

WASHINGTON STATE

BEEF

COMMISSION

Funded by Beef Farmers and Ranchers

2019-2020 ANNUAL REPORT

A publication by the Washington State Beef Commission for its Beef Checkoff stakeholders.

The Washington State Beef Commission is the beef producer-funded and directed beef promotion, research and consumer information arm of the state's beef community. It is funded by a mandatory \$1.50 assessment paid by beef farmers and ranchers every time they sell a bovine animal. The program is authorized under both state and federal law to implement programs that increase demand for beef and build trust in beef production.



Dear Washington State Beef Producers,

The work of the Washington State Beef Commission is as important now as it has ever been. Advocating for our industry and our product should be a goal of every producer. Through the Beef Commission, we are working together to achieve that goal. Our \$1.50 per head investment in the Beef Checkoff provides programs that promote our product, our industry and our way of life. The past year has been a challenge in a great many ways, yet the Beef Commission's core mission, "to increase demand for beef by connecting and growing our beef community" remains the same.

The Covid-19 virus has changed, but not deterred, how we promote beef. Marketing plans and events have had to be adapted, changed or dropped entirely due to social distancing requirements and other restrictions. Yet our excellent staff have adapted and innovated, to continue to deliver our message to consumers. Jackie Madill, our Director of Consumer Information, has quickly transitioned from doing in-studio beef cooking segments on local Seattle news programs to transforming her own kitchen into a makeshift set, and continues to do cooking spots remotely. KayDee Gilkey, Director of Industry Relations, has expanded our local beef directory, a resource for connecting consumers with producers to purchase local beef products.

One of my personal favorite programs of the Washington State Beef Commission is Beef Counts. Beef Counts is now going on ten years and recently surpassed \$1 million dollars raised to provide nutritious beef to Washington families in need. Along with our Beef Community partners, Beef Counts has provided 2.5 million servings of beef to Washington families, along with recipes and cooking instructions. This program has truly had an impact on thousands of families and is just one of the many reasons I am proud to support the Beef Checkoff.

On behalf of the Beef Commission Board of Directors, I present our annual report for the 2019-2020 fiscal year. I am proud of the work of our staff in overcoming the challenges of the past year. Please review the report to learn more about how our board and staff are putting your Beef Checkoff dollars to work on your behalf.

Sincerely,

Kale McGuinness, Chairman
Washington State Beef Commission

The Beef Commission Board of Directors is comprised of representatives from every sector of Washington's Beef Community.

They are nominated by the industry sector they represent and are appointed by the Washington State Director of Agriculture.

- **Kale McGuinness**, Livestock Market, Spokane, Chair
- **Case VanderMeulen**, Dairy Farmer, Mesa, Vice Chair
- **Dave Stiner**, Packer, Toppenish, Treasurer
- **Kyler Beard**, Cow/Calf Producer, Ellensburg
- **Brett Tonne**, Cow/Calf Producer, Ephrata
- **Liz Para**, Cattle Feeder, Othello,
- **Will Derting**, Cattle Feeder, Ephrata
- **Edward Avila**, Dairy Farmer, Moses Lake
- **Dave Stiner**, Packer, Toppenish
- **Dr. Brian Joseph**, Washington State Department of Agriculture, Olympia
- **Marty Stingley**, Cattlemen's Beef Board Representative, Ellensburg

MISSION

INCREASE DEMAND FOR BEEF BY CONNECTING
AND GROWING OUR BEEF COMMUNITY



2019-2020 STRATEGIC PRIORITIES

RESPONSIBLE BEEF

Grow consumer trust in beef and modern beef production.



TASTE ADVANTAGE

Promote beef's taste advantage over alternative proteins.



BEEF'S NUTRITION

Communicate beef's nutrition & healthy benefits focusing on beef as a food for strength.



EXPORTS

Drive growth in beef exports.



DIGITAL ADVERTISING: Reaching Consumers on Every Screen

Over the past year, Washington's digital advertising campaign has inserted itself into daily lives of millennial parents with compelling beef messages on their phones, their computers, their televisions, the radio, in grocery stores, at events and even in movie theaters. In fact, last year the Beef Commission delivered over 90 million total advertising impressions highlighting the people, protein and pleasure that makes beef the top protein choice. Digital advertising is the Beef Commission's largest investment each year achieving over **10.6 million video views** and **233,927 clicks** to Beef Checkoff websites to learn more.

