



Brand News

► News and highlights from Certified Angus Beef LLC*

New vice president



Mark Polzer of Medina, Ohio, has been named vice president of business development for Certified Angus Beef LLC (CAB). In his new role, Polzer is responsible for foodservice, retail, value-added products and international growth strategies. He will lead CAB's team of regional account managers to provide customer service to more than 13,500 licensed business partners around the world.

"Mark has a wealth of food and business knowledge," says John Stika, CAB president. "This transition allows our team and a broader base of customers to more effectively benefit from his knowledge."

"An appreciation for all segments of beef production and merchandising have been the key," he adds. "Mark's experience and passion for satisfying consumer demand for great-tasting beef makes him the perfect choice for leading this team."

Polzer came to CAB in 1998 as director of the foodservice division, which is on course

to achieve its third consecutive year of record growth. He has more than 30 years of foodservice experience, including general sales manager at Becker Food Co., Milwaukee, Wis., and various sales management roles with Oscar Mayer. He earned a bachelor's degree in business administration with a marketing major from the University of Wisconsin.

At CAB, he has helped introduce foodservice cutting methods for filet of top sirloin and flat iron into retail and international markets. Polzer has also worked with value-added products staff to satisfy chef demand for convenience items.

Polzer will work with staff to introduce merchandising methods and training programs to meat managers, retail store employees, foodservice distributors and waitstaff. CAB also offers American Culinary Federation-accredited programs for chefs.

"We will continue delivering innovative training and marketing tools to ensure their success," he says. "Our skilled regional staff is focused on helping customers grow their businesses with the high-quality *Certified Angus Beef*[®] (CAB[®]) brand."

Grades do count

The CAB brand's standards exceed those of USDA Prime-, Choice- and Select-graded

beef. A 2004 Oklahoma State University study published in the *Journal of Animal Science* demonstrates that. The report says one in six Select steaks and one in 13 Choice steaks will be tough. The same publication states only one in 50 CAB steaks runs the risk of being slightly tough or tougher.

CAB quality was recently put to the test by U.S. Foodservice-Paducah at its brands show for 125 Nashville area customers. A booth hosted by Stock Yard Meat Packing of Paris, Tenn., featured a raw steak marbling comparison of CAB, Choice, Select and No-Roll products. Attendees also tasted ribeye steaks representing these four levels of quality.

"You could see people's eyes light up when they sampled the CAB brand," says David Lowe, CAB specialist, U.S. Foodservice-Paducah. In most cases, visitors to the booth did not bother to taste the Select or No-Roll samplings, Lowe says, especially after commenting on the noticeable difference between the CAB brand ribeye and Choice ribeye.

The sampling and marbling comparison proved to both current and potential customers that the CAB brand is the highest-quality beef and the best investment for their businesses.

Demand grows, prices soar

South Korea has the highest beef prices in the world. According to a report in the Agriculture and Agri-Food Canada (AAFC) bimonthly bulletin, higher per capita income caused the demand for meat and poultry products in South Korea to climb steadily through 2003, until U.S. and Canadian beef was banned due to bovine spongiform encephalopathy (BSE) concerns.

Imported beef prices have risen, and consumers have switched to pork and poultry. Though South Korea's domestic beef prices have fallen slightly, they are still roughly five times the imported beef price.

According to Daisuke Shimojima, CAB senior manager of customer service/marketing in Japan, Korean importers purchased more than 36.3 million pounds (lb.) of U.S. beef for July shipment. The majority was frozen, Choice or No-Roll traditional items such as short ribs, chuck flaps, chuck rolls and brisket.

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.

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“The Korean foodservice market focuses on frozen items with little consideration for quality, though retail demand is for chilled items of better quality,” Shimojima says.

Mark Spengler, CAB international director, says prior to the Korean BSE ban on U.S. beef, Korea was one of the major U.S. export markets, ranking third in export destinations for U.S. beef. In 2003, Korea accounted for roughly 19% of all U.S. exports on a volume basis and 22% of all exports on a value basis.

Following the ban in 2004, U.S. beef exports plummeted to 672 metric tons, worth \$930,000.

“Although the ban was removed on Sept. 11, 2006, product was very slow to move into the market because of the bone chip issue,” Spengler said. “Further clarification and negotiations reopened the market in April 2007 with conviction. U.S. beef is moving quickly to gain market share and, by 2008, the U.S. Meat Export Federation (USMEF) forecasts that beef exports to Korea will total 244,698 metric tons.”

Duties are 40% for beef coming from the U.S. to Korea, suppressing demand and artificially elevating domestic Korean prices. Recent troubles with several boxes of domestic and bone-in U.S. beef caused a glitch in trade, but the Korean market has potential for returning to pre-BSE demand for U.S. beef. Packers expect that recovery by the end of this year.

