

Certified Angus Beef



Angus Producers Can Adapt to a Changing Industry

by Mary Ferguson, CAB Associate Director

The need to identify seedstock genetically superior in carcass performance is greater than at any time in history. The entire beef industry is a buzz with the idea of marketing finished cattle based on carcass value. Livestock organizations and breed associations are scrambling to design programs to help value-based marketing become a reality.

It remains to be seen whether the industry will get its collective ducks in a row such that all segments, including feeders, commercial cattle producers and seedstock breeders, can benefit from the value-based concept. The American Angus Association already has the necessary tools to get the job done. And as such, its members will have a tremendous advantage if and when the time comes to adjust breeding programs to react and respond to industry marketing trends.

Perhaps the greatest challenge to the American Angus Association is to get the word out to its own members as well as commercial cattle producers so that this advantage can be capitalized upon by expanding the leadership role the Association has enjoyed thus far.

One way that the Association has started to meet this challenge is through its Certified Angus Beef Program, specifically the program's supply development division. The CAB Feedlot Gain and Carcass Contest is an event through which the Association hopes to increase industry awareness of CAB Program cattle and carcass specifications. It provides an opportunity for producers to retain ownership on a small number of cattle in a large, commercial feedlot.

Results of the contest, for example, any differences which are found among the sires or herds represented, should be kept in perspective as only a limited view of feedlot and carcass performance capabilities. Although genetic differences in the entered cattle will be indicated by the results, this information in itself is not sufficient to make genetic comparisons among the herds or sires represented.

Numerous variables, including but not limited to differences in sire and dam genetic contributions and environmental factors such as pre-weaning and post-weaning management as well as age and

weight of cattle at slaughter, and other purely statistical variables, may affect predictability of sire or herd performance as related to the carcass data.

Over the years, the American Angus Association has continued to collect carcass data in order to evaluate sires for progeny carcass merit. The Angus Sire Evaluation Report, produced twice annually, lists carcass EPD on approximately 200 sires for marbling, loin eye area and carcass weight. Carcass EPD on these sires are listed in addition to the birthweight, weaning weight, maternal value and yearling weight EPD listed on all sires represented in the report. These are the best available measures to help producers determine the role selection for carcass merit should play in their breeding programs. In the coming years, the database will be expanded to provide producers carcass EPD on a greater number of sires.

More services to provide breeders information regarding the feedlot and carcass value of their feeder and finished cattle are available through the CAB Program's supply development division. These services are offered to registered Angus breeders as well as commercial cattle producers using registered Angus bulls. The services include: the Angus

Feeder Cattle Directory, which enables breeders to list an unlimited number of Angus-sired feeder cattle with the information mailed to more than 7,000 feedlot representatives and order buyers twice annually; the Carcass Data Program, which enables breeders to receive important feedback on the feedlot and carcass performance of their herd's and sires' progeny; the bimonthly newsletter, *Supply Update*, and various literature describing these services and how the CAB Program functions to increase the demand for Angus and Angus-type cattle industry-wide.

These services and, most importantly, the maternal, growth and carcass EPDs available in the American Angus Association's Sire Evaluation Reports are the tools that will enable Angus producers to effectively target their future breeding programs toward the efficient production of high quality beef.

Producers who utilize these tools will be better prepared to adapt to future trends in marketing beef and beef cattle. These producers — seedstock and commercial alike — will reap the benefits of being prepared and positioned to respond to the changing industry.

Meet Your CAB Staff

Selling to the Consumer — CAB

More than 600 licensed Certified Angus Beef stores in 33 states and several foreign countries. More than 43 million pounds of CAB product sold through retail outlets last year.

These staggering numbers account for the success of CAB product in retail outlets. Pat Hamby, director, retail division, and Curt Terry, assistant director, work closely with licensed Certified Angus Beef retail stores, while expanding the growth of new stores and further developing product sales.

"We spend most of our time on maintenance of current licensees and development of new licensees," says Hamby.



Pat Hamby (right), director of CAB retail division, and Curt Terry, assistant.

Their work with current licensees involves answering questions and discussing new promotions the stores can conduct with CAB product. They also sponsor seminars to teach stores' meat department employees about the product.

We are striving to provide a service to the licensees and aid them in their promotion and sales of Certified Angus Beef product," says Hamby.

In addition, to working with existing licensees, the retail division seeks new stores, independent units and chains that could become successful additions to the CAB Program.

"When working with new licensees, we make presentations about the Certified Angus Beef Program to meat department management and visit different stores," says Terry, a new member of the CAB staff

who joined in March of this year.

Terry says the meat department managers want to learn how CAB product will help them in their stores.

"One of the main concerns of retailers when they are introduced to the Certified Angus Beef Program is how their customers will accept the product," says Hamby.

Consumers' are still concerned about caloric and cholesterol content in purchasing red meat. The CAB Program provides licensed retailers with nutritional information. Brochures, posters and mobiles are a few of the promotion items that are used to convey this important message to consumers.

