



Brand News

► News and highlights from Certified Angus Beef LLC*

Retail branding

Consumers value quality products and exceptional service. In an effort to assist retailers in achieving both goals, Certified Angus Beef LLC (CAB) has developed a new retail training program to help retail employees transform customer service and *Certified Angus Beef*® (CAB®) brand knowledge into growing sales.

This CD-ROM training tool is easy to use for a large group, new employees or individual retrainings. Modules for the meat department, deli department and all store associates are available in both English and Spanish. Each module includes a video and poster.



Additional resources for meat and deli staff provide answers to common customer questions. By investing in proper training and education, the brand and its licensed retailers can ensure consumers are knowledgeable about the beef they are buying.

Brand building

A Brand Builders seminar took place at CAB's Wooster, Ohio, corporate office in October 2005. The seminar provided Angus breeders with a better understanding of the brand, equipped them to better inform customers of the brand's benefits, and offered ideas they can use to market their cattle with a high-quality beef message.

Producers representing 14 programs from nine states, ranging from California to Maryland, attended. Steve Irsik, Irsik Family Partnership, and Mark Sebranek, Irsik & Doll Feedyard, shared from the perspective of a commercial cow-calf producer and feedlot operator. It was a valuable part of the program and added another dimension to discussions.

Attendees also welcomed Ellen Humphries, Fort Worth, Texas, managing editor of *The Cattleman*; Terry Cotton and Brooke Byrd of Angus Productions Inc. (API); and Mick Colvin, one of the original founders of the CAB program and the original executive director.

Around the world

Europe. More than 700 exhibitors from 41 countries recently showcased their products — including the CAB brand — in the meat sector of Anuga in Cologne, Germany. The event is one of the world's largest food-and-drink exhibitions, and a range of new healthy-to-eat meat products was launched at the show. CAB staff in attendance had the opportunity to discuss the brand with distributors from Germany, Austria, Italy and England.



According to Mark Spengler, CAB international director, consumption of beef in the European Union (EU) is estimated at 8 million metric tons (MT) per year, with a self-sufficiency deficit of about 500,000 MT in the next one to five years.

"Currently, there is an 11,500-metric-ton quota on U.S. beef, but that hasn't been achievable due to lack of eligible supply (i.e., from non-hormone-treated cattle at approved plants). This quota level is expected to rise and be no barrier to entry as more U.S. beef becomes eligible," Spengler says.

South American beef is expected to hold onto the lion's share of the EU market, but U.S. beef should be able to capture about 3%, or 15,000 MT.

"Conservatively, if CAB can claim 3% of that 3%, then it would be a million-pound market for the brand," Spengler says.

The cuts of most interest are inside and outside rounds, top butts, knuckles and briskets. Wholesale prices in England for those cuts show considerable opportunity for U.S. product in the market.

Barbados. The brand had a strong presence at the Hotel Food Supplies Annual Food Show in Barbados with the help of licensed distributor, Sysco Food Services of South Florida Inc., and the U.S. Meat Export Federation (USMEF). Grilled CAB center-cut top sirloins and flat irons were displayed. The USMEF will feature both cuts in its 2006 culinary competition. Representatives from top hotels and restaurants made pricing inquiries. Samples were also delivered to chefs at local hotels and restaurants, generating even more interest.

Barbados is a traditional strips, ribs and tenders market, and to have so much interest in the brand's underutilized cuts from the most exclusive accounts is positive. There is a move toward portion-control cuts in the market, and CAB distributors are in perfect position to meet demand.

Caribbean. One of the brand's newest licensees is the only restaurant in the Caribbean to offer dry-aged CAB brand Prime. Rare, owned by Chef Dino Jagtiani, is also the only place to serve a dry-aged strip steak with a wet-aged filet. The combination offers two textures and flavors on the same plate.

Dry-aging is a time-honored process that begins with top-quality meat. Only a fraction of beef dry-ages well, such as well-marbled, Prime-grade beef. The meat is hung in large, sterile refrigerators with carefully controlled airflow, humidity and temperature for 21 days. The result is extremely tender beef with a slightly nutty flavor. The meat's ability to hold on to moisture with cooking is also improved, making for juicier steaks.

Wet-aging is aging the beef in vacuum bags. It is the most common method of aging. Although dry-aging is more costly than wet-aging, dry-aged steak has long been considered the best among seasoned steak connoisseurs.

"Jagtiani's decision to offer dry-aged CAB brand Prime at Rare will revolutionize the restaurant business not only in Saint Maarten, but throughout the Caribbean," says Maggie O'Quinn, CAB regional account manager. "This is a big first for the CAB brand in the region. To get a dry-aged, CAB brand Prime, bone-in Kansas City strip in the states is something special — but to get it in Saint Maarten is something short of a miracle."

Holiday spirit

Several of the brand's licensees tapped into the holiday season with entertaining promotions that benefited customers and improved the bottom line. By using CAB design and marketing resources, retailers and foodservice outlets often included radio,

television and print media advertising in their campaigns, as well as new point-of-sale materials, store flyers and menu inserts. The result? Energized customers and increased sales of CAB brand products.

CONTINUED ON PAGE 76

*Certified Angus Beef LLC is a wholly owned subsidiary of the American Angus Association.

CAB BRAND NEWS

CONTINUED FROM PAGE 75

Boston Pizza, with more than 200 licensed restaurants throughout Canada, featured a 10-ounce (oz.) CAB sirloin steak on its holiday season menu insert. The promotion was to run Nov. 21 through Dec. 31, 2005.

Fresh Brands Inc., headquartered in Sheboygan, Wis., made a strong impact with fully cooked CAB prime rib this holiday season. The CAB design and sales marketing team worked closely with the company's meat director to create tabletop signs, advertisements, bag stuffers and posters for use in its Piggly Wiggly and Dick's Supermarkets stores.

