



Brand News

► News and highlights from Certified Angus Beef LLC*

Restaurants find lower-cost alternative

Once upon a time, strip steaks were the most desired of all cuts. A thick, juicy, flavorful strip steak at the perfect 11- or 12-ounce (oz.) size satisfied restaurant operators' profitability concerns, as well as customer tastes. It became the steak lover's choice.

Today, strip steaks need to be 14 or 15 oz. to reach their ideal thickness — too large for most restaurant customers to enjoy. The

culprit: Heavier cattle make larger strip loins, and larger strip loins make higher portion food costs. Now, a new cutting method for the strip helps portion it into desirably thick 9-oz. filets.

"Trained meat cutters carefully split the strip into an upper and lower section, then portion it into filet of strip steaks," says Mark

Polzer, Certified Angus Beef LLC (CAB) foodservice director. "It creates a smaller, more affordable steak with all the flavor and tenderness of the strip.

"All that flavor and style in the *Certified Angus Beef*® (CAB®) filet of strip creates the perfect opportunity for unique plate presentations," Polzer says.

Filet of strip is an alternative to tenderloin and is gaining popularity because of its affordability. Strip steak is more flavorful and ranks high in tenderness among middle meats. It is also a good alternative to tenderloin when it comes to food cost.

"Tenderloin prices will likely rise this summer," Polzer says. "Filet of strip allows

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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.

Table 1: Summary of 30.06 qualifiers and honorable mentions from data reported in March 2007



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.). Sorting is encouraged to bring out the best in each animal, and the minimum group size is 10 head. 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
Irsik & Doll Feed Yard	30 ^b	H	43.3	66.67	10.0
Thomas County Feeders Inc.	35 ^b	H	71.5	37.14	11.4
Honorable Mentions	Head	Sex ^a	%YG 1&2	%CAB	%Prime
Irsik & Doll Feed Yard	37 ^b	S	21.6	70.27	16.2
Thomas County Feeders Inc.	55 ^b	S	43.6	50.91	7.3
Thomas County Feeders Inc.	109 ^b	H	28.4	47.71	8.3
Irsik & Doll Feed Yard	30	H	40.0	43.48	0.0
Circle 7 Feedyard Inc.	19 ^b	M	26.4	42.11	5.3
Stampede Feeders	20 ^b	H	35.0	40.0	0.0
Irsik & Doll Feed Yard	30 ^b	H	50.0	40.0	0.0
Thomas County Feeders Inc.	71 ^b	H	29.6	39.44	7.0
Thomas County Feeders Inc.	72 ^b	S	34.7	38.89	1.4
Thomas County Feeders Inc.	97 ^b	S	56.7	38.14	2.1
Chappell Feedlot	32 ^b	S	37.5	37.5	0.0
Thomas County Feeders Inc.	78 ^b	S	29.5	37.18	9.0
Thomas County Feeders Inc.	48 ^b	H	35.4	35.42	2.1
Thomas County Feeders Inc.	37 ^b	S	37.8	35.14	0.0
Stampede Feeders	20 ^b	H	45.0	35.0	15.0
Corcoran Farms	26 ^b	M	76.9	34.62	0.0
Wheeler Feed Yard Inc.	44	H	59.1	34.15	9.1
Silver Creek Feeders Inc.	30 ^b	S	50.0	33.33	0.0
Thomas County Feeders Inc.	86 ^b	H	50.0	32.56	2.3
Chappell Feedlot	34 ^b	M	20.6	32.35	0.0
Thomas County Feeders Inc.	62 ^b	M	72.6	32.36	1.6
Wheeler Feed Yard Inc.	31	H	54.9	32.0	3.2
Thomas County Feeders Inc.	63 ^b	H	38.1	31.75	1.6
Wheeler Feed Yard Inc.	42 ^b	S	26.1	30.95	2.4
Thomas County Feeders Inc.	123 ^b	S	35.7	30.08	2.4

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

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

Lots that exceed 15% YG 4 and YG 5 are not included on the honorable mention list.

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

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

for an elegant presentation like filet mignon, and it is ideal for grilling or broiling. The filet style of cutting is simply more popular with women and customers seeking smaller portions," he adds.

International focus

Vietnam. CAB sales have gradually been increasing in Vietnam since CTY Nhat Nam Co. Ltd. became a licensed distributor in January 2006. Vietnam is currently the biggest export market destination for bone-in short rib or ribs since it began accepting U.S. bone-in beef less than 30 months of age. CAB short rib is one of the most popular items at Korean restaurants, and demand is expected to grow during the June through August holiday season.

