

"We've never lost a cutting or taste test on Certified Angus Beef. Every single time we've cut the product for customers, they've preferred it over what they were using . . . With nine of us selling, there's probably five to 10 tests a week . . . Angus wins every time."

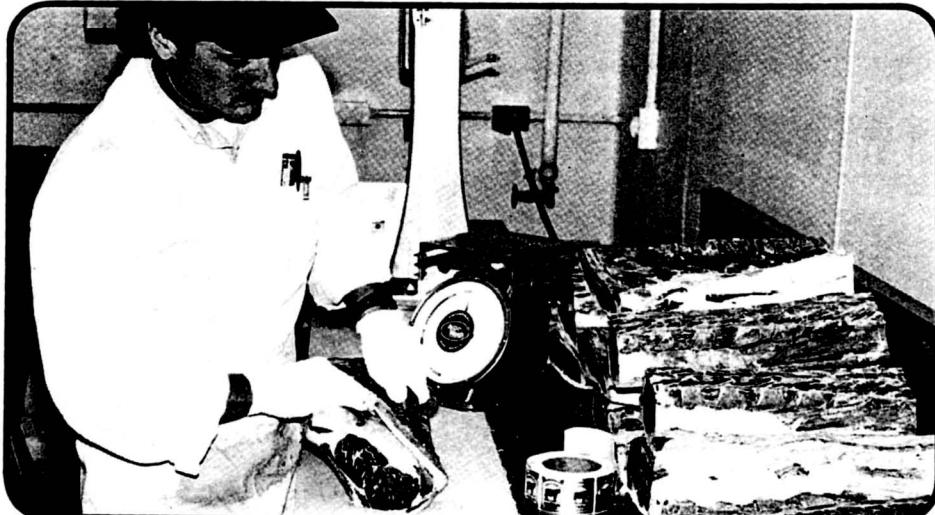
"I can sit down and explain the program to a customer, I can show them the product and they can see the physical difference in a raw stage. Then we can cut and eat the product, and by the time we've worked them through those stages, they're ready to go. They want Certified Angus Beef."

— Rick Nicholas, President
Newport Meat Company



newport meat company

CAB's Number One Distributor



Newport Meat operates a central distribution warehouse and a portion-control steak-cutting room in Huntington Beach, Calif. Here dry-aged CAB strips are being trimmed. With the USDA's approval, each portion-cut CAB steak processed at Newport carries the CAB label.

This young, aggressive sales force has helped put Newport Meat at the top of CAB's distributor list. When they started on the CAB program, Nicholas tried to spur their efforts by telling them they were 18th on a list of 18. Now this team sells 150,000 lb. of CAB each month, accounting for more than 10 percent of national sales.



While vacationing in Mexico 10 years ago, Rick Nicholas and Mike Van Voorhis began talking about the marketing concept that would become Newport Meat Company. College friends who had worked two years for a wholesale beef packer that had recently closed, they decided to start a new company. Nicholas began to solicit business from Los Angeles and Orange County restaurants while Van Voorhis completed his last semester of college. The company's first office was Nicholas' home, and he made all deliveries himself in a van that was rented whenever a sale was made. Van Voorhis' girlfriend Denise helped with phone orders and accounting. The three friends look back and laugh as they remember the early days of Newport Meat when they could turn on the telephone answering machine and go to the beach on a sunny afternoon.

Now, 10 years later, Newport Meat is recognized throughout southern California as a top-quality purveyor. The company operates a central distribution warehouse and portion-control steak-cutting room in Huntington Beach, a

suburb located 30 minutes southwest of Los Angeles. Nicholas, owner and president of Newport Meat, directs the company's marketing and talks with chefs throughout southern California.

In addition to the original three friends (Van Voorhis is a sales representative and Denise, now his wife, is credit manager), Newport employs seven other salesmen who market the company's products from Santa Barbara to San Diego. Ray Nicholas, Rick's brother, is general manager and oversees daily operations of the business. A fleet of 11 16-foot "bobtail" trucks delivers meat products throughout southern California.

From the beginning, the company sought to establish its own identity in the large and expanding California marketplace. A concern for buying only the best products available from quality-conscious beef packers became a primary characteristic of Newport Meat. Nicholas' main objective: To offer the best product and service available at a competitive price.

