

Chatting About the Checkoff



HOW TO CHAT WITH FELLOW PRODUCERS ABOUT THE CHECKOFF

Conversations about the Beef Checkoff are happening in our local and virtual communities, and farmers and ranchers need to be engaged.

CONVERSATIONS WITH E.A.S.E.

STEP 1: ENGAGE

- Engage the producer. This could be an everyday encounter with a neighbor or a conversation on Facebook or Twitter. The key is having an attitude of openness, inviting questions, and listening to concerns.
- When speaking to producers, make it a personal story. Use producer names and stories from your local area.
- Point it out in facts, and mirror / speak their tone and language.

STEP 2: ACKNOWLEDGE

- Acknowledge that producers have questions and concerns. By inviting questions and listening to concerns, you are establishing a connection. Look for areas of common ground to build upon.

STEP 3: SHARE

- Once you have acknowledged questions and concerns, ask for permission to share your viewpoint.
- Ask questions back; “Help me understand...” “Why do you believe that?”
- When speaking to producers, make it a personal story. Use producer names and stories from your local area.
- Point it out in facts, and mirror / speak their tone and language.
- Start with positive feedback and praise for them being involved and curious.
- Come to their level – do they need more info? More education about the administration of the Checkoff?
- Some producers appreciate specific results. See RESOURCES for details.

STEP 4: EARN TRUST

- The goal of the conversation is to earn trust. It’s not about winning an argument or proving you are correct. It is important to correct misinformation, but don’t refute the facts alone; being in the beef industry these days can be highly emotional. Remember – it you don’t trust someone, you won’t trust their facts, either.



THE START OF THE BEEF CHECKOFF – THE INDUSTRY’S NEED OF A UNIFIED VOICE

- In the 1970s and early 1980s, several key factors led to the decline in beef demand in the United States. Whether it was product inconsistencies, new low-fat/anti-red meat diets, or safety concerns and disease outbreaks, several large public relations issues went relatively unanswered from an industry with many small organizational voices, but no common “strong arm” or “unified voice”. The U.S. beef industry lost nearly half of its ranches in less than one decade. The remaining beef producers banded together, asking for a solution to plummeting beef demand.

THE START OF THE BEEF CHECKOFF – HOW IT WAS STARTED BY PRODUCERS

- The Beef Checkoff is the beef industry’s only joint state/national self-help program.
- The Beef Checkoff was created as part of the 1985 Farm Bill, in which Congress provided the outline for a program that would gather \$1 from beef farmers, ranchers and importers every time one head of cattle was sold throughout the United States. These dollars collected, according to the law, would only be used for promoting and researching beef, and driving demand for beef and beef products among consumers.
- What Is the Act? The Beef Promotion and Research Act (the Act) was passed as part of the 1985 Farm Bill and provides the mission and the base for development of a producer-funded beef promotion and research program -- the Beef Checkoff -- aimed at building demand for beef and beef products, both domestically and internationally. The Act authorized the U.S. Department of Agriculture to develop a Beef Promotion and Research Order covering specifics of the program’s operation. Making amendments to the Act requires U.S. congressional action and, ultimately, a producer referendum with a majority favoring the change.
- Following Congress’s action, a 1988 referendum to vote was sent out to all cattle ranchers, asking for their approval of this program – and it passed at nearly 80% approval. The key to its approval was the creation of a farmer/rancher/importer-governing body to oversee these important promotion and research dollars. This governing body would become the Cattlemen’s Beef Board.
- The Cattlemen’s Beef Board was created immediately following the referendum, and currently has 99 cattlemen and women members, representing nearly every state, and beef importers, too. Each beef-producing board member is nominated to the USDA by state producer organizations back home, and is appointed to the CBB for a three-year term by the U.S. Secretary of Agriculture.

RESOURCES

www.DrivingDemandForBeef.com

<https://www.beefboard.org/2020/03/03/former-cbb-chairman-jo-ann-smith/>

<https://www.beefboard.org/beef-act-and-order/>



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HOW THE CHECKOFF WORKS

- All beef producers and importers pay the equivalent of \$1 per head every time a beef animal is sold throughout its lifetime.
- The Beef Checkoff monies cannot – by law – be used for lobbying or to influence government policy in the beef industry. In addition, the Checkoff does not own cattle, packing plants or retail outlets. It cannot control beef or cattle prices, singlehandedly turn around a bad market, or lead individual producer profitability.

