



Brand News

► News and highlights from Certified Angus Beef LLC*

Gateway to success

Gateway Beef/Granite City — formerly Tarpoff Packing, of Granite City, Ill. — was recently licensed as a *Certified Angus Beef*® (CAB®) brand packer. Tarpoff Packing began as a small family business in 1928. The company recently joined forces with Saint Louis, Mo.-based DiCarlo Meat Co., a family-owned business specializing in Italian products.

John Tarpoff, vice president of sales and procurement, is a 27-year veteran of the packing business. “As many packing houses closed during the 1970s, ’80s and ’90s, it became obvious that to survive we had to change. We were too small to

compete with our bigger competitors,” he says.



Tarpoff was approached by a group of mostly Angus producers who wanted a better way to market cattle. Gateway is a combination of their cattle-feeding experience, Tarpoff’s experience in selecting and marketing CAB brand Prime products, the insight of Tom Gudykunst, chief executive officer, and the value-added products of DiCarlo Meat Co.

“It’s a match made in heaven,” Tarpoff says. “The members of Gateway Beef Cooperative will have a packer working directly with them — giving them advice on how long to feed their cattle to give them the most money for their product, as well as livestock selection for better return on investment.”

Cattlemen will benefit from a producer-friendly grid up front and a share of the profits on the back, Tarpoff says, adding, “The only way a small packer and a small producer can stay in business is to work together.”

Evolution of success

Marking a milestone in the evolution of the Feedlot-Licensing Program (FLP), Swift and Co. has instituted the first-ever grid premium exclusive to Certified Angus Beef LLC (CAB)-licensed feedlots. Headquartered in Greeley, Colo., Swift is an industry leader in the processing and marketing of fresh beef products. In cooperation with Angus GeneNet, a value-added procurement system for Swift and Co., all Angus cattle marketed by licensed feedlots through Angus GeneNet into Swift’s Dumas, Texas, plant will now receive an additional \$3-per-head premium. Although currently limited to one plant and one packer, this illustrates the value the FLP is beginning to realize for producers and feeders of Angus cattle, says John Stika, CAB packing and feeder-packer relations director.

CAB on Moxie’s menu

Demand for the *Certified Angus Beef*® (CAB®) brand continues to grow internationally. Moxie’s restaurants, a 37-unit, casual-dining chain based in Calgary, Alta., Canada, was recently licensed by the brand to offer CAB strip steaks and top sirloin on its menu. Moxie’s has units across Canada and will be served by Intercity Packers of Vancouver.

Canadian licensees purchased nearly 21 million pounds (lb.) of CAB product in fiscal year (FY) 2002 — almost 29% of total international sales.

Industry advising

The National Cattlemen’s Beef Association (NCBA) recently held a Product Enhancement Research Advisory Panel meeting at its offices in Denver, Colo. Stika participated in discussions aimed at identifying beef industry research priorities for FY 2004. Topping the list was an expanded investigation into the muscle profiling work previously conducted on the chuck and round cuts.

Fresh supply of events

In January, Summitcrest Farms of Summitville, Ohio, teamed with CAB Supply

Development staff and the brand’s licensed feedlots to host a luncheon for *Certified Angus Beef* Day in the Yards at the National Western Stock Show (NWSS) in Denver, Colo. The event was scheduled to be held during the Angus carload and pen show and sale. The Supply Development team then shifted its focus to the Cattle Industry Annual Convention and Trade Show in Nashville, Tenn., Jan. 29-Feb. 1.

What’s next? The “Commitment to Quality” seminar, which provides quality assurance training for CAB-licensed feedlots. The event is scheduled for March 4-5 in Grand Island, Neb.

How do you rank?

Data-capturing efficiency is a measure of the success rate of the feedlot to report the shipment and harvest of cattle enrolled in the CAB FLP, combined with the efforts of CAB staff to obtain data from packing plants. “This efficiency reflects the relationship of CAB with each feedyard,” says Turk Stovall, assistant director of feeder-packer relations. “It also shows how well the two get the pertinent data into the hands of those who have put forth the effort to source, breed and feed high-quality Angus and Angus-type cattle.

“There is no reason that a feedyard can’t have a high data-capture efficiency,” Stovall says. “CAB staff members make it easy by doing most of the work. Once a feedyard notifies CAB that cattle will be harvested, then it is up to CAB staff to do the rest.”

