



Brand News

► News and highlights from Certified Angus Beef LLC*

Records set in June

The largest branded beef program in the world keeps growing.

Certified Angus Beef LLC (CAB) set a record in June, selling more pounds of product than in any other month in the brand's history. CAB moved 56 million pounds (lb.) through its network of licensed packers, distributors, retailers and restaurants.

"Pull-through demand is the core," John Stika, CAB president, says. "We engage people at the trade level and that turns the wheel of success. Our licensees and Angus producers have made this happen, because our business goes as their businesses go."

The previous record, set in August 2003, was 53.6 million lb. Stika says the recent record sales volume was a result of planning and the unique blend of "product, people and program."

"We can credit a combination of things," he says. "We set ourselves up for this by creating additional demand and growth in foodservice and retail. We also added licensees that we didn't have a year ago."

A couple of examples are the 232-store South Carolina-based Bi-Lo Supermarkets and the 196-unit restaurant chain Uno Chicago Grills in the eastern U.S. and Puerto

Rico that are currently being licensed.

Major marketing initiatives also help drive sales.

Trump Steaks[™] debuted in May, and the *Certified Angus Beef*[®] (CAB[®]) Prime products were featured on QVC in June. The popular home shopping network reaches millions of households.

The June numbers demonstrate the effects of industry-leading brand awareness and product availability brought about by established and growing pull-through demand, Stika says.

"We're seeing a growth in all categories, which is a must to drive carcass utilization," he says. For each certified carcass, about 273 lb. of cuts are sold as CAB brand products. "That's a strong showing for demand."

The Value-Added Products Division eclipsed its March record-high volume month by more than 90,000 lb. The 1.56-million-lb. June was an increase of 21.6% compared to the same month in 2006.

"We're dealing with the highest-quality product in the marketplace," Stika says. "In a market that has growing demand for high quality and lesser demand for lower quality, our brand is positioned very nicely for success."

"We have exceeded 50 million pounds sold in March, May and June," Stika notes. "It looks to be an exceptional July, and with continued strength in August and September, the prospect of a record year isn't out of the question."

VanStavern honored

The Ohio Agricultural Council selected Dr. Bob VanStavern as a 2007 inductee to its



Bob VanStavern

Ohio Agricultural Hall of Fame. His photo will be displayed at the Ohio state fairgrounds with prior winners, including Fred Johnson and Edward Elliot Sr. (two of the CAB brand's founders).

VanStavern, whose leadership led to the CAB brand's original eight science-based specifications, was honored for his lifetime service, dedication, leadership and contributions to Ohio's agricultural industry.

In addition to "Dr. Bob's" leadership in establishing the brand's standards, he came to understand the needs of producers, packers, retailers, foodservice wholesalers and consumers through his Extension work at The Ohio State University (OSU). He helped identify how best to meet consumer needs at every level. He also served as a judge for many state, local, regional and international cattle shows. He is a well-respected meat researcher and author of scientific articles, 4-H booklets, Extension publications and articles for national trade magazines.

A native of Union, W.Va., VanStavern earned a bachelor's degree in 1952 from West Virginia University. He also holds a master's degree and doctorate from OSU in animal science.

After a two-year stint in the U.S. Air Force, VanStavern began his career at the Ohio Agricultural Research and Development Center (OARDC), where he became an assistant instructor. Since 1960, he has distinguished himself as a teacher from the OSU college classroom to Extension to the industry and business sector. VanStavern has served the beef industry at nearly every level.

CAB STAFF CONTACTS

206 Riffel Rd., Wooster, OH 44691-8588; phone: 330-345-2333; fax: 330-345-0808

www.cabpartners.com

John Stika, president

Brent Eichar, senior vice president

Tracey Erickson, vice president, marketing

Mark Polzer, vice president, business development

Larry Corah, vice president, supply development

SUPPLY DEVELOPMENT DIVISION

Kansas staff:

CAB Program Satellite Office

1107 Hylton Heights Rd.,
Manhattan, KS 66502

phone: 785-539-0123; fax: 785-539-2883

Larry Corah, vice president

Paul Dykstra, beef cattle specialist

Gary Fike, beef cattle specialist

Wendy Nichols, office and data manager

Miranda Reiman, industry information specialist

Ohio staff:

Mark McCully, supply development director

Christy Johnson, supply development marketing director

Lance Zimmerman, supply development marketing manager

Marilyn Conley, administrative assistant

INDUSTRY INFORMATION DIVISION

16360 Victory Rd., Onaga, KS 66521

phone: 785-889-4162

Steve Suther, director

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.