KEY POINTS:

Individual ranchers don't have the time or ability to have a full-time, national marketing department to sell our beef. The Checkoff does this for us. Remember that while you are managing your own place and business, but the Checkoff is there to ensure you have a customer.

- Beef Checkoff invests in programs – promotion, research, industry information, consumer information, foreign marketing, and producer communications – with the sole aim at influencing consumer sentiment towards beef, and driving beef demand domestically and abroad.
- The Beef Checkoff brings in nearly \$80 million annually to support these promotion and research projects on a national and state level. Half of the money collected by state beef councils – so 50 cents of every dollar – is invested at home in the state where the animal is sold.
- In order to spend the dollars collected from beef farmers and ranchers, each year national, beef industry-governed organizations put in grant requests (called Authorization Requests) for promotional programs and research projects that meet certain criteria within the Checkoff. A popular series of programs funded by the Checkoff through one of these organizations (NCBA) are the “Beef. It’s What’s For Dinner.” campaigns and platforms, which promote beef to consumers.
- Administrative Authority - Secretary of Agriculture appoints the CBB members; completely out of CBB’s hands. The USDA reviews everything that flows through our office: contracts, budgets, agreements, publications, articles, other materials. They have administrative oversight of the CBB. The USDA provides oversight of Qualified State Beef Councils that have signed memorandums of understanding. The CBB then has oversight of the other state beef councils, as they are funded through Checkoff dollars. CBB also is in contact with the Federation of State Beef Councils, even though they are a separate organization. They are in place for states to gather resources for their own joint efforts.

RESOURCES

www.DrivingDemandForBeef.com

<https://www.beefboard.org/checkoff/about-checkoff/>

<https://www.beefboard.org/checkoff/beef-checkoff-programs/>

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THE FLOW OF BEEF CHECKOFF DOLLARS

- Beef, dairy and veal producers and importers pay \$1 per head on each transaction directly to their Qualified State Beef Councils. Importers and producers in states without Qualified State Beef Councils pay one dollar directly to the Beef Board. State beef council boards vary in size but are always representative of the cattle industry in the state. The Beef Board includes 99 beef, dairy and veal producers, and importers who are nominated by producer organizations in their state and then appointed by the Secretary of Agriculture to be good stewards of your beef checkoff investment. The Beef Board sets the budget for and evaluates all national programs

KEY POINT:

50 cents of every dollar collected is sent directly to the Cattlemen's Beef Board for national programs.

Up to 50 cents of every dollar collected remains in the state where the animal is sold for local programming.

- Of the 50 cents retained, producers on your state beef council board determine how it should be invested in local and state programs. That could include use in that state, investment in another state's programming, or direct investment in a national program by sending funds directly to the contractor managing that program.
- Members of your state board also may decide to invest a portion of their 50 cents into national programs. This investment by a state is given to the Federation of State Beef Councils, whose board of producers chosen by their states determines which national programs receive these funds.
- Because the Beef Checkoff is a state and national program, the Beef Promotion Operating Committee was created by law to 'bring the two halves of the dollar together' into a coordinated program. The Operating Committee includes 10 Beef Board members and 10 producers selected by the Federation of State Beef Councils.
- The Operating Committee is responsible for approving checkoff programs and contracting with national industry-governed organizations to implement these programs. The Federation may also invest in national programs.
- This structure has been effective for more than three decades in promoting, researching, educating and safeguarding the beef industry.

RESOURCES

www.DrivingDemandForBeef.com

<https://www.beefboard.org/beef-board/>

<https://www.beefboard.org/qualified-state-beef-councils/federation-state-beef-councils/>

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THE BEEF CHECKOFF IS 100% DRIVEN BY PRODUCERS

KEY POINT:

By law, all Checkoff funding and decision-making is made solely by beef producers or importers.

