



Michigan Beef Industry Commission 2019 Annual Report

Mission

The Michigan Beef Industry Commission builds demand for beef products by growing consumer trust and promoting beef's value; thereby enhancing opportunities for all segments of the beef industry.

MBIC Marketing Plan

The Michigan Beef Industry Commission works to execute programs built around core strategies and strategic initiatives identified in the 2016-2020 Beef Industry Long Range Plan. Through careful strategic planning, MBIC directors identified initiatives with the greatest opportunity for Michigan, including:

- Research and Communicate Beef's Nutritional Benefits
- Connect and Communicate Directly to Consumers
- Engage Beef Advocates & Protect Beef's Image

For effectiveness and efficiency, MBIC coordinates the use of beef checkoff dollars on both the state and national levels to accomplish these initiatives.



Michigan Beef Industry Commission

Front: Jill Sears, Treasurer; Bret Chapman, Vice Chair; Dale Oeschger, Chair; John Haindl, Secretary

Back: George Quackenbush, Executive Director; Dave Clark, Ken Blight; Dave Neitzel, Leonard Brown; Jacquie Harrison, Administrative Manager

Not Pictured: Travis Schunk, Garry Wiley

Ex-Officio: Dr. Pam Ruegg, Michigan State University; Gary McDowell, Michigan Department of Agriculture & Rural Development; Ken Blight, Cattlemen's Beef Board

MBIC Promotes Beef in Japan



Funding from MBIC assisted the U.S. Meat Export Federation (USMEF) in partnering with a wholesale-type retail

chain in Japan called Nogawa Shokuniku to promote U.S. beef from packers in the Great Lakes region. The chain operates 12 outlets in the northern part of Tokyo. USMEF supported Nogawa Shokuniku with a two-month promotion of U.S. beef. The campaign was publicized to a broad consumer audience through newspaper flyers and a television commercial that elevated U.S. beef's profile in the region. Beef Checkoff dollars contributed financially to the production and distribution of the flyers and TV commercial. From these efforts, Nogawa Shokuniku sold 50 mt of U.S. beef during the promotion period.

Video Campaign Reaches Over 3.5 Million



MBIC partnered with seven other state beef councils to conduct a video advertising campaign that ran from June – August 2019. The

campaign features a wide variety of checkoff-funded “Nicely Done” and “Keep Sizzlin’” online video spots across the seven state footprint. To showcase the checkoff online ads, this campaign utilized the Vevo channel, an all-premium music video environment. Consumers were able to view the checkoff online video ads on YouTube’s Vevo channel as well as via Vevo’s music streaming apps within platforms such as AppleTV, Roku and Amazon/FireTV. In total, the campaign generated over 3.5 million video views with 23% of those views occurring in Michigan.

Radio Campaign Drives Brand Awareness and Website Traffic

MBIC conducted an on-air advertising campaign on four radio stations in Grand Rapids and Detroit in August and September 2019. The campaign featured “Nicely Done Beef” radio ads and endorsement spots promoting Chuck Knows Beef, the all-knowing beef expert powered by Google Artificial Intelligence who is compatible with Alexa and Google Home Assistant, and answers consumers’ questions about recipes, cuts, nutrition, cooking tips and more. The ads were tagged with “funded by Michigan’s beef farmers and ranchers” and reached just shy of 1.2 million listeners an average of 5.3 times. During the campaign timeframe, there was a 26% increase in visitors to BeefItsWhatsForDinner.com from the Grand Rapids market and noteworthy increases in traffic to ChuckKnowsBeef.com from both Detroit and Grand Rapids.

Detroit Burger Week



MBIC partnered with Detroit Metro Times to sponsor Detroit Burger Week in August 2019 with 15 restaurants

participating. Partnering restaurants featured unique burgers at a discounted rate to encourage consumers to visit various locations and try new burgers. Restaurants reported elevated sales, some doubling or tripling their average rates. Consumers were encouraged to visit multiple restaurants during the week through a passport contest where winners could receive the ultimate grilling package.

Teaching Youth the Value of Beef

Cattle Care Facts

- Farmers provide their cattle with **water** every day to drink.
- All cattle spend the majority of their lives grazing on green **grass**.
- Cattle walk and lay on the farm.
- Farmers and ranchers provide **care** for their cattle 24 hours a day, 7 days a week, 365 days a year.
- Animal **health** is a top priority for farmers and ranchers.
- Farmers and ranchers give cattle **medicine** when they are sick, just like kids get medicine when they are sick.
- More than 97% of beef cattle are raised on **family** farms and ranches.

grass	1	2	3	4	5	6	7	8	9	10
care	1	2	3	4	5	6	7	8	9	10
water	1	2	3	4	5	6	7	8	9	10
health	1	2	3	4	5	6	7	8	9	10
medicine	1	2	3	4	5	6	7	8	9	10
family	1	2	3	4	5	6	7	8	9	10

The “clues” are high for farmers and ranchers who know the importance of caring for animals and the environment during beef production.