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

Pairing up for quality

Just east of the Nebraska-Wyoming border, rancher Bill Johnson is a new customer for Miller Cattle and Feedyards, Torrington, Wyo., but his cattle hit the CAB target like it was routine.

In June, his 40 steers surpassed qualifications for the CAB “Thirty-Aught Six” (30.06) listings of 30% CAB and Prime with no more than 6% outliers (see Table 1). The ranch-direct feeders came in weighing 1,168 lb. and reached 53% CAB with another 10% Prime.

“This is my first time feeding with Millers, but I have known [manager] Paul for several years. I know he does a good job,” Johnson says. The 6,000-head feedyard has been a CAB-licensed partner since 2004.

Johnson says one factor in the excellent results with this retained-ownership group was consistency, as the same bull sired most of the steers. The producer owns 200 commercial Angus cows.

Paul Miller says the line on the CAB “honor roll” is just the latest example of the proven benefits of working together with local Angus producers who focus on quality.

Down on the Farm Fresh

Edgewood Angus Farm, West Point, Va., and CAB hosted a training and target market

CONTINUED ON PAGE 144



► Event participants dined on freshly grilled CAB brand Natural strip steaks.

Table 1: Summary of 30.06 qualifiers and honorable mentions from data reported in June 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
Hergert Feeding Co.	15 ^b	S	26.7	60.0	0.0
Chappell Feedlot	36 ^b	S	27.8	58.33	11.1
Miller Cattle & Feedyards LLC	40 ^b	S	10.0	52.50	10.0
Beller Feedlot	43 ^b	S	23.3	51.16	2.3
Beller Feedlot	45 ^b	M	28.9	48.89	2.2
Beller Feedlot	39 ^b	S	17.9	48.72	2.6
Thomas County Feeders Inc.	44 ^b	S	34.1	47.73	11.4
Chappell Feedlot	30 ^b	H	43.3	46.67	3.3
Thomas County Feeders Inc.	43 ^b	H	30.2	44.19	4.7
Chappell Feedlot	34 ^b	S	50.0	44.12	8.8
Beller Feedlot	42 ^b	S	40.5	42.86	4.8
David Ranch	35 ^b	M	54.3	40.0	0.0
Thomas County Feeders Inc.	69 ^b	S	17.4	37.68	0.0
Chappell Feedlot	30 ^b	M	60.0	36.67	10.0
Thomas County Feeders Inc.	20 ^b	S	35.0	35.0	0.0
Gregory Feedlots Inc.	48	M	64.6	32.56	2.1
Thomas County Feeders Inc.	20 ^b	S	20.0	30.0	5.0
Thomas County Feeders Inc.	39 ^b	S	30.8	25.64	7.7
Chappell Feedlot	13 ^b	H	46.2	23.08	7.7
Chappell Feedlot	46 ^b	H	23.9	21.74	8.7