- This is clearly outlined in the Act and the Order and is done through a collection of committees, including the Beef Operating Committee, representing members from both the Cattlemen’s Beef Board and the Federation of State Beef Councils. The memberships of these two organizations are made up of beef producers from all over the country, representing both national views and those at a state level.
- The number of Cattlemen’s Beef Board members is based on the number of cattle in the state or region; 500,000 head for the first Board member and an addition member for each additional 1 million head of cattle. Importer rates are \$1-per-head for live cattle and an equivalent rate for beef products. There are no packing companies or large corporation represented on the Beef Board.
- In order to be a member of the Cattlemen’s Beef Board, a producer must be nominated by a qualified beef organization in their state to the Department of Agriculture. The Secretary of Agriculture then appoints these CBB members. CBB members serve a three-year term, with the possibility of a one-time extension for a total of 6 years. The 99 members of the Cattlemen’s Beef Board represent all beef segments – including beef, veal and dairy producers, as well as cattle and beef importers.
- As with nearly every non-profit organization, the CBB and Federation have a team of office professionals that help to administer the mission of their programs. These staff work at the direction of their members and are overseen by their respective Officers.

RESOURCES

www.DrivingDemandForBeef.com

<https://www.beefboard.org/beef-act-and-order/>



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CATTLEMEN'S BEEF BOARD MEMBERSHIP

KEY POINT: The Cattlemen's Beef Board has 92 members representing beef producers (cow/calf, feeders, stockers, backgrounders, and dairy), and 7 members representing importers.

- All beef producers and importers pay the equivalent of \$1 per head every time a beef animal is sold throughout its lifetime.
- The number of Cattlemen's Beef Board members is based on the number of cattle in the state or region; 500,000 head for the first Board member and an addition member for each additional 1 million head of cattle. Importer rates are \$1-per-head for live cattle and an equivalent rate for beef products. Membership figures are updated every three years. There are no packing companies or large corporation represented on the Beef Board.
- Packers do not pay into the Checkoff and as such they do not have any direct representation on any Checkoff Committees or on the Cattlemen's Beef Board.

BEEF CHECKOFF PROGRAM COMMITTEES & WORKING GROUPS

- The Beef Checkoff has five committees (Foreign Marketing, Innovation, Nutrition & Health, Consumer Trust, and Safety) and two working groups (Investor Relations and Market Research). These bodies provide the framework that allows the Checkoff to be 100% led by producers.
- Checkoff Committees meet twice each year to review projects and other work being done with Checkoff dollars by contractors.
- Checkoff Committee membership includes 20 Cattlemen's Beef Board members, representing the national program perspective; and 20 Federation of State Beef Council members, representing the program perspectives of the states. Together each committee's 40-person body is led by two co-chairs (representing each organization) who allow the process, feedback and decisions to be 100% producer-led.
- Checkoff Committees are formed based on the strategies identified in the Beef Industry Long Range Plan and demand drivers from the Consumer Beef Demand Driver research. Twice a year, producer leaders meet in their committees to review promotions and other projects that directly tie to their strategic initiatives.

THE FUNDING DECISION MAKERS: THE BEEF PROMOTION OPERATING COMMITTEE

- The Operating Committee is made of 10 members/producers/importers of each of the Cattlemen's Beef Board and the Federation of State Beef Councils. That body considers grant requests – called Authorization Requests – from qualified beef organizations. They meet every twice annually and disseminate about \$40 million to programs and projects that fit within the scope of the Beef Checkoff.

RESOURCES

www.DrivingDemandForBeef.com

<https://www.beefboard.org/beef-board/committees/operating-committee/>



THE BEEF CHECKOFF'S RETURN ON INVESTMENT (ROI)

- This independent return on investment evaluation was carried out by Dr. Harry M. Kaiser who is the Gellert Family Professor of Applied Economics and Management at Cornell University. Dr. Kaiser is a nationally and internationally renowned expert in the economics of generic advertising and promotion programs. Dr. Kaiser has extensive experience in conducting economic evaluation studies of domestic and international checkoff programs.
- This study is to provide an independent economic evaluation of the effectiveness and impacts of the national CBB marketing and research programs over the past five years, 2014-2018 ON THE ENTIRE BEEF INDUSTRY.

KEY FINDINGS:

KEY POINT:

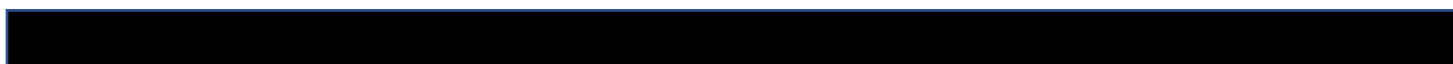
Had there not been any domestic CBB demand-enhancing activities over the latest 5-year period (2014 through 2018), total domestic beef demand would have been 14.3% lower than actual. That 14.3% is equal to 12.8 billion pounds in total over five years - or 2.6 billion pounds (nearly 4.4 million more head of cattle) - per year!

