



Brand News

► News and highlights from Certified Angus Beef LLC,* compiled by Laura Conaway, Certified Angus Beef LLC

CAB STAFF CONTACTS

206 Riffel Rd., Wooster, OH 44691-8588;
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
Mark McCully, vice president, production

SUPPLY DEVELOPMENT DIVISION

Kansas staff:

Larry Corah, retired, consulting
Kara Lee, supply programs manager
30731 172nd St., Leavenworth, KS 66048
812-653-0020

Nebraska staff:

Paul Dykstra, beef cattle specialist
782 5th St., PO Box 856,
Chappell, NE 69129
308-874-2203

Ohio staff:

Marilyn Conley, administrative assistant

INDUSTRY INFORMATION DIVISION

Steve Suther, director
16360 Victory Rd., Onaga, KS 66521
785-889-4162

Miranda Reiman, assistant director,
industry information
75845 Rd. 417, Cozad, NE 69130;
308-784-2294

Laura Conaway, producer communications
specialist
PO Box 1073, DeLeon Springs, FL 32130;
386-316-5138

Blogs:

Consumer-oriented: www.GoRare.com
Supply Development:
<http://blackinkwithCAB.com>

Twitter:

@BlackInkBasics
@CertAngusBeef



Find us on Facebook:

• [BlackInkBasics](#)
• [CertifiedAngusBeef](#)



To order CAB merchandise, visit
<http://pos.certifiedangusbeef.com>.
For recipe ideas, storage and handling tips,
restaurant listings, retail store locations
and cooking information, visit
www.certifiedangusbeef.com.

Expansion in Asia

In a market identified for its growing potential for premium U.S. beef, the *Certified Angus Beef*® (CAB®) brand has named Takayoshi Hirayama as senior manager in Asia, where he'll guide brand sales and marketing for beef packers, distributors, restaurants and retailers. Hirayama will be based at the brand's newly opened office in Tokyo.



Takayoshi Hirayama

"As we continue investing in this region, we're excited to welcome the tremendous market knowledge and credibility Hirayama brings to the table," President John Stika says. "His skills as a long-time mentor and beef expert allow us to fully engage our foodservice and retail partners and invest in their futures."

An integral part of CAB's global brand presence since 1993, Asia continues to develop as a growth market for the brand. Asian customers have grown accustomed to CAB product's rich flavor, adding to greater demand for U.S. beef in restaurants and retail stores.

Hirayama brings more than 30 years of experience in U.S. beef sales to this role, first serving as manager of beef variety meats with IBP International Asia in 1985. A year later, he became IBP's general manager of the beef division focused on sales and marketing in Eastern Asia. Hirayama continued that role until 1998, when he joined ConAgra Japan, now JBS, as director of beef sales. He was promoted to director of the Japan office in 2003, a role he held until 2014 when he became an advisor for the company.

"I'm interested in putting my beef experience, from beef packers to restaurants and stores, to work for the CAB brand," Hirayama says. "My family has benefited from my 30 years of experience in the industry. Working for the brand is a great way for me to give back to the beef community."

Through the Asia office, Hirayama will provide more direct assistance to brand partners, much like in the early 2000s when a representative was located in the market.

Keeping it current

What's in a data report? Years of historical feedback will say a lot. Mark McCully will agree. As vice president of production for the brand, he often takes time to analyze spreadsheets that show where CAB has been, where it is and where it's projected to go.

With the brand established in its 37th year, it could seem there is little to report. On the contrary, McCully regularly fields questions about CAB sales and points out that sometimes a rancher may not be aware of how much has changed since they last asked.

McCully's major take home when discussing the brand with cattlemen is this: In spite of fed-cattle numbers being down, the brand is holding its own when it comes to certified numbers. The explanation is in the quality.

"We've got acceptance rates 1.2 percentage points over last year," he shares. "We're at 26.6% for the fiscal year. That's what's keeping us in the game."

A shortage in beef supply (mostly still due to lingering effects of drought) can mean loyal customers not receiving what they demand from the market. Instead, cattle grading at high levels of USDA Premium-Choice and Prime leave consumers with the taste they want.

"When we look at the federally-inspected harvest and then the total steer and heifer harvest, seeing that they're down 7% and 6.5%, respectively, those are big numbers, so even folks that maybe do know beef supplies are tight are maybe surprised at how much we are off," he says.

On a fiscal year basis, the brand faced approximately a million fewer fed cattle than a year ago. But because of high grading, the CAB certified head count is only down 100,000 head, or 3.5%.

