



CAB Celebrates Commitment to Quality, Excellence



Annual conference provided opportunity to share partner successes, honor those at the top of their game.

by *Jennifer Schertz*

Anybody would expect the past year's economic downturn to present only challenges, but the *Certified Angus Beef*® (CAB®) brand found plenty of opportunities in the market. The reason, according to the brand's president: Consumers have become more conscious of the ratio of price to value.

"This could be the year where we, as an industry, learned more about consumer preferences and the value of quality through the eyes of the consumer than ever before," John Stika told a record number of attendees at the CAB annual conference Sept. 17-19 in Scottsdale, Ariz. "This arguably advanced our premium brand position."

Premium quality, Stika said, "pays even greater dividends when consumers apply a higher level of discretion to where they spend their dollars."

CAB licensees from every sector of the industry were recognized for their commitment to quality, integrity and marketing achievements — factors that have been integral to the brand's success since it began more than 31 years ago.

"I believe our best days are yet ahead," said Stika, thanking partners for their continued commitment and acknowledging their success in a difficult time.

Record growth continues

Stika projected record annual sales for the

third consecutive year, his estimate of at least 655 million pounds (lb.), surpassing last year's record by more than 20 million lb. and 71 million lb. above the 2007 record. For the first time, the brand experienced monthly sales volumes greater than 60 million lb. when the July and August sales were tallied.

As customers shifted dining patterns and spent more on meals at home, the brand's retail partners set a record of more than 300 million lb. sold, along with three record-setting months of more than 30 million lb. in retail alone.

Another bright spot was international sales, which Stika noted had returned to levels not seen since December 2003,

when the market reacted strongly to the news of bovine spongiform encephalopathy (BSE) in the United States.

The brand's foodservice division sales were affected most by the economy, but even that 7% decline due to lower restaurant traffic seemed bright compared to the overall market drops of 25% to 35% for high-end restaurants and 15% to 20% in the upper-midscale sector.

"Consumers are eating out less, but when they do, they are gracing the doors of businesses that have a reputation for exceeding the customer's price: value expectation," Stika said. "Our restaurants and distributors see the importance of quality, not just a price point on a menu."

To succeed, 'get better'

Edd Hendee, owner and operator of the venerable Taste of Texas restaurant in Houston, said the keys to success in these times may be found in a focus on excellence and refusing to settle for less than the best.

"Get better," he said as an imperative. "We intend every day to get better. The marketplace is changing, and it's more discerning than ever. With the *Certified Angus Beef* brand, we can continue to be better every day."

That's part of Hendee's philosophy: It takes quality to keep customers coming back. He reads their comment cards personally, attends to details and simply works hard to deliver a great customer experience.

Since it became a licensee in 1984, Taste of Texas has served more than 4 million lb. of CAB brand products as it became one of the top restaurant partners in the brand's history. Beyond sales success, however, Hendee has become an ambassador for the brand, speaking to groups of restaurateurs as well as cattlemen. He has also helped develop marketing and educational tools. In appreciation for his commitment to the brand, Hendee received the Pioneer Award, given just eight times in the company's history.

For an encore, noted chefs Brett McKee of the Oak Steakhouse, Charleston, S.C.; and Peter Vauthy of RED, The Steakhouse, Miami, Fla., shared insight in the area of capitalizing on the brand's quality. Their perspective as high-end restaurateurs explored

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opportunities for others looking to keep customers satisfied and business growing.

Experiencing turbulence?

Keynote speaker Howard Putnam, an entrepreneur and former airline CEO, shared leadership principles that help guide companies through challenging times. He advised leaders to keep a clear and concise vision at the forefront, in order to maneuver their organizations through "turbulence" they may encounter.

Putnam also introduced a special surprise guest, Air Force Col. Mark Tillman, pilot and former commander of Air Force One during the presidency of George W. Bush. Tillman reflected on his responsibility to transport the president safely during the events of Sept. 11, 2001, his respect for President Bush, and his relief and gratitude for landing safely that difficult day. The crowd delivered a standing ovation in appreciation for the Colonel's service and courage.

Recognizing excellence

A full slate of awards was presented to retail, foodservice, international, processor, fabricator, and supply development partners who demonstrated excellence in sales, marketing and integrity. Full coverage of the winners, along with photos, are available

online at www.certifiedangusbeef.com/press/ac09/. Cattlemen honored were also featured in the October 2009 *Angus Journal*.

Conference guests also selected winners for the People's Choice Awards, recognizing outstanding advertisements, contests and promotions among retailers and foodservice distributors. Winners were Foodland Super Markets Ltd. of Honolulu, Buckhead Beef of Florida/Royalty Foods of Auburndale, Fla., and Palmer Food Services of Rochester, N.Y.

A charity golf outing, sponsored by Palmer Food Services/G&C Food Distributors, and auction raised an outstanding \$66,640 for the Mick Colvin Scholarship Fund, which supports opportunities for future beef industry leaders. Sysco Corp. will be the golf outing's title sponsor in 2010, winning the sponsorship at the El Conquistador Resort in Puerto Rico, for \$32,000.

Certified Angus

Beef LLC hosted its annual conference Sept. 17-19 in Scottsdale, Ariz. More than 15,000 businesses partner with the brand in the United States and 45 other countries. Annual sales top \$2.7 billion. The CAB brand, introduced in 1978, is *Angus beef at its best.*® Less than 8% of beef achieves the brand's 10 benchmark standards that ensure mouthwatering flavor, juiciness and tenderness. For more information, visit www.certifiedangusbeef.com.



► Arkansas licensees were among the 497 attendees: Stan Daniel and Ron Clines of Performance Food Group, Little Rock; and Bill Orr and John Smith of Bills Fresh Market, Jonesboro.