

# The Push For Lean Beef: A Riches To Rags Story?



## Sure, Consumers Want Leaner Beef. The Problem Is—They Won't Buy It!

by Bob Kingsbery

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Picture this scene: An average suburban dweller sits down to his evening meal, looks at his plate and exclaims, "I work hard all day long. I come home and my wife serves me lean beef. Have you ever tasted lean beef?"

Don't worry you will. Lean is today's buzzword in the cattle biz. In case you haven't heard, we need to produce more cattle with less on them in order to sell more (of that less) to more consumers who are eating less, because more often than not they want less. They will pay more for less, so cattlemen will get more for producing less of what we already have too much of now. More or less.

If that doesn't convince you that lean beef is the answer, then attend any cattle business convention, read any livestock publication, listen to just about any cattle industry expert—they'll tell you that the consumer is demanding, can't live without, won't buy anything but, lean beef.

And they're sure because . . . well . . . because . . . us . . . a survey . . . yeah . . . that's it . . . a poll . . . not long ago . . . told them exactly what the consumer wanted. Are they sure? Of course they're sure. They wouldn't get the whole industry heading in one direction if they weren't. What? What about the short fat cattle of the 50s? Well . . . And the hard calving exotics of the 60s? And the low fertility of the high performers of the 70s? Well . . . nobody can be right all the time. But they're sure this time and they're going to have us producing lean beef if we go broke doing it.

Don't worry, we will. For two reasons, what the consumer "wants" and what the consumer "buys" are two different things, and lean beef isn't either one. First, let's determine what the consumer really wants. That's easy because we're all consumers and we all eat beef.

We, the consumers, want the best tasting, most tender, juiciest, mouth watering beef there is. And we want it with all the fat trimmed off, no bones and attractively packaged in perfectly equal portions. We know that's expensive but we'll pay every bit of 50 cents . . . oh, all right . . . 75 cents a pound for it.

Forget what the consumer wants. There ain't no Santa Claus. Now let's find out what

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the consumer buys: We, the consumers, will pay two or three dollars a pound for decent beef, if there isn't too much fat on the edges and if our shopping cart isn't too full so the blood on the bottom of the styrofoam tray won't get on the package of pantyhose, because we like to have steak at least once a week and it's easy to fix and cheaper than eating out.

Lean beef? You mean that tough grass fed stuff? No thanks, we like ours tender. Healthier? Of course we're concerned with our health! We don't drink anything but light beer . . . see those three six-packs under the cake mix next to the ice cream.

Think about it. That's the consumer who is demanding lean beef. The reason we're given for changing the way we select and produce our cattle.

Maybe it's time to take a harder look at the lean beef issue before it becomes the trend of the 80s that future cattlemen look back on and grin. Remember the 50s . . . the 60s . . . the 70s. They were sure then too.

Regardless of consumer desires, industry needs or economic conditions, there is one thing individual cattlemen, or the industry as a whole, can't change: The fact that next year's calves are going to look, perform, and sell a lot like this year's, which looked, performed, and sold a lot like last year's.

Crossbreeding, performance testing and other techniques are important to the commercial industry but they aren't going to change the nation's cow herd much from one year to the next. To put it bluntly—we're stuck with a certain product that sells for a certain price and we can't change it very much or very fast.

Where does that leave the cattle industry? In fine shape. It's a good thing that fads in breeding and selection have little impact on our product, because it doesn't need to be changed at all. In fact, to change it now would be a terrible mistake because the future of the beef industry has never looked better.

Powerful economic and social changes are taking place today. Changes that will have enormous consequences for the cattle business. Agriculture is gradually receiving the recognition it deserves as a vital factor in the economic well-being of our local communities and our nation. Government policy, tax legislation and foreign trade agreements are being tailored to meet the needs of agricultural producers.

The beef cattle industry, already the single largest segment of agriculture, will come out the big winner because our product is the most popular and widespread in agriculture.

Also beef requires less capital, energy, labor, packaging and processing than crop agriculture, an aspect that will become increasingly important in the future.

