



Advertising Campaigns



MBC makes every attempt to ensure beef is the top protein choice for consumers. We utilize the "Beef. It's What's for Dinner." brand to connect with Metropolitan Millennial consumers through digital marketing and paid media. Advertising strategies include digital radio, online search, social media, and digital display advertisements. In 2018, MBC had over 8 million impressions through these efforts.

Twin Cities Live

MBC makes a monthly appearance on Twin Cities Live, an afternoon program that airs daily on KSTP. Each segment is posted on our YouTube Channel after the air date and for 2018, we had over 800,000 household viewer impressions.

Beef Quality Assurance

MBC's Beef Quality Assurance Program hosted over 28 trainings in 2018 and certified just over 1,400 farmers and ranchers through face-to-face trainings. An additional 1,000 farmers were certified online through the Beef Checkoff BQA.org website.

Farmer Feature Videos



In 2018, MBC produced farmer feature videos that were shared on our website, through YouTube and social media. The videos featured the seedstock, cow/calf and feedyard sectors of our industry. This project helped to put a face to the hardworking cattlemen who produce beef, and videos were viewed 260,000 times.

International Marketing



Prominent media representatives from Japan visited Minnesota to learn more about the U.S. beef industry. As guests of the MBC and the U.S. Meat Export Federation, attendees learned about how cattle are raised and how meat is marketed through both retail and foodservice channels.

As of October 2018, the value of exports to the beef industry amounts to \$6.92 billion, up 17% from 2017. This equates to a value of \$320 per head of fed slaughter for January – October 2018.

A major project this past year, included supporting the U.S. Meat Export Federation's U.S. beef promotion efforts in Asia. In May, representatives of MBC and the Minnesota State Cattlemen's Association, traveled to Japan and China, to meet with important industry leaders and connecting with consumers at the retail counter through influencer grilling events.

Culinary Partnerships

The MBC staff works to foster relationships with chef's, restaurant owners and culinary students. We do this through meat cutting demonstrations with culinary schools and through the American Culinary Federation (MN Chapter). Each year, we name a Minnesota Restaurant of the Year. This year's Beef Backer Award winner was Pittsburgh Blue in Maple Grove and Edina.

Research

Checkoff funds are allocated to various research projects related to beef product enhancement, nutrition of beef, beef safety and beef sustainability.

Health & Nutrition Influencers



Through several health professional conferences, meetings and beef immersion farm tours, MBC directly connected with influencers and shared information on beef production practices, the evolution of beef in our diets and addressed common misconceptions related to beef's health through science and research findings.

Retail Partnerships



Grocery stores, meat markets and even convenience stores serve a vitally important role as the point of purchase for consumers to connect with our amazing beef products. Activities this year included support and education to meat managers, marketers and dietitians at Hy-Vee and Coborn's retailers, along with continued partnership with the MN Association of Meat Processors (MAMP) to connect with many of our local butchers and meat markets. This year's "Retail Beef Backer of the Year" was Schmidt's Meat Market in Nicollet, MN.

Advocacy Training



The Minnesota "Top of Class" program is a dynamic year-long educational experience featuring both in-state and out-of-state seminars. The goal of the program is to equip participants with the training, knowledge and experience they need to be sources of information for local, state and national media outlets, journalists and consumers looking for information about beef production. In 2018, nine members of the Minnesota beef community completed the program.

Local Producer Promotion

MBC contributed nearly \$8,000 through the Local Producer Promotion Program to local organizations promoting beef to consumers. This is a great way for us to extend our efforts to local communities throughout the state of Minnesota.

To keep up to date with the Minnesota Beef Council activities

On air: Linder Network (Mondays at 12:45 p.m.), RRFN (Wednesdays at 12:35 p.m.), KASM (Mondays at 12:20 p.m.), KDHL (Tuesdays at 6:00 a.m.) and WNAX

(Wednesdays at 8:30 a.m.)

Online: mnbeef.org

Social: Facebook, Instagram, YouTube

MBC Board of Directors

District 1: Patricia Erickson, Dan Larson
 District 2&3: Tom Olson
 District 4: Kami Schoenfeld, Davis Wulf
 District 5: David Glessing, John Schafer, Dave Marquardt
 District 6: Duane Munsterteiger
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 Katie Davis, Business Manager
 Royalee Rhoads, Director of Industry Relations
 Becky Church, Communications Director
 Ashley Kohls, Beef Quality Assurance Coordinator
 Renee Korczak, Consulting Dietitian



MINNESOTA BEEF COUNCIL FISCAL YEAR 2018 EXPENDITURES BY CATEGORY

Consumer Information.....	\$218,365
Industry Information	\$132,388
Producer Communication	\$66,822
Promotion	\$182,074
Research.....	\$48,170
Administration (Non-Staff Overhead).....	\$18,350
Administrative Staff Costs	\$22,991
TOTAL	\$689,160

It's important consumers understand how committed producers are to serving as faithful stewards of the valuable natural resources that have been entrusted to them. That's part of the Rethink the Ranch message. It's why the website provides consumer-friendly, easy-to-understand information on how beef producers are being effective stewards of the land and resources, from drones to help observe and manage cattle to solar technology to generate power and help operate water systems, cattle producers are using technology responsibly.