Straight from our partners

It's always nice to hear positive comments from customers — especially spur-of-the-moment, heart-felt endorsements prompted only by an appreciation for the brand's quality.

“I have been cutting meat for 30 years and thought I knew it all until today.” This statement came from an employee at Fresh Line grocery in Oak Lawn, Ill., following a CAB training session. The store's meat manager, meat department staff and owner attended the event that focused on new ways to merchandise and display CAB product. Fresh Line also held a cutting, or yield, test on sirloins so it could better promote the product to customers.

A meat department employee from licensed partner Piggly Wiggly in Savannah, Ga., recently told a CAB executive account manager, “I haven't been able to go out and eat a steak without looking to see first if the CAB brand was being served.”

WSAW, a CBS television affiliate in Wausau, Wis., offered praise for CAB's marketing tool kit. “The quality of the CAB video library added tremendous value to the production of the [licensed

Table 1: Summary of 30.06 qualifiers and honorable mentions from data reported in May 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 |
|----------------------------------|------------------|------------------|---------|-------|--------|
| Thomas County Feeders Inc. | 39 ^b | S | 43.6 | 38.46 | 2.6 |
| Chappell Feedlot | 12 ^b | S | 75.0 | 33.33 | 0.0 |
| Silver Creek Feeders Inc. | 13 ^b | S | 30.8 | 30.77 | 0.0 |
| Chappell Feedlot | 10 ^b | S | 20.0 | 30.0 | 0.0 |
| Silver Creek Feeders Inc. | 67 ^b | S | 37.6 | 32.62 | 0.7 |
| Honorable Mentions | Head | Sex ^a | %YG 1&2 | %CAB | %Prime |
| Silver Creek Feeders Inc. | 11 ^b | M | 27.3 | 81.82 | 9.1 |
| Chappell Feedlot | 11 ^b | H | 36.4 | 81.82 | 0.0 |
| Beller Feedlot | 38 ^b | S | 39.4 | 73.68 | 2.6 |
| Thomas County Feeders Inc. | 108 ^b | S | 14.8 | 62.04 | 4.6 |
| Hergert Feeding Co. | 26 ^b | H | 26.9 | 57.69 | 3.8 |
| Cattleman's Choice Feedyard Inc. | 21 ^b | S | 38.1 | 57.14 | 9.5 |
| Hergert Feeding Co. | 21 ^b | S | 33.3 | 57.14 | 0.0 |
| David Ranch | 112 | M | 29.5 | 56.88 | 7.1 |
| Silver Creek Feeders Inc. | 11 ^b | S | 36.4 | 54.55 | 0.0 |
| Chappell Feedlot | 33 ^b | S | 48.5 | 54.55 | 15.2 |
| Thomas County Feeders Inc. | 69 ^b | M | 18.8 | 53.62 | 5.8 |
| Wheeler Feed Yard Inc. | 42 | H | 23.8 | 52.63 | 9.5 |
| Beller Feedlot | 41 | S | 19.5 | 51.22 | 2.4 |
| Thomas County Feeders Inc. | 33 ^b | S | 9.1 | 48.48 | 6.1 |
| Thomas County Feeders Inc. | 64 ^b | S | 34.4 | 46.88 | 3.1 |
| Thomas County Feeders Inc. | 175 ^b | H | 16.6 | 44.0 | 6.3 |
| Beller Feedlot | 42 ^b | S | 14.3 | 42.86 | 2.4 |
| Chappell Feedlot | 70 ^b | S | 32.9 | 42.86 | 5.7 |
| Thomas County Feeders Inc. | 47 ^b | H | 40.4 | 42.55 | 4.3 |
| Guggenmos River Ranch Ltd. | 97 ^b | M | 14.4 | 42.27 | 4.1 |
| Irsik & Doll Feed Yard | 38 | H | 44.8 | 41.94 | 0.0 |
| Thomas County Feeders Inc. | 43 ^b | H | 30.2 | 41.86 | 4.7 |
| Chappell Feedlot | 43 ^b | M | 16.3 | 41.86 | 2.3 |
| Silver Creek Feeders Inc. | 36 ^b | S | 8.3 | 41.67 | 11.1 |
| Ainsworth Feed Yards LLC | 142 ^b | S | 17.6 | 41.55 | 2.8 |
| Thomas County Feeders Inc. | 162 ^b | H | 24.1 | 41.36 | 6.2 |
| Hergert Feeding Co. | 42 ^b | S | 28.6 | 40.48 | 0.0 |
| Chappell Feedlot | 45 | H | 13.3 | 39.47 | 0.0 |
| Thomas County Feeders Inc. | 36 ^b | H | 25.0 | 38.89 | 11.1 |
| McPherson County Feeders Inc. | 13 ^b | H | 0.0 | 38.46 | 0.0 |
| Thomas County Feeders Inc. | 29 ^b | S | 20.7 | 37.93 | 0.0 |
| Chappell Feedlot | 42 | H | 16.7 | 37.50 | 9.5 |
| Chappell Feedlot | 27 ^b | M | 29.6 | 37.04 | 0.0 |
| Thomas County Feeders Inc. | 33 ^b | S | 9.1 | 36.36 | 3.0 |
| Circle 7 Feedyard Inc. | 14 ^b | M | 35.7 | 35.71 | 0.0 |
| Thomas County Feeders Inc. | 56 ^b | S | 10.7 | 35.71 | 1.8 |
| Hays Feeders LLC | 29 | S | 44.8 | 34.62 | 3.4 |
| McPherson County Feeders Inc. | 76 | H | 28.9 | 34.38 | 1.3 |
| Chappell Feedlot | 52 | H | 19.2 | 34.00 | 3.8 |
| Thomas County Feeders Inc. | 127 ^b | S | 34.7 | 33.86 | 0.8 |
| Beller Feedlot | 42 ^b | S | 21.4 | 33.33 | 4.8 |
| Chappell Feedlot | 44 | S | 68.2 | 33.33 | 0.0 |
| Carson Feeders Inc. | 80 | S | 50.0 | 33.33 | 2.5 |
| Darrel Smith Angus | 18 ^b | H | 16.7 | 33.33 | 0.0 |
| Cattleman's Choice Feedyard Inc. | 40 ^b | S | 17.5 | 32.50 | 0.0 |
| Thomas County Feeders Inc. | 65 ^b | H | 24.6 | 32.31 | 3.1 |
| Thomas County Feeders Inc. | 48 ^b | S | 50.0 | 31.25 | 2.1 |
| Thomas County Feeders Inc. | 103 ^b | S | 20.4 | 31.07 | 2.9 |
| Miller Cattle & Feedyards Ltd. | 84 ^b | S | 22.6 | 30.95 | 4.8 |
| Keeling Cattle Feeders Inc. | 110 | H | 48.2 | 30.67 | 3.6 |
| McGinley-Schilz Feedyard Ltd. | 134 | H | 29.1 | 30.0 | 5.2 |
| Cattleman's Choice Feedyard Inc. | 20 ^b | S | 45.0 | 30.0 | 0.0 |