Table 1: Data capture efficiency ranking

Feedlot	% data capture
4+ Cattle Feeders	100.00%
Gregory Feedlots Inc.	100.00%
Texas County Feedyard LLC	100.00%
Schmitz Feedlot LLC	98.99%
Sellers Feedlot	98.55%
Hi-Vu Cattle	98.51%
Irsik & Doll Feedyard	98.44%
Ingalls Feedyard	98.43%
Ashland Feeders	98.39%
Thomas County Feeders Inc.	98.21%

The information reported is a value for data-capture efficiency for feedlots marketing at least five harvest groups during July to October 2002. Only closed-out lots are eligible for consideration.

Growing in the Northwest

CAB’s Heidi Scheffler, formerly of the International Division, has accepted the position of executive account manager, Pacific Northwest. In her new role, Scheffler will be working with Retail, Foodservice and International divisions to serve and develop

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

business in the northwestern United States. She will make the transition to the new position in early 2003, after returning from a six-month assignment in Japan.

Shula's hosts seminar

In December, Shula's Steak House, located at the Sheraton-Chicago, hosted 24 Comercial Norteamericana customers and sales managers from Mexico City, Monterrey, Cancun and Cabo San Lucas. The Comercial representatives attended a merchandising seminar and dinner that featured CAB shoulder clod. Swiss Master Chef Alex Rudin presented the seminar, discussing his ideas and recipes. Comercial Norteamericana is one of the largest CAB distributors in Mexico.

Half a billion and growing

CAB ended its 24th fiscal year with sales topping half a billion pounds for the third consecutive year. That's an estimated 1.3 billion servings annually. The new year began with unprecedented demand for CAB brand Prime cuts, with sales rising 127%. CAB brand Choice cuts and convenience items, including premium deli meats, experienced continued consumer preference.

The brand's strong international performance, including a recovery in Japanese sales and growth in the rest of Asia, the Caribbean and Mexico, provided new markets for underutilized CAB cuts.

"We aggressively introduced our brand to new partners worldwide," says Tracey Erickson, CAB vice president.

"We have worked diligently to address the shift in how demand for our brand is generated. Several marketing elements, including the logo, tagline and comprehensive advertising campaign were retooled to ensure they project the brand's unequalled reputation directly to consumers," she adds.

The brand welcomed 576 grocery stores and 1,327 restaurants to the program in 2002. And thanks to producers and industry segments, supplies met the increasing demand for CAB product. This past fiscal year saw the emergence of producer networks as never before, united in pursuit of the premiums associated with efficient production of top-quality beef.



November On-Target honorees^a

Monthly recognition is part of the Certified Angus Beef LLC (CAB) Feedlot-Licensing Program (FLP) "Spotlight Award" series based on volume, quality, customer service and attention to detail.

Feedlot Partner of the Month:

Texas County Feedyard LLC, Guymon, Okla., Scott Anderson, manager.

Quality Assurance Officer:

Bruce Conrady, Brookover Ranch Feed Yard, Garden City, Kan.

Licensed CAB® Feedyard	Head	Sex ^b	%YG 1&2	%CAB/Prime
30-0 qualifiers:				
Hora Feedlot	10	M	100.0	60
McPherson County Feeders Inc.	20	H	45.0	58
Hi-Vu Cattle	40	H	17.5	33
Honorable mentions:				
Triangle H Grain & Cattle Co.	40	S	17.5	98
Dakota Prairie Beef	14	S	28.6	62
Peterson Feedlots/MPK LLC	121	H	28.9	46
McGinley-Schilz Co.	61	H	27.8	44
Irsik & Doll Feedyard	89	S	30.3	41
McLean Feedyard Ltd.	22	H	27.3	41
Panhandle Feeders Inc.	206	H	11.2	40
Beefland	123	H	17.1	35
McPherson County Feeders Inc.	20	H	25.0	35
Hi-Vu Cattle	40	H	40.0	33
Irsik & Doll Feedyard	36	S	55.6	33
Panhandle Feeders Inc.	90	H	10.0	32
Schmitz Feedlot LLC	35	H	8.6	31

^aIn the On-Target "30-0" program, the FLP honors partners that harvest qualifying groups of cattle with at least a 30% Prime or CAB acceptance rate that are free of discount carcasses. 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 discount cattle for one reason or another.

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

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

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SHIPPING DEPARTMENT

To order CAB merchandise, call 1-800-725-0070 or fax: (330) 345-0803

TOLL-FREE CAB FLAVOR FINDER

A source for recipe ideas, storage and handling tips, restaurant listings, retail store locations and cooking information.

1-877-2-EAT-CAB