"We need to educate consumers about differences between taste fat and waste fat," says Terry. Taste fat is marbling

which contributes to flavor and juiciness, while adding little to total calories and cholesterol, and waste fat is outside trimmable and seam fat on retail cuts, which adds very little to taste.

There's a need for leaner, cattle that will produce carcasses with adequate marbling to qualify for the CAB Program and this can be attained through genetics, he adds.

Hamby agrees, adding that retailers are looking for lean product which will yield more red meat and less fat than the beef industry presently produces,

Many retailers conduct yield tests, comparing CAB product to commodity beef. The yield tests determine the fat to lean ratio and help the retailers see how much closely trimmed retail product they would get from the different beef whole-

sale cuts, after removing the fat and bone. It's important that CAB product should be high cutability with more lean than fat.

The CAB licensed retailers enjoy the consistent quality of beef they can offer to their customers.

The retail division also works on projects aimed to help retailers learn more about the CAB Program. In May, licensed retailers will be attending the National Certified Angus Beef Retail

Conference. The conference program includes a speaker that will discuss quality as the center piece of a business operation. The highlight of the conference will be the awards presentation, where outstanding retailers will be recognized for their achievements.

Angus producers can help promote CAB product in many ways through retail stores. "Angus producers can help through word-of-mouth advertising of stores selling Certified Angus Beef prod-

uct in their areas," Hamby says.

"When having any type of dinner party or banquet, producers can make sure Certified Angus Beef product is served and advertised to the guests," says Terry.

The most important point, says Hamby, is that producers realize they are raising an excellent, nutritious product that adds important nutrients to a consumer's healthy diet.

Zanotto's Deluxe Markets

"Before we had to use sauces on beef, but now we don't even have to use a knife!"

Such testimonials from consumers are attributed to the introduction of Certified Angus Beef product at Zanotto's Deluxe Markets, south of San Francisco, California.

The attitude of Zanotto's customers toward Certified Angus Beef has been very positive, says Tito DiPietro, meat department supervisor, Zanotto's Deluxe Markets. "When people want a good place to buy good meat, they come here."

As the popularity and sales of CAB product grows, so does the CAB Program and its licensees. Zanotto's Deluxe Markets became a licensed CAB retail outlet last November. All the beef they sell is CAB product. Zanotto's has stores in Santa Cruz, San Jose and Scott's Valley, Calif.

DiPietro said Zanotto's has always been viewed as a high quality, service-oriented market. "Certified Angus Beef has continued our quality image. Our customers appreciate that," he says.

Zanotto's Deluxe Markets are small supermarkets, with store sizes averaging 18,000 square feet. The meat department has only full-service counters so employees can help customers with their meat purchasing decisions.

The family-like atmosphere of Zanotto's stores goes back to the beginning. Andrea and Rosa Zanotto began the stores 28 years ago; all 13 of their children worked in the store. "It is a real family operation," says Dan Zanotto, general manager.

The family began Zanotto's Deluxe Markets with the San Jose store and expanded to Scott's Valley and Santa Cruz. Their philosophy centered on giving the

best quality and value to their customers on all items.

This continues today. At the meat department customers can get game birds, such as pheasant, fresh seafood (delivered daily) or salmon that's smoked on the premises.



Tito DiPietro, meat department supervisor at Zanotto's is proud of Certified Angus Beef.

Before they started carrying Certified Angus Beef product, however, Zanotto's meat case featured USDA Choice beef. DiPietro feels that CAB has improved the beef part of their meat case.

"There is no comparison between Choice and Certified Angus Beef," he says. With Choice, they found that 30 percent of the product brought in was poor quality.

"With Certified Angus Beef, it's like getting back to basics, when meat was

good," DiPietro says. Since they have switched to Certified Angus Beef, meat sales in the stores have increased.

DiPietro stresses that their meat department employees enjoy selling a high quality product. They like selling a product that they believe in and are 100 percent sure that it's always the best.

"People enjoy Certified Angus Beef," says Dave Giovannetti, meat department manager of the Santa Cruz store. Phil Saiz and Rafael Reza, meat department managers of Scott's Valley, San Jose stores, respectively, echo his words, saying, "Certified Angus Beef makes customers happy."

Zanotto's also promotes CAB in their weekly newspaper advertisements and in special promotions. They recently mailed post cards to 25,000 consumers informing them about CAB. Included on the post card was a coupon for a free CAB sirloin tri-tip steak. Customers have redeemed about 7,000 so far.

"This was a good promotion because it encouraged customers to give Certified Angus Beef a try," DiPietro says.

Zanotto's strongly encourages their customers to buy CAB products. Promotional material hangs from the ceilings, and steak picks and signs in the meat case identify CAB product.

"It's easier to promote a brand name product," says DiPietro.

The brand recognition of the CAB trademark by consumers continues to grow. The trademark is federally registered and owned by the American Angus Association. As this recognition continues to grow, consumers will increasingly search for the Certified Angus Beef logo to get beef they are assured will taste great.

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