RESPONSIBLE BEEF

GROW CONSUMER TRUST IN BEEF AND
MODERN BEEF PRODUCTION



Beef Quality Assurance Highlighted to Build Trust

With growing consumer concern surrounding cattle care and the impact of cattle on the environment, building trust in beef producers and modern beef production is the Beef Commission's primary focus. Over half of our digital advertising budget is focused on working with local beef producers to dispel negative myths about how beef is produced. Last year we featured videos that address cattle care concerns by sharing our producers' participation in the checkoff-funded Beef Quality Assurance program. As a result, our BQA ads alone were viewed 1.1 million times on Pandora, Connected TV, Facebook and YouTube. And it worked! Nationwide, consumers agreeing with the statement that they "trust the people that raise the animals" increased 9% during the campaign. Those that believed "Beef is raised humanely" increased 11% during the two-month campaign.



Making the Case for Cattle and Climate

What comes out of the cow is only part of the equation! Your Beef Checkoff is taking up the case that cattle help improve the environment. Last year the Beef Commission partnered with the Washington Grown television program to feature Ellensburg rancher Kyler Beard and his unique partnership with the Iron Horse Brewery. Kyler upcycles brewers' grains, that might otherwise end up in landfills, by feeding them to his cattle. The video reached over 50,000 households on television, 1,000 views on YouTube and an additional 18,000 on Facebook Live in Washington through Washington Grown. The Beef Commission also promoted the video on YouTube, where it was viewed over 1.3 million times with 1,350 consumers visiting wabeef.org to learn more about modern beef production. To see more profiles of ranchers in Washington, visit wabeef.org.



Beef Counts – Feeding Local Families Since 2010



The Beef Counts program began its 10th Anniversary having raised almost \$1 million dollars and provided 2.5 million servings of beef to hungry families in our state. As a community, united against hunger, beef producers and consumers join Agri Beef's annual \$50,000 donation and provide beef at cost to Food Lifeline in Western Washington and Second Harvest in Eastern Washington.

The role of the Beef Commission in the Beef Counts program is to build trust in Washington's beef community and remind consumers that beef is an essential part of a nutritious diet, but is often not available through food banks. Over the past year, we have accomplished this through our partnership with KREM TV's Tom's BBQ Forecast and Rosauers/Super 1 stores. The promotion featured in-store, digital and television ads featuring our Beef Counts spokes-family Branden and Tiffany Spencer, ranchers from Ritzville. The partnership achieved over 3.6 million television impressions and over 800,000 digital impressions.



Virtual Country Music Concert Promoted on Seattle Radio



When the whole world goes virtual, why not sponsor a virtual country music festival to celebrate the Fourth of July? The Beef Commission was the title sponsor of the Red, White & Bull virtual country music festival that streamed live on July 3rd through 4th on 98.9 The Bull country station in Seattle.

The event was billed as Seattle's Largest Live Virtual Music Festival with two days of music, family and beef BBQ. The 19-hour event was hosted by popular station personalities and featured the music of top artists and behind the scenes interviews. The "United Steaks of America" official concert t-shirt, featuring the line-up of popular musicians performing during the concert on the back, were sold to listeners to benefit the Beef Counts program. The two-week promotion reached over 3.9 million consumers in Western Washington and concert t-shirt sales raised \$1,350 for Beef Counts at Food Lifeline.

DID YOU KNOW?

The Beef Checkoff-funded Consumer Beef Attitude Tracker research showed that positive perceptions about how cattle are raised increased 18% over 2019.

Cowabunga Event Brings Ranchers and Beef to Seattle

Over 5,000 Seattle-area consumers delighted in all things beef at the third annual Cowabunga event sponsored by the State Beef Commission on September 27-29, 2019. Thirty-five local chefs served delicious beef dishes throughout the weekend with product provided by Snake River Farms, Tyson, Painted Hills and MacDonald Meats.

Friday was Amazon's exclusive preview lunch where over 3,000 of their employees poured into the venue to enjoy BBQ Brisket provided by Tyson. Both Friday's Surf & Turf and Saturday evening's Seared events were sold out to consumers willing to pay \$125 to sample delicious chef-curated beef creations.

The Beef Commission exhibit space focused on telling the beef sustainability story by featuring life-sized banners of producers and fun facts about cattle as up-cyclers. Oberto donated beef jerky trail mix that was distributed to remind consumers about beef's versatility as the top protein choice.