But the major change will be the social evolution of this country's population during the next 20 years. As the "baby boom" generation reaches its peak in earnings and status, the demand for better and more expensive things in life will mean a tremendous demand for the higher priced cuts of beef. The leisure boom of the 70s was just the tip of the iceberg, as more people have more time and money to pursue pleasure during the next two decades. Palatable easy-to-prepare foods, such as beef, will become even more popular.

This change will affect our major institutions. Restaurants, including hamburger chains, will tailor their menus to appeal to the more discriminating tastes of their wealthier clientele. And beef will dominate those menus. The suburban supermarkets of tomorrow will cater to the increasing sophistication of their customers with better quality and service at their meat counters. Butchers will achieve social status accorded wine connoisseurs today.

This trend will also take place abroad as the world economy improves and beef consumption becomes a symbol of status among developed, as well as developing nations. The United States only has 7 percent of the world's cattle but we produce almost a third of the world's red meat. By the turn of the century, beef will become America's largest single export item.

Reflect that the lean beef bunch would have us producing 100 percent hamburger steers at the same time our consumers were demanding higher quality beef! Remember that the American auto industry achieved high gas mileage at the expense of quality just as the consumer got used to high gas prices and wanted quality. Look where it is today.

Lean beef isn't the answer to the problems facing cattlemen today. Our industry is tied to the general economy and when it improves many of our current problems will disappear.

The health controversy, another justification for lean beef, is just that. A controversy. As fast as one group comes up with data proving beef is bad for us, another comes up with data proving it's good for us.

The funny thing is that it doesn't matter one way or the other. Again, it's a matter of what the consumer says compared to what the consumer does. Talking about a healthy

diet and following one are two different things. People are going to eat what they ate as children, combined with what they think they should eat to achieve a certain social status. The best thing the cattle industry could do today is develop a diet calling for beef three times a day and publish a book about it. Call it the "Denver Diet" and six months from now nobody would remember Scarsdale or Beverly Hills.

Competition, the other boogeyman of the cattle industry, is even less of a problem. Pork and poultry producers have made impressive gains through increased production efficiency, but they haven't increased the number of people eating their products. The hamburger chains aren't bringing in new customers with pork and poultry on their menus, just giving their maturing customers more choices. Seafood consumption will increase dramatically, at the expense of pork and poultry, during the next few years, but beef will remain the meat we most like to eat.

The marketing system for beef, with all its inequities and inefficiencies, will remain in place because it's the best way to get the most beef to the greatest number of people. Free enterprise and changing lifestyles will open the way for alternative marketing methods such as brand name beef and gourmet butcher shops. Consumers will pay much more for a name brand product that fits the image of the lifestyle they desire than for an identical one that doesn't. Ask Calvin Klein or Gloria Vanderbilt.

Promotion, like the current "Nothing Satisfies Like Beef" campaign, can influence the demand for the higher priced cuts of beef as long as it is targeted in the right direction. Let's hope the beef industry doesn't try to copy the pork industry's "America Is Leaning On Pork" campaign with its catchy jingle. Apparently they swallowed the health issue hook, line and sinker. But no matter how effective it is, promotion can't insure a profit for everyone in the cattle business.

There is no single solution for an industry as diverse and widespread as ours. There is, however, opportunity. Opportunity for cattlemen who put efficiency in the management of their land, their finances and their cattle ahead of infatuation with the latest fad.

We don't need lean beef but we do need lean cattlemen. Businessmen (and women) in boots who will combine the latest technology with the basics of raising cattle to accomplish one goal: Produce the greatest amount of beef per acre of land. People who are willing to spend their time and money to increase their productivity, rather than waste both trying to improve their product.

We already have an industry full of people like that, willing to work long and hard with a special feeling for their land and their livestock. It's our responsibility to help them do their job to the best of their ability not sidetrack them with meaningless issues. And if we're so concerned about our consumers, then let's make sure they won't have to come home to lean beef. **AJ**

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