

# The Daily Grind

A growing product category contributes to producer premiums.

by Rachel Stuart

**R**anchers who care about consumers often say they want to produce the highest-quality steak. That's great, but keep in mind most of the animal goes into other cuts. *Certified Angus Beef*<sup>®</sup> (CAB<sup>®</sup>) brand grinds play an important role, and the 200,000 pounds (lb.) sold every business day promote higher carcass utilization. That adds value to each CAB-accepted animal and builds producer premiums.

Grinds are a staple in many people's diets because of their price and preparation versatility. They are the backyard barbecue's main course, as well as a working mom's quick, but high-quality food choice. Producers can keep on thinking about the steaks, but even the lowly hamburger is worth more than a passing thought.

"On a pounds basis, grinds make up 35% to 50% of all beef sales," says Al Kober, Certified Angus Beef LLC (CAB) retail director. They command a large section of the retail meatcase and keep on selling, regardless of season. "Over the last three years, we have seen a 20% increase, and there is still potential for more," Kober says, adding the CAB Natural and Prime extension grinds share in that potential.

The foodservice sector depends heavily on grinds. Tim Hussman, 26-year CAB customer and president of Newport Meat Co., Irvine, Calif., praises the quality in this core CAB item for all menus, from the high end to the family to the quick-serve restaurant.

"It is a critical component. We sell about 35,000 lb. of *Certified Angus Beef* ground beef each week, which equates to about 100,000 burgers," he says.

In terms of value contribution, grinds usually add 35 to 50 more pounds of

product per animal, says Clint Walenciak, CAB packing director. "Much of the ground product is generated from trimmings, thereby adding value to the whole carcass," he says. In step with the retail and foodservice demand, the last three years have seen

greater focus on CAB grinds at the packer and processor levels.

The brand's premium quality still comes through. Just like in whole-muscle cuts, the same 10 brand specifications guarantee superior palatability, although the same can't necessarily be said for the host of generic Angus burgers on the market. Other programs use many sources such as meat from cull cows and bulls, grass-fed imported lean or even variety meats, Walenciak notes.

Three primal derivative grinds make up the majority of CAB grinds: ground sirloin, ground round and ground chuck.

Ground sirloin is made of cuts and trim from the sirloin. It can be up to 50% sirloin tip from the round, and represents one of the leanest beef products available at 90%.

Ground round is 85% lean to 15% fat, while the typical lean-to-fat ratio for ground chuck is 80:20. Specifications guarantee use of only beef and trimmings from the named primal, and there are no additives.

There are subtle taste differences among the three CAB products, with ground chuck being the most popular, Walenciak says. The foodservice industry prefers ground chuck because it requires less attention during cooking than the leaner grinds from the round and sirloin.

CAB also offers "ground beef," usually fresh patties blended to a specific lean-to-fat ratio, 73/27 for instance, rather than from a specific primal. It can be blended to any fat percentage as a USDA basic grind comprised of trimmings from the primals and subprimals.

Those who aim high don't have to worry about the grinds, but the products keep working for the industry's greater good in the global marketplace. "It is a product that remains convenient and easy to use," Walenciak says. "It can be prepared in a multitude of different ways when used in many recipes, and it is consumed by nearly all regional, ethnic, and cultural groups operating on different income levels."

On the bottom line, CAB grinds help make profit for producers. Chuck values have increased significantly in the past few years, thanks to new value cuts. However, April product value quotes typically show CAB ground chuck at a 3% to 5% higher value than the whole muscle, and 10% higher than commodity grinds. Those premiums are passed along to people who produce for the brand, just like premiums for any CAB steaks or roasts.

That makes at least one daily grind producers can count on to lift their spirits and profit potential.

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