^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.

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retailer] Trig's spot. The quality was much better than anything we could have produced, not to mention the time and money we saved by not having to create food shots. We probably saved 50% on total production costs, and got a much higher-quality commercial by using CAB's food shots," says Brad Heinkel, WSAW account executive.

CAB-licensed partners can use the brand's video library — as well as other free marketing tools such as photos, radio spots, billboards and quality statements — for advertising and promotional activities.

Valuing underutilized cuts

More than 25 international customers from 13 countries attended a merchandising seminar at Carmichael's Chicago Steak House in Chicago, Ill., during the recent National Restaurant Association Show. The presentation showcased the profit potential of CAB's underutilized cuts and provided a destination event for international customers attending the show.

Guest Chef Peter Rosenberg, owner of Delicatas Food Creations & Catering,

Houston, Texas, shared unique culinary applications for top sirloin, tri-tip, clod heart, brisket and chuck flap. The event concluded with a reception featuring his recipes.

Winning the cup

More than 2,000 community members and tourists attended the 2007 Taste of the Marianas Chef's Competition. The Hotel Association of the Northern Mariana Islands (HANMI) hosts the event in conjunction with Triple J Five Star Wholesale Foods.

Hyatt Regency Saipan bested 11 other hotel restaurants in the region. CAB has sponsored the event for five years. This year's competition featured CAB top sirloin. The winning team was awarded \$500 and the coveted CAB cup — to be displayed at the winning hotel for one year.

Homegrown

David Ranch of Lenora, Kan., holds to a high standard when it comes to producing Angus cattle. Along with owning and operating the 2,500-head-capacity feedlot, John David also works the cow-calf side.

In May, David Ranch, along with cow herd partner and consulting nutritionist Russ Smith, received good news in the form of carcass data. It was good, but not surprising that a group of their home-raised cattle were in the news for achieving high quality marks.



John David

PHOTO BY STEVE SUTHER

The 112 calves (see Table 1) were noted in the CAB "Thirty-August Six" (30.06) listings that recognize groups of cattle that hit or come close to the mark of 30% CAB and Prime while keeping a lid on outliers. The David Ranch cattle achieved a 56.9% CAB acceptance rate with 7.1% making Prime.

What works for them, David says, is sticking to a consistent program. "Our cattle are not implanted until we put them in the feedlot," he explains. "After that, we may implant them twice and follow up with a terminal implant."

David credits the high carcass quality as a product of both the work on their cow-calf herd and the right treatment in the feedlot.

"We are always working toward a high CAB acceptance rate," David says. "That has been reflected this year. All our cattle have been a high percent Choice or CAB."