Searches for Local Beef Directory Increase During Pandemic



Times are uncertain during a pandemic and many consumers became concerned about the availability of beef due to supply chain interruptions and began seeking out new options for purchasing beef last spring. For almost a decade, the Beef Commission has promoted a "Local Beef Directory" section on wabeef.org to respond to consumers looking to buy beef directly from beef farmers and ranchers.

As the COVID-19 pandemic became a reality, we saw the average visits to our Local Beef Directory on wabeef.org increase from an average of 700 visits per month to over 5,000 in May. This was consistent with tight beef supplies at grocery stores and the increase in freezer sales to accommodate the stocking up of perishable foods like beef.

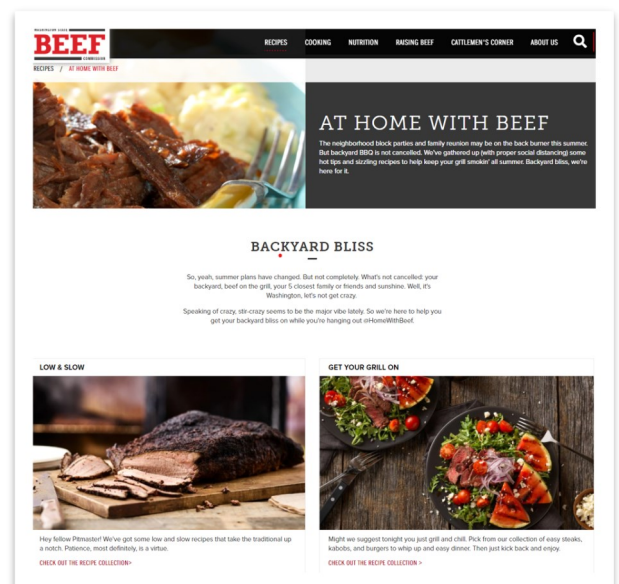
To be added to the Local Beef Directory, please contact wsbc@wabeef.org.



Reassuring Consumers Amid COVID-19

As families adjusted to more time at home, your Beef Checkoff worked to reassure parents about the safety and availability of the beef supply and provide resources, tips and ideas to help them provide productive family time, homeschool their kids' and serve healthy meals at home. Specifically, we provided detailed information about how to properly store (in refrigerator and freezer) and thaw beef, how to swap a steak when the options are limited in the meat case, and how to meal prep as well as engage children in the kitchen. Seasonal recipe inspiration remained a constant with added emphasis on trying new recipes such as smoking beef, restaurant-inspired cuisine and enticing international flavors.

Both wabeef.org and beefitswhatsfordinner.com were updated, and digital advertising and social media shifted to address consumer needs during this uncertain time.

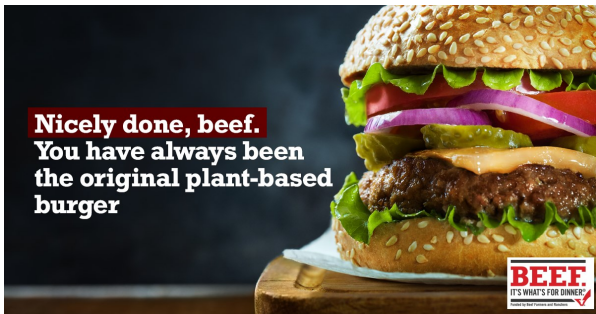


BEEF'S TASTE ADVANTAGE

PROMOTE BEEF'S TASTE ADVANTAGE OVER
ALTERNATIVE PROTEINS



AUTHENTIC BEEF: One Simple Ingredient



Nicely done, beef.
You have always been
the original plant-based
burger

As alternative proteins are finding their way into grocery stores and restaurants, the Beef Checkoff has responded to the misinformation campaign of protein alternative at consumer events and through digital advertising and social media. The One Simple Ingredient video, shows consumers that only beef can fuel their busy lifestyles with one simple ingredient. The online video achieved 1.5 million impressions with 9.3 million completed video views. Native ads achieved 9.3 million impressions with 25,000 clicking on the ad to learn more about beef as a top protein choice.