The Fred Albrecht Grocery Co., owner of Acme stores in Akron, Ohio, set goals to review new products, promote advertising and boost deli sales. The company used an E.&J. Gallo Winery promotion for all proteins in the meat department and hosted a refresher training course for all meat and deli managers. Future radio spots will be used to ensure more marketing in the area. The company also plans a deli demonstration for its one-day meat sale in February.

Clemens Markets Inc. in Kulpsville, Pa., plans to switch most end meats to the CAB brand and offered CAB cooked prime rib for the holidays. The new retail training program will take place in January as point-of-sale materials are refreshed in the fresh meatcase.

Monthly honors

Thomas County Feeders Inc. feedyard foreman Doug Holzmeister is the CAB



Quality Assurance (QA) Officer of the Month for October 2005.

Paul Dykstra, CAB feedlot specialist, says Holzmeister focuses

on the feedlot's involvement in the program. The yard is currently among the top five in CAB enrolled cattle.

"Doug wasted no time enrolling cattle in the program after attending a CAB QA seminar last April," Dykstra says. "Since then, he has enrolled nearly 6,000 cattle at the Colby, Kansas, yard for data collection."

Feedlot General Manager Mike Hunter

says Holzmeister is a perfectionist, a detail that helps Thomas County Feeders remain a strong partner in the Feedlot-Licensing Program (FLP).

Cattlemen's Choice Feedyard Inc., Gage, Okla., is the October 2005 CAB Feedlot Partner of the Month.

Dale Moore and wife, Mary, built the 7,000-head yard from scratch, and they feed cattle to hit the quality target.

Gary Fike, CAB feedlot specialist, says the Moores sort and market cattle to their highest potential. "It makes the customer happy and keeps the feedlot profitable," he comments. "Since becoming CAB-licensed in 2004, the yard has an overall CAB-acceptance rate of 17%, but their champion entry in the 2004 National Angus Carcass Challenge (NACC) shows what they can do. The steers were 58% CAB and Prime, with no discounts."

A

Table 1: Summary of 30.06 qualifiers and honorable mentions from data reported in October 2005



In the On-Target "30.06" program, the Feedlot-Licensing Program (FLP) honors feedlot partners that harvest qualifying groups of cattle with at least a 30% Prime or *Certified Angus Beef*® (CAB®)-acceptance rate with an allowance for 3% Yield Grade (YG) 4s and 3% carcasses weighing more than 975 pounds (lb.). There is no minimum group size, because sorting is encouraged to bring out the best in each animal. Honorable mention groups stood out for CAB acceptance, but contained at least one discount problem.

Licensed CAB® Feedyard	Head	Sex ^a	%YG 1&2	%CAB	%Prime
McGinley-Schilz Feedyard Ltd.	25	H	64.0	70.0	16.0
McGinley-Schilz Feedyard Ltd.	75	H	62.7	54.3	10.7
McGinley-Schilz Feedyard Ltd.	67	S	46.3	50.0	7.5
McGinley-Schilz Feedyard Ltd.	80	S	85.0	48.4	12.5
GG Genetics	12	H	58.3	36.4	0.0
North Platte Feeders Inc.	76	S	64.5	32.9	5.3
Honorable Mentions	Head	Sex ^a	%YG 1&2	%CAB	%Prime
Cattlemen's Choice Feedyard Inc.	28 ^b	M	50.0	64.3	14.3
Ranger Feeders II LLC	21 ^b	S	23.8	61.9	9.5
Cattlemen's Choice Feedyard Inc.	20 ^b	M	65.0	60.0	10.0
Cattlemen's Choice Feedyard Inc.	20 ^b	S	50.0	55.0	5.0
Cattlemen's Choice Feedyard Inc.	20 ^b	H	45.0	50.0	10.0
Cattlemen's Choice Feedyard Inc.	20 ^b	H	10.0	45.0	10.0
Cattlemen's Choice Feedyard Inc.	35 ^b	S	37.2	31.4	0.0
Flint Rock Feeders Ltd.	68 ^b	M	28.0	30.9	2.9
Loseke Feedyards	122 ^b	S	23.8	30.3	0.0

^aH=heifers; M=mixed; S=steers.

^bIndicates 100% CAB eligible. All acceptance rates figured on eligible portions.

Call (785) 539-0123 or visit www.cabfeedlots.com for a complete and current list of feedlot licensees.

CAB STAFF CONTACTS

206 Riffel Rd., Wooster, OH 44691-8588;
phone: (330) 345-2333; fax: (330) 345-0808
www.certifiedangusbeef.com

Jim Riemann, president
Brent Eichar, senior vice president
Tracey Erickson, vice president
John Stika, vice president of business development

SUPPLY DEVELOPMENT DIVISION Kansas staff:

CAB Program Satellite Office
1107 Hylton Heights Rd.
Manhattan, KS 66502
phone: (785) 539-0123
fax: (785) 539-2883

Larry Corah, vice president
Paul Dykstra, feedlot specialist
Gary Fike, feedlot specialist
Wendy Nichols, office and data manager
Lance Zimmerman, industry information assistant

Ohio staff:

Christy Johnson, marketing director
Mark McCully, supply development director

INDUSTRY INFORMATION DIVISION

16360 Victory Rd.
Onaga, KS 66521
phone: (785) 889-4162
fax: (785) 889-4163
Steve Suther, director

To order CAB merchandise, visit
www.angussalebarn.com.

For a source for recipe ideas, storage and handling tips, restaurant listings, retail store locations, and cooking information, visit www.certifiedangusbeef.com.