Honorable Mentions	Head	Sex ^a	%YG 1&2	%CAB	%Prime
Silver Creek Feeders Inc.	34 ^b	S	20.6	64.71	5.9
Thomas County Feeders Inc.	51 ^b	M	25.5	62.75	21.6
David Ranch	66	M	28.8	55.38	10.6
Silver Creek Feeders Inc.	20 ^b	M	5.0	55.0	0.0
Thomas County Feeders Inc.	95 ^b	M	10.5	54.74	16.8
T-Bone Feeders	44	H	29.5	54.05	2.3
Pratt Feeders LLC	118	H	14.4	50.89	5.9
Thomas County Feeders Inc.	89 ^b	S	23.6	50.56	4.5
MPK Land & Livestock LLC	24 ^b	S	8.3	50.0	4.2
Thomas County Feeders Inc.	42 ^b	S	11.9	50.0	2.4
Thomas County Feeders Inc.	48 ^b	S	16.7	50.0	4.2
T-Bone Feeders	41	S	58.6	48.57	2.4
Chappell Feedlot	25	M	68.0	46.15	0.0
Thomas County Feeders Inc.	32 ^b	M	12.5	43.75	0.0
Keeling Cattle Feeders Inc.	116	H	47.4	43.21	2.6
Beller Corporation	84 ^b	S	8.3	42.86	2.4
Thomas County Feeders Inc.	162 ^b	H	31.5	41.36	10.5
Wheeler Feed Yard Inc.	61	H	27.9	41.18	4.9
Thomas County Feeders Inc.	68 ^b	H	14.7	41.18	8.8
Thomas County Feeders Inc.	54 ^b	H	20.4	40.74	7.4
Thomas County Feeders Inc.	71 ^b	S	12.7	38.03	1.4
Thomas County Feeders Inc.	78 ^b	H	42.3	37.18	1.3
Thomas County Feeders Inc.	63 ^b	H	54.0	36.51	3.2
Chappell Feedlot	36 ^b	M	33.3	36.11	2.8
MPK Land & Livestock LLC	39	M	48.7	36.11	0.0
Bassett Feeding Inc.	42	M	59.5	36.00	0.0
Thomas County Feeders Inc.	39 ^b	H	46.2	35.90	7.7
Thomas County Feeders Inc.	14 ^b	S	14.3	35.71	0.0
Thomas County Feeders Inc.	54 ^b	S	33.3	35.19	13.0
Pratt Feeders LLC	20 ^b	S	30.0	35.0	0.0
Thomas County Feeders Inc.	43 ^b	S	37.2	34.88	0.0
Thomas County Feeders Inc.	69 ^b	H	27.5	34.78	5.8
Thomas County Feeders Inc.	50 ^b	S	18.0	34.0	14.0
Chappell Feedlot	36 ^b	H	19.4	33.33	16.7
Thomas County Feeders Inc.	12 ^b	S	0.0	33.33	0.0
Beller Feedlot	137 ^b	S	19.0	32.85	0.7
Beller Feedlot	49 ^b	S	6.1	32.65	4.1
Silver Creek Feeders Inc.	28 ^b	H	21.4	32.14	0.0
Wheeler Feed Yard Inc.	41 ^b	H	34.1	31.71	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.



▶ Employees of Farm Fresh Supermarkets learned about the CAB brand and participated in training led by John Stika.

kickoff for Farm Fresh Supermarkets in June. More than 100 Farm Fresh employees, including store directors and meat managers, attended the training. The event was designed to provide everyone a greater understanding of the beef industry with a firsthand look, as well as what makes the CAB brand the leading brand of fresh beef.

Meat managers and store directors had an opportunity to see what it's like to run an Angus farm. They met Dave Mullins, American Angus Association regional manager, who discussed expected progeny differences (EPDs) and genetic selection. He also conducted a *Science Behind the Sizzle™* presentation.

The event was a way to build excitement about increased CAB marketing efforts in the area throughout the next few years. Scott Bayne, vice president of merchandising at Farm Fresh, addressed the group.

"It's all about quality and selection," Bayne said. "We have a great partnership

with the CAB brand. We couldn't have a better quality product day in and day out. There are many Angus programs out there, but there is only one *Certified Angus Beef* brand.

"Day in and day out, we have to be the best with customer service — as well as the quality of the products we offer," Bayne said. "Training helps you to become an ambassador and gives you knowledge. Our goal here today is that we further communicate the message we learn."

Bayne remarked that consumers need more information. They want to make educated decisions. He challenged the team to use the information learned at the event to maintain the edge over the competition that already exists because of the quality of the Farm Fresh meat department.

The day ended with a refresher course on how to train store employees, so they have a complete understanding of the CAB brand.



Frankly speaking

In celebration of National Hot Dog month in July, CAB public relations staff produced a downloadable food feature for media outlets across the country. More than 110 newspapers and magazines downloaded the piece — equal to thousands, possibly millions, of consumer impressions when final tallies are made.

Featuring the CAB frankfurter, the piece was an entertaining feature story brimming with frankfurter facts, proper hot dog eating etiquette and recipes. The team will continue to produce monthly food features in a drive to garner as many consumer impressions as possible each month, increasing brand recognition and demand for registered Angus cattle.