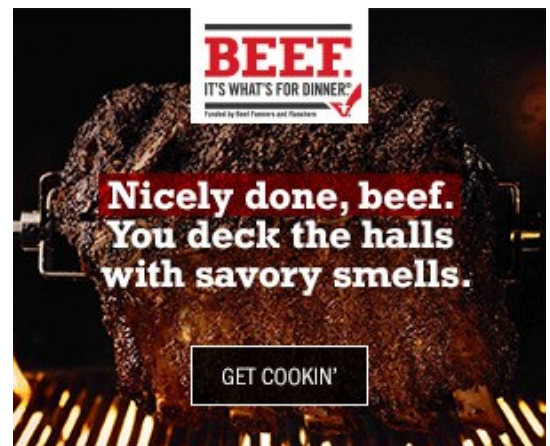
Television Public Relations

Educating consumers about beef cookery on television is a key strategy for the Beef Checkoff in Washington State. Last year, the Beef Commission conducted six television appearances promoting beef recipes. Beef cooking tips and recipes were shared for holiday entertaining with themes including: a July 4th Grilling Deck Takeover Campsite Classics for Labor Day, Crock-pot creations and pre-holiday entertaining inspiration, Holiday Roasting Hacks, At Home With Beef and the Kitchen Classroom for Kids and Memorial Day Grilling with tips for steak swaps. These broadcasts reached over 451,000 households in Western Washington. When COVID-19 and the closure of newsrooms to all outside guests threatened our spring and summer appearances, we pivoted and created a home cooking Zoom studio in both the kitchen and on the backyard deck to conduct live TV segments.



Savor the Drool Log. Like a Yule Log . . . Just Better!

Prime Rib Beef Roast crackling over an open flame rotisserie is a holiday feast for the senses. Last year, your Beef Checkoff released the Beef Drool Log video across all social media platforms to pay homage to the iconic holiday yule log. The Drool Log is a two-and-a-half-hour video featuring a delicious Prime Rib roast cooking to perfection on a rotisserie. While the full-length video can be found on YouTube, shorter attention-grabbing versions were showcased in holiday digital marketing campaigns here in Washington and nationwide on Hulu, YouTube, Facebook, Instagram, Twitter, Pinterest, LinkedIn, Pandora and on streaming television sites. Holiday movie-goers were treated to the sizzling sights and sounds of the roast video prior to their show in 45 theatres in Western Washington. Those consumers were targeted on their mobile devices with beef recipes and holiday entertaining information on beefitswhatsfordinner.com upon leaving the theater.



Instacart App Features Holiday Roasts from Costco

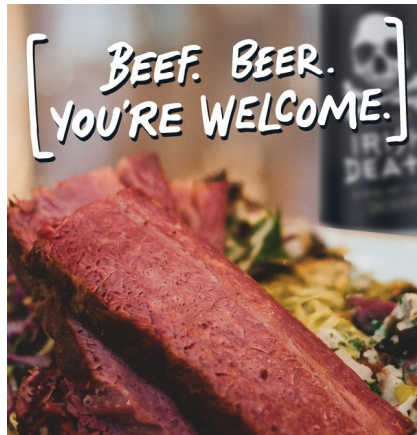


In December 2,000 Washington consumers ordering Prime Rib from Costco with their Instacart app received a “Nicely done, beef” recipe card in their bag from the Beef Checkoff featuring the *Beef Rib Roast with Chocolate Port Sauce* recipe. The card encouraged consumers to visit beefitswhatsfordinner.com/holidays for more delicious beef recipes and holiday inspirations. Instacart is an app that provides home grocery delivery services for a wide variety of retailers nationwide. The National Cattlemen’s Beef Association, under contract with the Beef Checkoff, ran banner advertising on the app encouraging consumers to order their holiday beef roasts from their favorite retailer.



Corned Beef and Irish Death St. Paddy’s Promotion

Consumers throughout the state enjoyed delicious Corned Beef and Irish Death beer on St. Patrick's Day when we launched our partnership promotion in 220 Safeway and Albertson's stores in Washington. The partnership included newspaper and Safeway Club Card features on Corned Beef and an in-store display contest (pictured is one of the winning in-store displays). A wide variety of digital advertising strategies drove customers to Safeway and Albertson's meat departments to buy Corned Beef and to wabeef.org to learn how to cook Corned Beef. The promotion incorporated a Corned Beef and Irish Death recipe video featuring Chef Larkin of the Basalt Restaurant at the Hotel Windrow in Ellensburg. A wabeef.org landing page also showcased the upcycling video of Ellensburg Rancher Kyler Beard feeding left over brewers grains from the Iron Horse Brewery to his cattle.