Play these games to find out more! myamericaranch.org/classroomgames

MBIC supplies materials that support efforts to inform the next generation about the benefits of beef. Bookmarks were developed that feature a mouth-watering image of beef stir-fry and include a simple crossword puzzle that teaches youth how farmers and ranchers care for their cattle. To engage the increasingly digital-savvy youth audience, the bookmarks also include a link to two checkoff-funded online games that teach basic nutrition and math skills. The bookmarks are popular at Rural Education Day events where thousands are distributed each year.

Beef Promotion at the State Fair



MBIC helped coordinate beef cooking demos at the Michigan State Fair in Novi and provided recipes, beef cut charts and nutrition materials

for fairgoers in Novi, at the U.P. State Fair in Escanaba and at several local and County fairs across the state.

MICHIGAN BEEF INDUSTRY COMMISSION	
FY 2019 Income and Expenditure Statement	
Year Ended September 30, 2019	
REVENUES	
Beef Checkoff Assessments.....	746,563
Interest Income.....	4,681
Less Assessments:	
To States of Origin.....	(165,193)
To Cattlemen’s Beef Board.....	(290,678)
Total Revenues.....	\$295,373
EXPENSES	
Promotion.....	61,745
Consumer Information.....	41,914
Industry Information.....	29,118
Producer Communication.....	24,881
Collection/Compliance.....	16,585
Administration.....	46,737
Federation of State Beef Councils.....	36,970
Total Expenses.....	257,950



Dear Fellow Producers,

Cattle producers have their feet firmly planted in two worlds: The world of tradition, using knowledge and skills handed down through the years that help result in vibrant, healthy animals producing the best beef in the world, and the world of technology, using the most up-to-date information to help us manage our businesses, market our animals and stay abreast of our situations.

Truth be told, most of us are probably more comfortable in the first world. After all, knowing and caring for animals comes naturally. Technology can be intimidating and moves so quickly these days that it's just difficult to stay current.

Stay current we must, however, especially when it comes to marketing beef. Consumers no longer get their information about beef from friends or the sales flyer in the weekly newspaper. The internet, social media, smart phones, artificial intelligence and other emerging technologies are influencing how we must talk with and educate those who buy our products.

Our Beef Checkoff is staying abreast of new technologies, using them effectively to reach both current and potential beef buyers. Thanks to your checkoff investments, we're able to keep beef front-and-center with those who consume our product and those who market it.

Research suggests we're on the right track. A recent independent evaluation of the national Beef Checkoff found that for every dollar invested, \$11.91 is returned to the beef communities' profitability. That's technology we can take to the bank.

Yours truly,

Laurie Munns
Hansel Valley, Utah
Chairman, Federation of State Beef Councils



Funded by Beef Farmers and Ranchers

Riding Technology Into the Future

Twenty-five years ago, having a website meant you were on the cutting edge of technology. No longer. Today a website is merely the foundation. In 2018 there were more than 1.8 billion websites globally, competing for the attention of consumers.

The Beef Checkoff's *Beef. It's What's For Dinner.* brand has successfully attracted a following of consumers through many channels, including an updated www.BeefttsWhatsForDinner.com digital website, which answers questions consumers have about beef from pasture to plate. Since its relaunch more than 15 million people have visited the new website. But that's just the beginning of the Beef Checkoff's technological footprint.



To keep up with the evolving marketing landscape a new tool called Chuck Knows Beef was introduced in 2019. Powered by Google Artificial Intelligence, Chuck Knows Beef is a guide to all things beef – recipes, cooking tips, cut information, production background – helping source its customized responses from content found on the BeefttsWhatsForDinner.com website.

Chuck Knows Beef is based on the emerging trend toward smart speakers, such as the Google Home and Amazon Alexa. It can help the 70 percent of consumers who say technical support would help them when shopping for beef. Like the BeefttsWhatsForDinner.com website, Chuck Knows Beef represents a prime opportunity for the beef industry to utilize technology to help increase consumer demand, giving consumers confidence in selecting and preparing beef.