- Similarly, had there not been any CBB foreign market development programs over the past 5 years, U.S. beef export demand would have been 5.5% lower than actual in the eight foreign markets studied here.
- Collectively, the overall benefit-cost ratio for all nine CBB activities (including foreign market development) is \$11.91. In other words, a dollar invested in CBB activities over the period, 2014-18, returned \$11.91 to the beef industry, as a whole. The Beef Checkoff benefits all areas of the supply chain, giving value across every sector by driving beef demand to consumers. In other words, “a rising tide raises all ships” – the checkoff lends support across the whole beef industry.
- As a point of clarification, the Beef Checkoff cannot control beef or cattle prices, singlehandedly turn around a bad market, or lead individual producer profitability.

RESOURCES

<https://www.beefboard.org/wp-content/uploads/2019/07/Full-ROI-Report.pdf>

<https://www.beefboard.org/wp-content/uploads/2019/07/ROI-Report-Summary.pdf>



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COUNTRY OF ORIGIN LABELING (C.O.O.L.)

KEY POINT:

Country of Origin Labeling (COOL) is a policy decision, and by law, the Beef Checkoff cannot collaborate or influence political actions. Therefore, the Beef Checkoff cannot play a role in this issue.

BACKGROUND:

- In 2002, Congress enacted a mandatory country of origin labeling requirement for meat products. Following amendments made to the 2008 Farm Bill to address questions of workability regarding the original statute, the Department of Agriculture finalized implementing regulations in 2009. In a recently released congressionally mandated study, the USDA estimated it would cost approximately \$2.6 billion for the livestock and meat industry to comply with COOL rules. These rules required livestock from outside the U.S. to be segregated through each step of production, raising the cost of utilizing imported livestock. The implementation of COOL affected the middle of the beef supply chain – in which, by law, the Beef Checkoff cannot have a role. The law states that the checkoff cannot collaborate or influence political actions, and can only have the focus of building beef demand toward consumers through promotion and research efforts.
- Canada and Mexico challenged U.S. COOL in the World Trade Organization (WTO), arguing that COOL has a trade-distorting impact by reducing the value and number of cattle and hogs shipped to the U.S. market, thus violating WTO trade commitments. In November 2011, the WTO dispute settlement (DS) panel found that COOL treated imported livestock less favorably than U.S. livestock, and did not meet its objective to provide complete information to consumers on the origin of meat products. Throughout the WTO challenges, a number of bills were presented in the House and Senate that aimed to repeal the COOL requirements, but none were successfully passed into law. However, in 2015, Congress passed the 2016 Consolidated Appropriations Act, an omnibus spending bill, Pub. L. NO. 114-114, that repealed all COOL requirements from muscle cuts of beef and pork, and ground beef and pork. USDA Secretary Vilsack also sent out guidance that the USDA will no longer enforce the COOL regulations for beef and pork in accordance with the law. Thus, retailers are no longer required to provide COOL at the point of sale. However, COOL regulations and requirements are still in full effect for the following products: chicken, lamb, goat, farm-raised and wild caught fish and shellfish, perishable agricultural commodities, peanuts, pecans, macadamia nuts, and ginseng.
- For decades, many business owners have voluntarily labelled or branded their meat products to distinguish their product and charge a premium. For example, the grocery chain Safeway markets its “Rancher’s Reserve” beef with a voluntary label.
- It should be noted that there is nothing prohibiting producers from creating their own labeling program for beef, whether from the U.S. or abroad.

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IMPORTING BEEF INTO THE U.S.

- The need for imports is not as simple as the number of cattle needed to meet demand, but instead the demand *for certain parts* of the animal, such as lean trim.
- Lean trim is in very short supply in the U.S. because the number of beef and dairy cows and cull calves being sent to market has declined significantly during the last decade and we simply don't produce enough lean.

KEY POINT:

The vast majority of beef imported to the U.S. is lean trim (90+ percent lean) – primarily from Australia and New Zealand – to mix with 50/50 lean and fat ground beef produced in the U.S. so we can meet domestic consumer demand for lean beef.