Food Influencer Partners Share Beef’s Message



The Beef Commission’s year-long partnership with food blogger, cookbook author, TV personality and Instagram influencer Danielle Kartes of Rustic Joyful Food has been an inventive way for the Beef Commission to reach more consumers with helpful beef cookery advice and family meal inspiration in 2019-2020. With more families cooking at home and juggling the stress of work/family life balance, quick meals that are flavorful and exciting have become wildly popular on Rustic Joyful Food’s social media platforms. Her most recent recipe success was Beef Egg Roll Bowls which reached 13,044 consumers on Instagram in just 24 hours. Other beefy recipes recently shared were hearty, slow-cooker Cowboy Baked Beans, a simple, family-friendly meal solution of Meatball Subs and a luxurious steakhouse-inspired Wood Fired New York Steak with Olive Salsa Verde.

You can see Danielle’s mouth-watering collection of beef dinner creations on her Instagram account [@RusticJoyfulFood](https://www.instagram.com/RusticJoyfulFood).

BEEF'S NUTRITION & HEALTH

COMMUNICATE BEEF'S NUTRITION BENEFITS FOCUSING ON BEEF AS A FOOD FOR STRENGTH



The Credible Nutrition Expert: Online Edition



The Beef Commission's sponsorship of keynote speaker Dr. Michael Roussel at the Washington State Academy of Nutrition and Dietetics Convention in April was switched to an online webinar in May as a result of COVID-19. Dr. Russell presented his keynote presentation live from his home office in New York to 144 dietitians in Washington State who earned professional continuing education credits. Dr. Roussel is a leading researcher in the area of protein's relation to strength and is widely published in professional journals, as well as a go-to source for major media like *Men's Health*. COVID-19 resulted in many continuing education meetings being shifted to online platforms and the National Beef Checkoff's coordination with state beef councils like the Beef Commission made it possible to make world class beef nutrition experts available during these e-events.



Meeting Millennial Parents on the Soccer Field

The BEEFStrong partnership with the Tacoma Defiance soccer team strategically targets millennial soccer parents in the Seattle/Tacoma area with information about the power of beef protein in the diets of active families. Tacoma Defiance soccer players and the "BEEFStrong" message was featured on t-shirts, stadium signage, video vignettes, and program ads at matches and in digital advertising from the soccer team. Last year the sponsorship delivered over 412,665 digital and in-stadium messages about beef's role in building strong bodies.



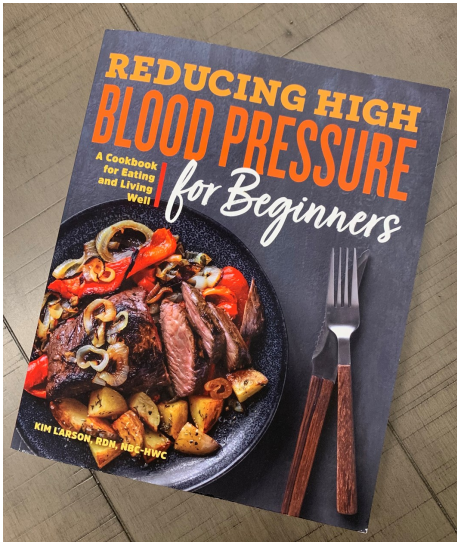
Local Lens: Fueled by Beef



Farm vs. Gym? That is the question! The Beef Commission took Local Lens host Kelly Hanson to Rocking Bar H Ranch for an exclusive "Ranch Fit" workout. Fueled by beef, Kelly worked it like a rancher. Flipping bales, moving panels, jumping over round bales, and squatting bags of mineral gave her a taste of what it takes to get beef from gate to plate.

Showing beef as food for strength is one of the key messages the Beef Commission uses to target local consumers. By partnering with Local Lens, the Beef Commission shared this message in a zany yet relatable way. The video received over 36,000 YouTube views and over 25,000 Facebook views.

Building Relationships that Matter



In the digital age, building relationships with consumer influencers is a strategy that yields excellent results for beef. For several years, the Beef Commission has had a fruitful working relationship with registered dietitian Kim Larson. She has attended the Explore Beef Experience and been our professional expert on a series of videos discussing the importance of beef in building strong bodies. Last year the video series, featuring fast beef nutrition facts as well as an explanation of newly published beef research and several of Kim's favorite Beef Checkoff recipes, were viewed by thousands on YouTube and Facebook. This winter Kim published a Blood Pressure cookbook featuring a beef recipe on the front cover.