Vietnam's economy has been growing dramatically. Ho Chi Minh City has expanded, making way for many business opportunities with foreign companies and investors from Korea, Japan and Taiwan. According to the 2006 restaurant report, there are 118 Korean restaurants and 37 Japanese restaurants in Ho Chi Minh City.

Thailand. Tohkaiya Co. Ltd. recently became Thailand's supplier of premium U.S. Angus beef. It will supply steak houses, hotels, other restaurants and retail stores with CAB product.

"We are pleased to be selected as the official supplier," said S.S. Loo, managing director at Tohkaiya. "The CAB brand ensures the highest levels of quality and consistency for our customers. They will want to become licensed like we are to stand out from their competitors.

"Angus beef is already known in our marketplace, but the quality controls for the CAB brand from our facility will ensure consistent quality every order," Loo continued. "That adds up to customer satisfaction and repeat business."

Tohkaiya supplies products from a 1,500-metric-ton modern cold-store facility and follows strict product handling procedures based on European and U.S. guidelines. Tohkaiya is the only distributor in Thailand accessing U.S. beef as of April 2007.

Tohkaiya is one of the major food companies in Thailand. Established in 1999, it specializes in the supply, storage, distribution and marketing of temperature-controlled food products. Its customer base includes hotels, resorts, restaurants, caterers, wholesalers, retail chains and airlines.



PHOTO COURTESY OF CAB

► N.Y. Chateau for two is profitable for restaurants and desirable for consumers. This vein-end of the strip is traditionally a lower-cost item, but using it as a roast for two creates an elegant menu item and attractive food cost option.

Prime time

J. Gilbert's Wood Fired Steaks and Seafood is now part of an elite group of restaurants offering customers CAB brand Prime steaks. Fewer than 20 restaurant groups across the nation feature CAB brand Prime. J. Gilbert's restaurants are located in McLean, Va.; Worthington, Ohio; Glastonbury, Conn.; and Overland Park, Kan.

At J. Gilbert's, steaks are hand-selected, expertly aged for tenderness and cooked over an open wood-fired grill that brings out the most robust flavor. The master grill chefs' craftsmanship and passion are evident in every bite.

"We're thrilled to partner with J. Gilbert's," Polzer said. "Its warm atmosphere, attention to detail and impeccable cuisine is a formula that's sure to keep customers returning again and again for the best steaks in town."

Promoting product, increasing demand

Harvest Market in Bedford, N.H., recently held a two-day "March Madness" promotion headlined with CAB sirloin steaks at \$5.99 per pound. Consumers had the opportunity to sample freshly grilled sirloins and to hear the CAB brand story. Steaks were sold as fast as the meat department could cut them.

Customers were intrigued by the brand's story, which led them to an interest in how production affects the quality of the beef they consume. Small-scale promotions like this one help to increase demand for CAB

product on a local level and contribute to increasing overall demand.

Sharing the message

Supply Development staff continue to spread the word about high-quality beef production.

During the first quarter of 2007, the team made presentations to cow-calf producers across the country, from the Four-State Beef Conferences in Iowa, Kansas, Nebraska and Missouri, to the Utah Beef Cattle Field Day in Provo, Utah.

Stocker operators also continue as a target group, because the backgrounding phase can have a considerable effect on carcass quality. Addressing that audience, staff members traveled to the Oklahoma Grain and Stocker Producer Annual Convention in Enid, Okla., and to the Pfizer Stocker Conference in Nashville, Tenn.

CAB remains committed to keeping open communication with purebred Angus producers. Recent invitations have been accepted to present at state meetings for the Arkansas and Indiana Angus associations.

Staff will continue to crisscross the United States to share the consistent message that high-quality beef production pays across all segments of the industry.

Detailed sorting

Circle 7 Feedyard Inc. keeps ahead of the competition with accurate marketing through ultrasound collection and aggressive sorting, says Ted Parker, feedlot manager.

Since becoming a CAB Feedlot Licensing Program (FLP) partner, the Cherokee, Iowa, feedyard has concentrated on paying attention to customers' needs and market changes to achieve the highest carcass quality.

The 5,500-head feedlot also offers a unique pen operation in that the cattle are housed in 10 slatted-floor confinement buildings, which allows for constant shelter and healthy cattle.

Recently, a 19-head Circle 7 harvest group received "Honorable Mention" in the CAB On-Target "30.06" program, which recognizes feedlots with groups of cattle that exceed target standards for carcass merit.

The purchased group of mixed cattle graded 47.4% CAB and Prime (see Table 1). Parker says these were the kind of cattle that sell better for quality and carcass traits than simply for pounds.