[\(Dr. Thomas E. Elam, Ph.D., Hudson Institute White Paper, "The U.S. Ground Beef Market: Why Imports Help."\)](#)

- Without this imported trim, the U.S. beef supply would run short of the lean ground beef required to meet that consumer demand – particularly for fast food restaurants. The U.S. domestic supply is mainly from fed cattle. A by-product of the retail beef cuts produced from fed cattle is 50 percent fat trimmings. These are mixed with lean trimmings to produce ground beef for hamburgers, meatballs, — hence the need for additional lean beef that is supplied by imports. At the same time, it increases the value of the fat trimmings.
- Without this imported trim, the U.S. beef supply would run far short of the lean ground beef required to meet that consumer demand. A growing number of consumers say they would turn to other, leaner protein options if lean ground beef was unavailable or too expensive.
- Considering the entire picture, including the value of all the U.S. beef that goes into the ground beef supply, imports of lean beef actually enhance the value of the U.S. beef market and overall cattle prices. In addition, importing lean beef allows U.S. cattlemen to maximize their competitive advantage of fed beef production via exportation.
- Items exported are typically not high demand items in the U.S. (such as short plate, chuck roll, tongue, tripe) but are demand items in many international markets. Rather than grinding these cuts at trim prices (or rendering for even less), they can be exported for a premium. This difference of the domestic price vs. the export prices or “export premium”, added over \$320 per head of fed cattle last year.

IMPORTERS PAY THE CHECKOFF

- Yes, importers pay \$1-per-head equivalent on all live cattle, beef and beef products imported to the United States, adding approximately \$7.37 million in 2018 to the beef checkoff budget.
- The Beef Act speaks to advancing the generic image and desirability of beef and beef products, not a specific category of beef. Instead, the checkoff is charged with serving as a catalyst to provide consumers with beef research, information and promotion of beef, in general, that encourages them to eat more beef – on the tenet that “a rising tide lifts all boats.”

- The “Guidelines for the Approval of Programs Under the Beef Promotion & Research Act” reinforces the purpose, in Section III, that since producers and importers subject to the beef-checkoff assessment are required to contribute under the Act, “expenditures of checkoff funds should benefit the entire industry.”

RESOURCES

www.DrivingDemandForBeef.com

<https://www.beefboard.org/2020/01/31/exports-and-imports-help-bring-value-to-our-industry/>

<https://www.beefboard.org/2018/12/06/understanding-the-value-of-beef-imports/>

<https://www.beefitswhatsfordinner.com/retail/sales-data-shopper-insights/ground-beef-sales>

(Dr. Thomas E. Elam, Ph.D., Hudson Institute White Paper, “The U.S. Ground Beef Market: Why Imports Help.”)



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THE PROMOTIONAL POWER OF THE CHECKOFF

KEY POINT:

Remember that producers aren't the target of beef messaging – it's laser-focused on consumers.

BEEF. IT'S WHAT'S FOR DINNER.

- The checkoff has extensive market research that led us to identify Older Millennial Parents – or consumers born between 1980 and 2000 – as our target audience for consumer marketing. Additional research defines SOCIAL MEDIA, not television, as the best way to reach this audience in high population centers. The Millennial generation is 80 million strong – which is bigger than the Baby Boomers generation and currently makes up about a fourth of all Americans and about a third of all adults. They are the consumers of the future.
- With information that shows us that these Millennials virtually 'live' online, one of the most dramatic changes the checkoff made a couple of years ago is to move *Beef. It's What's For Dinner* advertising to digital platforms. This takes advantage of the importance that millennials put on electronic devices, such as smartphones, tablets, cell phones, computers and consoles, which allow us to very specifically target consumers in this generation.
- Delivering beef messages on email, blogs and social networks, allows us to be extremely selective about who receives our messages because we use "geo-targeting," which allows us to track every online move a user makes. With this new approach, we are able to reach a very tight target audience, whose preferences, food like and lifestyles fit the checkoff.
 - Example: A Millennial-aged mother of two boys visits the grocery store, using her smartphone to price check items in her cart as she shops. The geographic sensors in her phone "ping" her location. When she returns home later that day and her phone connects to her WiFi, the geo-tracking in her device then serves up *Beef. It's What's For Dinner*. ads on every connected device on her server: streaming television, laptops, email, online shopping, Pandora radio, etc. It is this specific targeting that makes the checkoff promotional dollars stretch far wider than in past decades.
- This fiscally-responsible approach better affords us the ability to put together effective and comprehensive consumer promotions and marketing programs that we know are getting to our key audience in various forms – and directly in response to their demands. In addition, this platform allows us to get vital data and feedback in real-time from our consumer audience, and allows for message adjustment, if needed, much more quickly than in the years of traditional media.

