grill. Your Game. Your Win. tailgating promotion in partnership with E&J Gallo's Dark Horse Wine. The campaign invited consumers to "Beef Up Your Grill Game" with savings on beef and Dark Horse Wine, and directed consumers to the website YourGrillGame.com for money-saving offers, recipes, and a sweepstakes entry. Media included SmartAudio broadcast spots, commercials in targeted podcasts, digital display ads, streaming audio, and geo-targeted mobile ads activated within one mile of targeted retailers. Media for the campaign reached almost 13 million consumers statewide and resulted in more than 26,000 tracked store visits. Shoppers were able to save \$2 on their \$10 or more beef purchase through the Checkout 51 mobile app and online. The campaign drove more than **20,000 points of consumer engagement**, with over 6,600 redemptions in the 44 days the beef offer was available.

## PRODUCER COMMUNICATIONS



The CBC held two producer webinars in 2022. The first was in collaboration with the Kansas Beef Council and featured livestock handling expert, Curt Pate, who held a live Q&A

about stockmanship and stewardship. The second webinar featured the CBC's Director of Consumer & Brand Marketing to detail the CBC's latest research on today's consumers.

The CBC also funded a five-week radio campaign with KMJ, which aired in the San Joaquin Valley. The campaign featured producers from the area, representing all industry segments and presented information about the value of the Checkoff. The radio ads received 1,172,000 gross impressions of adults 18+.

Additionally, the CBC continued its producer communication efforts through a monthly e-newsletter that goes out to 1,100 California producers, articles in producer publications, and a new producer Facebook page with 129 members.

## 2022 EXECUTIVE COMMITTEE

Cindy Tews, Chair	Jarred Mello
Steven Maxey, Vice Chair	Mike Sulpizio
Craig Finster	Mike Williams
Frank Gambonini	Tom Barcellos, Ex Officio

## 2022 CALIFORNIA BEEF COUNCIL FINANCIAL REPORT

for the fiscal year ended December 31, 2022

### PROGRAMS

Consumer Information	\$962,362
Promotion	\$637,625
Producer Communications	\$188,918
General Program development	\$192,702
National Program Investment	\$23,000
Total programs	\$2,004,607

### GENERAL AND ADMINISTRATIVE

Administration	\$181,229
Collections	\$30,000
USDA Oversight	\$35,747
Total Supporting Services	\$246,977
Total Expenses	\$2,251,584



Dear Fellow Producers,

For decades, state beef councils have partnered with the national Beef Checkoff to drive the demand for beef with remarkable success. By working together and sharing a unified voice, we develop creative and innovative ways to reach consumers even as their buying behaviors change.

Despite changes in how families make their grocery purchases, they still love beef! Recent research shows that 69% of consumers eat beef at least weekly. Research like this serves as the foundation of all Checkoff programs, and the Federation of State Beef Councils continues to support product quality, nutrition, beef safety, sustainability and market research to strengthen beef's promotional efforts.

For more than 35 years, the Beef Checkoff has been using funds wisely and effectively and the Supreme Court recently confirmed that USDA has appropriate and adequate oversight to ensure that Checkoff funds are being spent in compliance with the Beef Promotion and Research Act. As Checkoff dollars are budgeted for projects, the Federation of State Beef Councils is at the table with producer input guiding decisions through a grassroots process.



This annual report touches on some of the programs that producers help direct. From research and promotion to consumer and industry outreach, these efforts demonstrate the positive impact that national programs have when extended at the state level. These success stories confirm that we are better and stronger when we work together!

As we look forward to 2023 when the Federation of State Beef Councils commemorates its 60th anniversary, let's take time to celebrate our accomplishments, plan for the future and continue to work together to drive beef demand.

Sincerely,

Brad Hastings  
Amarillo, Texas  
Chair, Federation of State Beef Councils

## BETTER AND STRONGER TOGETHER

The Federation of State Beef Councils (FSBC) builds a larger, more impactful, coordinated plan that is executed as a partnership between the Federation and individual state beef councils (SBCs). State beef councils voluntarily invest in the FSBC each year, and more than 50% of those contributions supplement tactics within Authorization Requests (ARs) approved by the Beef Promotion Operating Committee (BPOC). Supplementing these tactics helps the national Checkoff program have a larger impact on consumer demand.

In 2022, the FSBC contributed \$4.5 million to supplement the approximately \$40 million national plan funded by the BPOC for promotion, research, industry information, consumer information, and producer communications. Specific programs made possible by SBC contributions include but are not limited to the following.