Certified Angus Beef (CAB) has helped him pursue this goal. The American Angus Assn. has developed

a program, he says, which is consistent with his company's overall philosophy and marketing program. The CAB program provides a better product for his customers and that, according to Nicholas, "is exactly what we look for. It is the best product we can provide . . . I just haven't seen anything better than the Angus beef. It works."

It must work. Newport Meat is the leading CAB distributor and currently buys about 150,000 lb. of CAB each month. That figure translates to a half million dollars, requires 500 cattle, and represents more than 10 percent of total monthly CAB sales. And in Nicholas' eyes, the area's potential is unlimited. He hopes to double Newport Meat's CAB volume this summer.

"There's no magic to our success," he says. "I work very hard to buy the best meat available. I buy Midwestern cornfed beef from Beef Specialists of Iowa, and National Beef Packing Co. in Kansas. Both are fabricators of Certified Angus Beef. Two other beef plants, one in Illinois and the other in Nebraska, supply the balance of our meat."

"By purchasing from the same packers each week," Nicholas comments, "we have established a highly consistent, top-quality product. I place more emphasis on my beef buying than I do

on sales. It is extremely important that my company's intrinsic beef quality be better than my competitors."

"Ongoing yield tests in Newport's portion-control steak room provide valuable information to compare a packer's trim and yield, and act as determining factors while buying beef," he points out. "I buy the best, and monitor my company's beef handling and aging to ensure that we have the finest product available for sale to southern California's hotels and restaurants."

CAB is a natural extension of the company's concern for marketing the finest beef available. The Association's program provides an assurance of quality and consistency heretofore unheard



of in the food service industry, says Nicholas. "Restaurants are finally able to purchase gourmet beef at an affordable price."

Most fancy "white tablecloth" restaurants, and the better hotels, would prefer to purchase Prime beef, says Nicholas. However, USDA Prime is simply too expensive, when it is available. Supplies are always sporadic and limited. Today, he points out, Prime beef is more an accident or by-product than the goal of a feedlot's program. It is therefore difficult to build a menu around Prime, so chefs are forced to embrace Choice beef.

"The difficulty for the quality-minded chef comes from the wide range of cattle accepted into the Choice grade," explains Nicholas. "Almost 90 percent of all federally graded cattle qualify for the Choice grade, but the difference between high and low Choice is night and day."

Newport's customers have reacted quickly and favorably to the availability of CAB. Every day Angus beef is tested against both Choice and Prime beef. It has never lost a taste comparison, adds Newport Meat's president. "Each month the sales volume of Angus beef continues to grow as new accounts test, and switch their purchasing to this high-quality product."

Newport Meat's portion-control steak-cutting operation features CAB steaks, and restaurant managers value the inventory control and quality consistency that a portion-control program provides. (The USDA has approved the use of the CAB label for portion-cut CAB steaks processed at Newport Meat. All are vacuum-packaged and shipped fresh.)

Newport Meat's dedication to quality extends beyond beef and through-

out its entire product line. The company sells name-brand veal on an exclusive basis, lamb arrives fresh each Monday morning by truck from Colorado, and Newport Meat's product line also includes fresh pork, poultry, frozen seafoods and unique speciality items such as fresh Hawaiian fish.

Newport Meat plans to be active in the southern California food service market for a long time. The company takes its business very seriously, and attempts to match each account's food-buying dollar with the best available product to meet its needs, says Nicholas. The company counts as its most valuable asset the growing list of fine customers they service each week.

CAB fits comfortably in such a quality-oriented program. AJ

These fine southern California restaurants feature Certified Angus Beef:

Spago, Los Angeles
The Ritz, Newport Beach
L'Chardonnay, Beverly Hills
385 North, Beverly Hills
The Rex, Los Angeles
Chinois, Santa Monica
Bob Burn's, Santa Monica
Mr. Stox, Anaheim
MacArthur's Park, Huntington Beach
Chianti, Los Angeles
The Corkscrew, Brentwood

Maxwell's, Huntington Beach
Cattlemen's Wharf, Anaheim
San Ysidro Ranch, Santa Barbara
El Encanto Hotel, Santa Barbara
New Otani Hotel, Los Angeles
Stratton's, Los Angeles
Ritz Carlton Hotel, Laguna Niguel
Saddleback Country Inn, Lake Arrowhead
Vintage Press, Visalia
Intercontinental Hotel, San Diego