"Then you have to ask, 'How far off are we in terms of CAB sales (commissioned sales)?' and you see that through May, we are only off 0.8%, or an overall 4 million pounds, roughly," he says. "I think that is pretty amazing."

As an industry, perhaps there was a waiting period. The signals were there, but the reality of reinventing genetics in a cow herd can be a slow boat to turn.

The good news is we're here, McCully says. "So much has changed in the last two to four years that if your perspective is that of 10 years ago, even five, you can be pretty surprised at the quality level that's out there now."

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

As the waters continue to shift, McCully says cattlemen have reason to take stock in where the industry is headed.

“It’s exciting for when cattle inventories rebound,” he says. Emphasizing where data sits now and is projected, “I don’t expect our acceptance rates to go the other way.”

Giant Eagle offers exclusive CAB end meats

Following in the footsteps of other committed licensees, retail chain Giant Eagle recently underwent a meat department “revamp” and now 100% of their end meats are CAB. In addition, the store offers shoppers varying middle meats and only CAB primals, including CAB chuck, round and sirloin.

The recommitment to the brand officially took place May 14, but their dedication to quality was evident even earlier.



“The month of

April, where they were just starting to prime the pump,” David O’Diam, executive account manager for the brand, says, “they were up 105.7% in total purchases of CAB, and that’s before it even started.”

Completing an effective store-by-store analysis and comparison, the northern retail store composed of nearly 400 locations set out to determine the demographics of particular stores and what products would be most suitable to meet the demand of those customers. For some, a store only sells CAB

CONTINUED ON PAGE 100

Meanwhile at the ECC

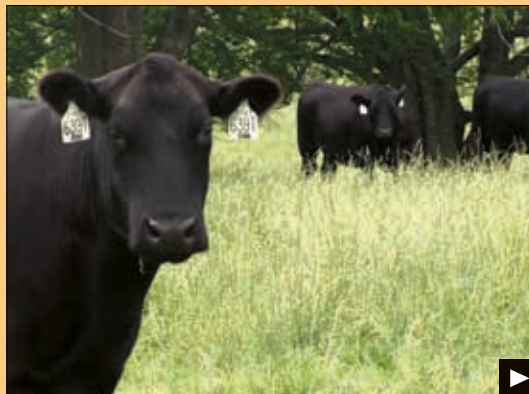
Since its establishment in February 2012, the CAB Education & Culinary Center (ECC) has served as a unique gathering place. Partners in and outside of the beef industry are gaining insight into the brand and the quality beef that defines it.

From cattlemen to media guests and scientists to chefs, more than 225 groups have visited the Wooster, Ohio, venue from all parts of the world. This ECC column within Brand News will help keep producers current on recent events there.

- ▶ Brand Ambassador Event, June 1-2
- ▶ Board of Directors, June 2-5
- ▶ International Specialist Seminar, June 8-10
- ▶ Sunset Foods, June 12
- ▶ #GrillTalk Blogger Event, June 18-19
- ▶ Chef Jeremiah Bacon, June 22
- ▶ Beef Leaders Institute, June 25-26
- ▶ Pittsburgh Seafood, June 29-30

Digital extras

Certified Angus Beef LLC (CAB) and the American Angus Association provide these video segments. Readers of our digital edition can click on the photo to launch the respective YouTube video. The url (www ...) for each video is also provided for our print edition readers.



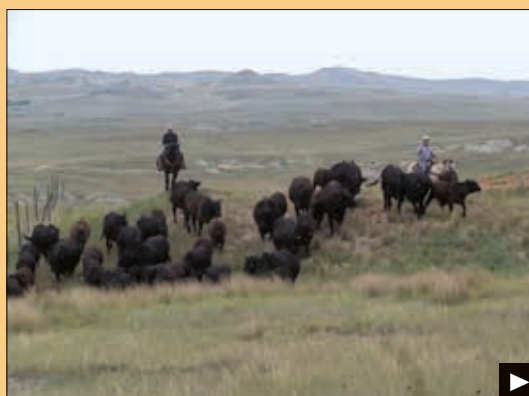
Mark McCully, vice president of production for the *Certified Angus Beef*® (CAB®) brand, discusses how to start producing high-grading cattle in short order. Here’s the clip: <https://www.youtube.com/watch?v=3k3t9slZMEA>.



Greg Brown of Helena, Mont., talks about the need for cooperation among all the beef industry segments in an effort to keep consumers coming back for more. Here’s the clip: <https://www.youtube.com/watch?v=f-n6nrRHDH0>.