BEEFSHI

- The checkoff advanced a creative new way for consumers to enjoy prepared beef with Beefshi. These innovative new sushi-style serving suggestions feature convenient beef products like pastrami, roast beef, summer sausage, hot dogs, corned beef and bologna. Food media and registered dietitians love the concept and have been promoting it to consumers.

VEAL

- The Beef Checkoff has created a newly designed mobile responsive veal website featuring wellness recipes, trending nutrition topics, preparation and cooking tips as well as an extensive library of recipes, images and videos which can be accessed and used by state beef councils and industry partners.
- Engaging veal articles featuring delicious and nutritious veal recipes are being published by Family Features (a print/digital syndication network). This program exceeded our reach and engagement projections and gained national exposure for veal and the Beef Checkoff achieving 300+ million impressions.
- Partnerships with State Beef Councils on consumer events, veal farm tours and culinary school and blogger recipe competitions.

CHUCK KNOWS BEEF

- In FY2019, the first all-knowing beef virtual assistant, Chuck Knows Beef, was built based on technology featured on Amazon Echo and Google Home devices that allowed content to be pulled from the BeefItsWhatsForDinner.com website to help consumers around the country choose beef by sharing recipe inspiration and beef education through smart speakers and audio skills—a growing technology that is rapidly being adopted by Older Millennial parents. Chuck Knows Beef is also available online and on mobile devices, featuring audio interaction with a speaking beef guru.

RESOURCES

www.DrivingDemandForBeef.com

www.BeefItsWhatsForDinner.com

www.ChuckKnowsBeef.com

www.Beefshi.com

www.VealMadeEasy.com

Chatting About the Checkoff



SUPPORT FOR BEEF IN A WORLD OF MEAT SUBSTITUTES

KEY POINT:

Data shows that regardless of what the mass media is sharing regarding meat substitutes, beef remains a strong leader in the protein sector with consumers worldwide.

Consumer Marketing and Information

- The *Beef. It's What's For Dinner.* brand has created a series of social media ads that clearly position beef as the top protein and address meat alternative head on. These ads appear on popular websites and social media platforms and utilize tongue in- cheek humor and beef's swagger to address alternative proteins head on. Some of these ads include:
 - "Nicely done beef, you know a protein packed meal looks nothing like a shake."
 - "Nicely done beef, you've proved that meat substitutes are just that. Substitutes."

Issues Management and Media Response

- Every day, Checkoff dollars are used to monitor more than 40,000 media and social media sites to counter misinformation about beef in comparison to alternative proteins. For example, in the few weeks surrounding the launch of the EAT-Lancet report, which promoted a largely plant-based diet, there were more than 100 media touchpoints with national consumer media outlets providing correct messaging and the latest facts and data on beef's role in a healthy, sustainable diet.

Conducting Intensive Consumer and Market Research

- The Checkoff is funding research to determine how consumers think about beef and alternative proteins, as well as where they are spending their protein dollars. For example:
 - Meat alternatives represent a fraction of protein pounds sold; registering at 0.1% share in 2018. The share of beef alternatives is 0.5% compared to beef's 99.5% of market share. (1)
 - 2019 annual projected beef consumption is more than 58 pounds per capita versus beef substitutes measuring in at a few ounces per capita. 2019 will mark the fourth straight year per capita beef consumption increased from 2015's low of 53.9 pounds. (2)
 - A recent study found that when beef is part of a consumer's grocery basket, retailers enjoy a considerable increase in the total basket's value. In fact, carts with beef generate 44% more sales across the store than carts with chicken. Beef substitutes fare even worse. Carts with beef contribute almost 20 times as many dollars to retailers as do carts with beef substitutes. (3)
 - While more foodservice operators are beginning to include meat alternatives on their menus, there continues to be far more beef items in food service than meat alternatives. In 2018, \$31 billion of beef was sold through foodservice outlets compared to \$99 million of beef substitutes. (4)

