

CAB® Brand Records High Marks

Sales up nearly 4% in fifth straight year of gains.

by *CAB Staff*

Certified Angus Beef LLC (CAB) reported record sales for its signature brand of beef for the fifth consecutive year with nine out of 12 months in fiscal year (FY) 2011 hitting new heights. Efforts by the brand's licensed partners led to sales totaling 807 million pounds (lb.), an increase of almost 4% compared to 2010's previous record 777 million lb.

The *Certified Angus Beef*® (CAB®) brand's sustained



growth, particularly during a period of significant economic downturns and rising costs across all segments of the industry, shows its value to consumers and producers, said company president John Stika.

“The brand’s growth represents a wave of momentum that took more than 30 years to build,” said Stika. The success, he added, is a function of both demand and supply of the high-quality Angus beef.

Increased demand is also documented by new research from Kansas State University revealing that since 2002 demand for the CAB brand rose 56%, while demand for commodity Choice beef rose 20%.

Gains across all sectors

Stika noted the brand’s growth was balanced, with increases among steaks, end meats and ground beef. Sales were especially strong during the summer grilling season, and buoyed by licensed partners’ promotions of premium middle meat steaks. June, July

and August each surpassed the 70-million-lb. mark.

The rebounding economy meant more customers were dining out at the brand's nearly 8,000 licensed restaurants, leading to an 11% increase in foodservice division sales, totaling 250 million lb. While new distribution was added in 2011, partners with more than two years of sales saw increases of more than 8%, indicating sustained growth in the sector.

Demand among the brand's 5,900 licensed retailers remained strong, with the division posting sales of more than 395 million lb. — 49% of the total. Retail partners that featured the brand in circulars and implemented sales promotions found strong profit

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represented the strongest foreign markets.

Demand continued to grow for high-quality convenience and fully-cooked items. Sales of branded value-added products also set a sales record of 18.5 million lb. Popular new offerings included cooked, frozen sliced steak for fajitas, and meatloaf sliders.

Positive trends were also apparent on

opportunities despite rising costs.

Licensed partners outside the United States also found growth opportunities with the brand and netted record international sales of 90 million lb. — a 13% increase over last year. Canada and Mexico

the supply side. Quality-minded ranchers continued to respond to meet the market's needs, ramping up their efforts to reach the brand's target. The result: a dominance of Angus genetics in the U.S. herd, an acceptance rate that at 24% is the highest in 24 years, and more than 3.5 million head of cattle meeting the brand's high standards.

Nearly 16,000 businesses partner with the CAB brand in the United States and 42 other countries, generating an estimated \$4 billion in consumer sales annually. Introduced in 1978, the CAB brand is a cut above USDA Prime, Choice and Select thanks to 10 strict quality standards. For more information, visit www.certifiedangusbeef.com or follow the brand on Facebook, Twitter or the blog at www.gorare.com.