Our relationship with cookbook author, television personality and online influencer Danielle Kartes has yielded many excellent beef recipes and nutrition advice for her followers that she has also used on television, magazine articles and in her own cookbooks.

DID YOU KNOW?

Your national Beef Checkoff dollars are invested in beef nutrition research focusing on beef's role in fueling strength for consumers of all ages. Research results are published in peer-reviewed journals and communicated at professional conferences throughout the year.

EXPORTS

DRIVE GROWTH IN BEEF EXPORTS



Pacific Northwest Beef Promotion Initiative in Japan

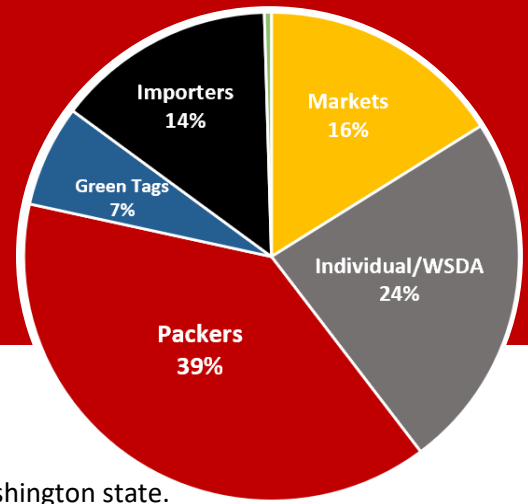
The Pacific Northwest Beef Promotion Initiative is a key Beef Checkoff export strategy for the Beef Commission. The initiative is a collaboration between the Beef Checkoff programs in Oregon, Idaho and Washington designed to increase the sale of beef from the Pacific Northwest in the Japanese market.

Resources were used to conduct retail and foodservice promotions and sponsor trade teams visiting the northwest last year. The \$75,000 invested by the Pacific Northwest beef councils is leveraged with \$157,000 from the United States Meat Export Federation and over \$264,000 from retail and foodservice partners in Japan making the entire program a collaborative \$500,000 investment. The program's efforts such as in-store sampling, features and advertising and trade team visits generated more than 3.6 million pounds of incremental beef sales to Japan from the Pacific Northwest last year.



BEEF CHECKOFF

ASSESSMENTS & EXPENDITURES



2018-19 Assessments in Washington

Your \$1.50 Beef Checkoff assessment is collected every time a bovine is sold in Washington state.

Fifty cents is remitted directly to the Cattlemen’s Beef Board to fund national beef promotion and research programs, and \$1.00 is retained by the Washington State Beef Commission to fund local programs. A network of Designated Collecting Points collect and remit the Beef Checkoff to the Washington State Beef Commission at the time of sale and include auction markets and packers. Washington brand inspectors collect the assessments from individual producers, dealers/order buyers, at special sales and when cattle enter feedlots. The packers collect primarily from the feeders upon sale at the plant. The buyer is responsible for collecting the assessment from the seller and seller is responsible for paying the assessment to fund beef promotion and research programs in Washington State, throughout the country, and the world. You will find more information about those programs in this report.



CATTLEMEN’S BEEF BOARD (CBB)

Fiscal Year 2019 Financial Statements

REVENUES:	\$43,089,164
EXPENSES:	
Promotion	\$10,580,409
Research	\$9,891,043
Consumer Information	\$7,571,245
Industry Information	\$3,357,876
Foreign Marketing	\$8,347,484
Producer Communications	\$1,637,234
Evaluation	\$158,875
Program Development	\$435,772
USDA Oversight	\$596,367
Administration	<u>\$1,729,852</u>
TOTAL EXPENSES:	\$44,306,157

WASHINGTON STATE BEEF COMMISSION

2019 Fiscal Year Financial Statements

REVENUES:	
Total Assessments	\$1,773,926
Less CBB/State of Origin	(610,619)
Interest & Other Income	<u>194</u>
Total WSBC Net Revenue	\$1,163,501
EXPENSES:	
Promotion	\$478,599
Consumer Information	204,834
Research	4,421
Industry Information	219,829
Foreign Marketing	32,250
Producer Communications	58,425
Collection Compliance	29,260
Administration	144,870
Federation of State Beef Councils	<u>20,787</u>
TOTAL EXPENSES	\$1,193,275