Lowell Catlett, dean of the College of Agricultural, Consumer and Environmental Sciences at New Mexico State University, talks about feeding a growing world population. Here’s the clip: <https://youtu.be/6XBcFb1BYsk>.



Ric Rosser, executive chef for Southwest Energy, is passionate about good beef. Here he tells you why: https://www.youtube.com/watch?v=UhvJ2Gra6_A.

Prime cuts; for others the focus may be premium-Choice primals.

“What it ultimately does is gives their meatcase a real identity,” Mark McCully, CAB vice president of production, says. “It’s very clear to the consumer that Giant Eagle is selling CAB.”

Additionally, it creates efficiencies and brings about consistency in sales.

Actions revealed their intentions to be true when the company had its meat managers take part in extensive training about the live cattle side of the brand, as well as the product side.

“To take the workforce out of the stores is almost unheard of in the retail world,” McCully says. “What we saw was a team that left energized about the program and the brand and the experiences they had. I’m certain that’s translated in the store all the way to the customers who frequent the meatcase.”

“Our goal was not that they can answer a question, but that they can answer a question with experience,” O’Diam says of the decision to bring them to nearby ranches and meat labs. “We want these guys to be able to answer



► The blessings of rain were abundant in Texas and Oklahoma as CAB’s 9th Master of Brand Advantages (MBA) class navigated its way through the Midwest. Designed to bring those in restaurant and retail settings in contact with the people and places behind the product they sell, the 22 attendees from the likes of Cleveland and Connecticut spent one of the first days with John and Gaye Pfeiffer, Pfeiffer Angus Farms, Mulhall, Okla.

the typical questions, but this goes beyond that. Not only can they answer it, they can expand upon it. ‘Hey, I’ve been there. I’ve seen this ranch, and let me tell you a little bit about their operation and what they do.’”



► **Right:** May’s International Roundup event meant lessons on the “science behind the sizzle.” In addition to learning how artificial insemination (AI) and embryo transfer are done, attendees stepped in the kitchen to see shear-force testing firsthand and just how precise meat scientists get when it comes to measuring tenderness.



Behind the beef

One of the fortunate parts of a company that is in all segments, from product creation to consumption, is the opportunity to know so many unique people, all with specific roles in the quality-beef industry. Behind the scenes, these are the folks who help bring the best beef to consumers. Fulfilling more than a job description, they’re on fire about the work they do.

Meet Bruce Longo

We know from experience when something is worth the premium price. That’s why consumers pay extra to enjoy the *Certified Angus Beef*[®] (CAB[®]) brand, and why packers pay cattlemen \$50 million each year to get more of it.

How does the beef trade know what middle meats and end meats and grinds are worth for Select, Choice, Prime and CAB? Two words: Urner Barry.

Currently the boxed beef reporter for Urner Barry, Bruce Longo has worn a lot of hats since graduating college. He used his degree in physical education to work in the health spa and rehab fields where he sold customized wheel chairs and related equipment before starting his own company based in his hometown of Tom’s River, N.J., in the 1990s.

In very indirect ways, the events of Sept. 11, 2001, changed his life and career. As it turned out, he shares his hometown with that of Urner Barry and sought out a job at the highly rated, family-run business that was founded in 1858.



Soon Longo was selling the array of informational products all over the area, but one day in his first year there, he took a call asking if he’d like to move over to the reporting side. After nearly 30 years in sales, he knew success was all about relationships and would be the same in reporting.

“There was a bit of a disconnect at first,” he says, “going from sales to beef price reporting, not coming from the product or agriculture side. And what’s that cattle cycle about?”

“But reporting on a market is a lot of relationship stuff. People trust you if you do it the right way. It’s the trust we build with our contacts who give us the information,” Longo continues.

Urner Barry is the exclusive market news provider of CAB boxed-beef prices, and the only basis for the brand’s quoting the premium over USDA Choice or Select.

“The success of CAB makes it easy to report; people understand the premium it brings, and they are very much at ease and ready to report it,” he says.

With more than 10 years at that desk now, the information Longo reports each day literally moves the boxed-beef market, as the thousands of subscribers spot trends early on and take action to buy or sell.

He’s watched the cattle cycle turn, seen it digress from drought and “\$8 corn” to the threshold of expansion. Through the next turn, he sees premium beef retaining its edge in the market: “Once you’ve driven a Cadillac or Porsche, you don’t go back to a base Chevrolet.”

Thanks to Bruce and the dedicated team at Urner Barry, we can track the dollars this brand adds to the value of your Angus cattle.

To read more about Longo and others dedicated to the beef industry, check out <http://cab.info/22b>.