Maximizing Millennial Reach



In 2014, Beef Checkoff advertising went 100 percent digital primarily to reach older millennial parents, who are more digitally connected. A new "Keep Sizzlin'" collection of online beef advertising, for instance, shows beef being cooked by grilling, smoking,

stir-fry, sous vide and cast iron. In addition to providing consumers with drool-worthy content, the ads lead consumers BeefttsWhatsForDinner.com, where they learn to prepare the perfect beef meal.

New videos utilize the "Nicely done, beef" slogan and highlight the attribute consumers say distinguishes beef from other protein options: its great taste. Appearing on popular websites and social media platforms, Nicely Done advertising uses tongue-in-cheek humor and beef's swagger to help position beef as the top protein. Nicely Done through social media, search or display ads have had more than 98 million video views, creating more than 4 million engagements, and resulted in more than 500 million consumer impressions.



Beef. It's What's For Dinner. has also made a significant impact on Facebook and Instagram. Thirteen Facebook Live videos, featuring recipes and cooking tips from checkoff culinary

experts were produced and posted over the past year, with almost 65,000 views. These videos continue to live on the *Beef. It's What's For Dinner.* Facebook page. In addition, six Instagram TV videos were posted in 2019, reaching thousands more consumers.

Technology also influences how the Beef Checkoff educates and motivates those who market beef. A test last year with Instacart, an online delivery service available to more than 80 percent of American households, demonstrated that *Beef. It's What's For Dinner.* ads at digital point-of sale increased beef purchases among users and proving to retailers the program's greater-than-average return on investment.

Partnering with other third-party content sites can also be useful in addressing complex beef issues. For instance, the Beef Checkoff has worked with Quartz, Greenbiz and Nativo to ensure consumers see balanced information about how beef is both nutritious and sustainable. Articles with these groups have garnered almost 8.5 million impressions.

Technology is also helping improve international marketing. To share beef farming and ranching with audiences across the globe, *Beef. It's What's For Dinner.* is making its virtual ranch tours available in Korean, Japanese, and Spanish. The 360-degree videos virtually transport the viewer to a U.S. ranch to show how cattle are raised and cared for. Originally created by NCBA as part of checkoff-funded Beef. It's What's For Dinner. Rethink the Ranch outreach, the videos are giving audiences around the world a chance to experience U.S. beef production practices.



The Beef Checkoff-funded Beef Quality Assurance program has utilized technology to enhance success with cattle producers. More than 50,000 individuals have gone online to obtain BQA certification since 2017. Free online training and certification is accessible 24/7, making it a convenient

option for busy farmers and ranchers. BQA certifications are also available at in-person training events. An estimated 80 percent of the U.S. fed beef supply is touched by BQA-certified operations.

Boosting International Demand



Of course, current technology will not be a component of all Beef Checkoff programs, such as international programs that boost international beef demand. U.S. beef exports, in fact, reached a record-shattering \$8.3 billion in 2018, a year-over-year increase of 15 percent. While Japan solidified its position as the leading international destination for U.S. beef, much of the year's growth was driven by South

Korea and Taiwan. 2019 has seen continued momentum for these two markets, with both achieving double-digit growth through the first half of the year.

The U.S. Meat Export Federation, a subcontractor to the Beef Checkoff, uses checkoff support to promote the unique attributes of U.S. beef worldwide, including to key buyers in the Korean and Taiwanese foodservice sectors, where dry-aged U.S. beef is increasingly popular.

In the United States, many other efforts not requiring enhanced technology – including personal and face-to-face interactions – reach both consumers and those who influence them, such as farm-to-fork tours for influencers, discussions with dietitians and health professionals, farm-to-fork tours for chefs and other influencers and dozens of other outreach efforts.

Being on the front line in today's marketplace, however, requires the beef industry to keep pace with the needs of consumers who buy its products. Thanks to beef producer investments in the Beef Checkoff, technology and beef can go hand-in-hand.

Cattlemen's Beef Board Fiscal Year 2019 Expenditures

Promotion	\$10,580,409
Research	\$9,891,043
Consumer Information	\$7,571,245
Industry Information	\$3,357,876
Foreign Marketing	\$8,347,484
Producer Communications	\$1,637,234
Evaluation	\$158,875
Program Development	\$435,772
USDA Oversight*	\$596,367
Administration	\$1,729,852
TOTAL EXPENSES	\$44,306,157

* Included in the USDA Oversight amount is approximately \$404,000 paid by the Cattlemen's Beef Board to USDA for oversight fees during the year. The remaining \$192,000 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.

Audited Numbers