### RESEARCH \$745,000

- Product Quality
- Human Nutrition
- Market Research
- Beef Safety
- Beef Sustainability

### PROMOTION \$1,165,000

- Celebrity athlete Tony Romo served as the new spokesperson for *Beef. It's What's For Dinner.* and was utilized across multiple campaigns throughout the year.
- For the second year, the FSBC sponsored the *Beef. It's What's for Dinner.* 300, the 41st season-opening race for the NASCAR Xfinity Series, at Daytona International Speedway in February 2022.
- Beef was the star of the holidays with 125 ads airing during the holiday season on the Hallmark Channel: including during Thanksgiving weekend with a sponsorship of a movie premiere.

### INDUSTRY INFORMATION \$150,000

- The Masters of Beef Advocacy (MBA) Program reached 20,000 graduates.
- The Trailblazers program, a yearlong training program was developed to prepare a new generation of advocates to protect the reputation of the beef industry.

### CONSUMER INFORMATION \$2,439,000

- Conducted e-commerce projects with nationwide retailers encouraging consumers to add beef to their online carts.
- Distributed more than 3,000 Pediatric Health Professional In-Office Educational Toolkits in 32 states to highlight the importance of beef as a complementary food for infants and toddlers.

## PROMOTING BEEF TO THE NEXT GENERATION OF CONSUMERS



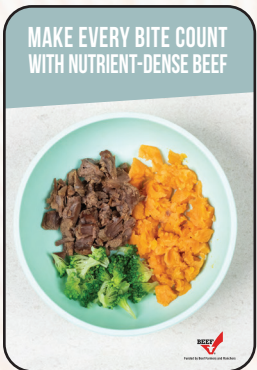
Kids are influencing their family's buying behaviors and are more engaged with social issues than ever before. NCBA, a contractor to the Beef Checkoff, and state beef councils recognized the importance of educating America's youth about beef's positive sustainability story and created fun and exciting ways to reach the next generation of consumers.

As part of reputation management initiatives around sustainability, NCBA partnered with kid-focused media outlets, such as The Week Jr. and ScoutLife. Through these partnerships, kids and parents alike were directed to the newly created Beef Sustainability for Kids page on the Beef Checkoff-funded *Beef. It's What's For Dinner.* website. An important aspect of the online content was kids sharing their stories of life on the ranch with their urban neighbors, helping bridge the gap between pasture and plate.

## STATES EXTEND E-COMMERCE EFFORTS

In November and December 2021, a nationwide club store promoted beef and the *Beef. It's What's For Dinner.* brand during the holidays on the retailer's digital properties. Holiday beef digital ads were placed on the retailer's website and app directing consumers to a page where they could add beef to their shopping cart. Almost 40,000 consumers interacted with the ads, and those ads drove more than \$8 million in beef sales with 8.6 percent new buyers to the beef category. The return on ad spend for the campaign was \$41.72, which means that for every Checkoff dollar spent on the project, nearly \$42 was returned in beef sales. In addition, the effort was supported by 14 state beef council partners which helped increase the overall reach and impressions and brought additional beef sales to individual states.

## EARLY BITES WITH BEEF



The Early Bites with Beef campaign continued in 2022 to advance awareness and increase health professional recommendations that beef can (and should) be a safe complementary first food for babies starting at around six months of age and continuing throughout childhood. Campaign efforts also provided consumers with information about how to effectively and safely feed babies beef.

Funding from the Federation and individual state beef councils extended outreach efforts to health professionals nationwide. More than 3,000 toolkits, complete with posters, fact sheets and newsletters, were distributed to

pediatric health care offices in 32 states. Health professional response to toolkits was very positive with nearly 9 in 10 professionals recommending or intending to recommend beef to parents and caregivers. In addition, 75% of respondents reported being more knowledgeable about beef as an early complementary food after receiving the information. On the consumer side, half of respondents reported that receiving the information from their pediatric professional made them more likely to feed beef to their child.

## BEEF ADVOCATES BLAZE NEW TRAILS

The new Trailblazers program takes advocacy to an unprecedented level by giving participants the tools and training they need to promote beef to new audiences while addressing and correcting myths. Ten Trailblazers from across the country attended a multi-day training, which provided them with the resources, information, and engaging activities they need to become expert communicators, excel in media interviews and understand how to build confidence in beef related practices when talking to consumers.



*Trailblazers Shaye Koester and Jaclyn Wilson of Nebraska plate their beef dish during a social media and culinary challenge.*

## NEW SPOKESPERSON SCORES POINTS FOR BEEF



Beef scored points this summer with new spokesperson, Tony Romo. The former professional football quarterback and current sports commentator shared his family's passion for beef with consumers,

and promoted beef nationwide through digital and social media, outdoor advertising, on ESPN.com and through broadcast television ads on the Food Network, HGTV and the Magnolia Network. State beef councils extended this national programming through billboards, displays, advertising and other promotional efforts. Tony Romo's Playbook on *BeefItsWhatsForDinner.com* also highlighted new recipes and valuable information about beef's taste, nutrition, versatility and sustainability.



Scan QR code for the 2022 Federation of State Beef Councils Investor Report.