1: *Alternative Proteins at Foodservice Study*, Technomic, October 2018; *Usage and Volumetric Assessment of Beef in Foodservice*, Technomic, December 2017; IRI, *Refrigerated/Frozen Meat Substitutes, 52 weeks ending 6/16/18*; IRI/Freshlook, *Total US MULO ending 5/28/18*; Categorized by V MMeat System; 2: USDA, *CattleFax Projected 2019*; 3: IRI *Market Basket Study*; 4: *2018 Technomic Foodservice Volumetric Study; Alternative Proteins Multi-Client Study*, Technomic, 2018

RESOURCES

www.DrivingDemandForBeef.com

www.BeefitsWhatsForDinner.com

<https://www.beefitswhatsfordinner.com/retail/sales-data-shopper-insights/meat-substitutes-in-retail>

<https://www.beefitswhatsfordinner.com/retail/sales-data-shopper-insights/consumers-consider-beef-top-protein>

<https://www.beefboard.org/2020/02/19/the-beef-with-meat-substitutes/>

<https://www.beefboard.org/2019/07/17/beef-and-alternative-proteins-americans-choose-beef/>



SAFEGUARDING CHECKOFF DOLLARS – CBB’s INTERNAL CONTROLS

KEY POINT:

The internal controls performed by the CBB staff members to keep all Checkoff dollars accounted for and safe are significant, following the highest industry standards for handling and recordkeeping.

These are the producer-directed accounting measures that the Cattlemen’s Beef Board (CBB) has in place to safeguard checkoff dollars:

- Monthly, the CBB Chief Financial Officer (CFO) receives original bank information, opens and compares it to the activity in the CBB accounting records.
 - This includes a review of images of checks that cleared the bank account and verification of the total inflows and outflows on the bank statement and the accounting records.
- Procedures in place at CBB’s bank require authorization of electronic transfers out of CBB accounts by two CBB staff members.
 - The CFO and the chief accountant require documentation of this authorization before recording the transfer in accounting records.
- We direct that all money due to CBB be mailed directly to CBB’s bank and deposited by the bank to ensure that all collections are deposited directly into CBB’s account, without passing through any staff or other hands. Occasionally, however, CBB receives a check in the mail at the CBB office.
 - For these situations, CBB has procedures in place requiring that all mail is opened by two non-accounting staff members together. These staff members also log any checks received, prior to handing them to the CFO for deposit via a mobile bank-deposit application.
- CBB segregates the recording of incoming assessments in its accounting records as part of its oversight of assessment collections. Involving at least two staff members reduces the risk of error or misappropriation of checkoff assessments.
 - CBB reconciles incoming assessments recorded in the accounting records with assessments recorded via custom collection software and bank statements to ensure that all reports of revenue and collection activity are complete and accurate.
 - CBB monitors the Board’s property and equipment by performing an annual fixed-asset count and verification of all assets.
 - To protect the Board against unauthorized or inappropriate expenditures and to comply with the Act and Order – and USDA’s guidelines for checkoff programs – CBB requires detailed receipts for expense reimbursement to staff and Beef Board members for items greater than \$30.

RESOURCES

www.DrivingDemandForBeef.com

<https://www.beefboard.org/wp-content/uploads/2020/02/PDF-Final-Financial-Statements-CBB-FY19-1.30.pdf>

<https://www.beefboard.org/wp-content/uploads/2020/02/FY19AnnualReport.pdf>

Resources

CATTLEMEN'S BEEF BOARD / BEEF CHECKOFF WEBSITE

DrivingDemandForBeef.com

FEDERATION OF STATE BEEF COUNCILS WEBSITE

NCBA.org/federation

BEEF CHECKOFF CONTRACTOR WEBSITES

National Cattlemen's Beef Association: NCBA.org / BeefItsWhatsForDinner.com / BeefResearch.org

American Farmer Bureau Foundation for Agriculture: AgFoundation.org

North American Meat Institute: MeatInstitute.org

Meat Importers Council of America: MicaUSA.org

United States Cattlemen's Association: USCattlemen.org

Cattlemen's Beef Board: BeefBoard.org

National Livestock Producers Association: NLPA.org

Foundation for Meat and Poultry Research and Education: MeatPoultryFoundation.org

BEEF CHECKOFF SUBCONTRACTOR WEBSITES

National Institute for Animal Agriculture: AnimalAgriculture.org

Northeast Beef Promotion Initiative: NEBPI.org

United States Meat Export Federation: USMEF.org

Kansas State University: k-state.edu