Good and Getting Better

Of course, cattle producers have always prided themselves in their dedication to animal welfare, beef quality, sustainability and community involvement. Recent research shows they are getting better in all four of these areas.

The checkoff-funded Cattlemen's Stewardship Review gathered data from an independent 2017 telephone survey of beef producers to deliver a comprehensive profile of the U.S. beef community today. The research showed improvements in all four areas, compared to a 2010 checkoff-funded benchmark survey.

It found that the well-being of cattle is the top priority for 95 percent of producers, that 97 percent of cattle farmers and ranchers believe producing safe beef is crucial to the future of the industry, and that 95 percent of producers believe conservation of land is extremely important to them.

Results of the research were shared with key national media.

More Foundation from Research

Checkoff-funded research providing answers to complex questions about beef production is helping create clarity to issues such as beef sustainability. The checkoff-funded sustainability research program has developed a series of 19 fact sheets that explain many benefits of U.S. beef production, such as how the global impact of beef production could likely be dramatically reduced if other countries could achieve the same productivity as U.S. beef – the most efficient beef production system in the world. To see these fact sheets, go to www.beefresearch.org.

BQA Certifications Add to Evidence

Further strengthening the case that cattle producers recognize their societal role is the fact that online certifications in the beef checkoff-funded Beef Quality Assurance program have surpassed 20,000. First available in early 2017, online BQA certifications join those conducted at in-person training events offered by state beef councils, cattlemen's affiliates, extension programs and other local efforts.

Both in-person and online certifications show how common-sense husbandry techniques can be coupled with accepted scientific knowledge to raise cattle under optimum management and environmental conditions, helping beef producers capture additional value from their market cattle and reflecting a positive public image for the beef industry.

Producers Telling Their Stories

The Raising Beef section of the new *Beef. It's What's For Dinner.* website has featured several graduates of the checkoff-funded Masters of Beef Advocacy program. MBA graduates – who now

number nearly 11,500 – are helping people rethink the ranch by sharing their personal stories on the site. The collaboration between programs is an example of how the beef checkoff-funded Beef Advocacy Training and Engagement program works to help members of the beef community leverage their advocacy and spokesperson skills, benefiting many checkoff programs.

Expanding International Beef Demand

Thanks in part to beef checkoff-funded efforts to promote to and educate our international customers, global beef demand was up in 2018, with markets outside of the United States buying a larger share of U.S. beef production at higher prices. According to USDA data compiled by the U.S. Meat Export Federation, through June, U.S. beef and beef variety meat exports set a record pace in both volume (662,875 metric tons) and value (\$4.03 billion). In previous years, export value had never topped the \$4 billion mark before August.

The same data suggests the U.S. has exported 13.5 percent of its total 2018 beef production, up from 12.8 percent last year. Export value per fed steer or heifer slaughtered averaged \$317 – up 18 percent from a year ago.

Noteworthy export markets in 2018's first half included Japan (\$1.02 billion – up 12 percent from last year's pace), South Korea (\$802.1 million, up 52 percent), China/Hong Kong (\$510.8 million, up 43 percent) and Taiwan (\$249.7 million, up 39 percent). Also showing strong demand for U.S. beef were Mexico (\$506.7 million, up 10 percent), Central America (\$38.8 million, up 26 percent) and South America (\$63.9 million, up 20 percent).

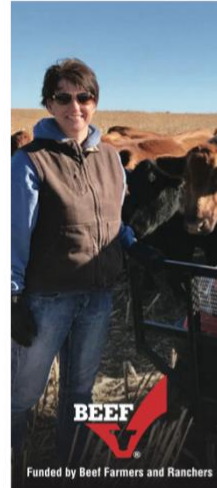
Cattlemen's Beef Board Fiscal Year 2018 Expenditures

Promotion	\$9,225,692
Research	\$8,042,093
Consumer Information	\$7,345,798
Industry Information	\$3,560,607
Foreign Marketing	\$7,640,567
Producer Communications	\$1,179,898
Evaluation	\$230,795
Program Development	\$295,075
USDA Oversight	\$601,681
Administration	\$1,811,956
TOTAL EXPENSES	\$39,934,162

Unaudited Numbers

An independent survey of beef producers has found 74 percent continue to approve of the Beef Checkoff Program. That's 5 percent higher than it was a year earlier. The survey found that the more producers know about the program, the more supportive they are.

Seventy eight percent said the checkoff has value, even when the economy is weak, and 71 percent say the checkoff represents their interests. The survey was conducted from December 2017 to mid-January, 2018.



Dear Fellow Producers:

Surveys show beef consumers are interested in knowing more about the beef they eat. They still want it to be tasty, tender, convenient and provide value, of course. But today they also want to know that the animal was raised with care and in an environment that is wholesome and environmentally sound.

That desire led the Beef Checkoff Program to include a "Rethink the Ranch" element to its *Beef. It's What's For Dinner.* relaunch. The component gives consumers – the majority of whom have very little connection to agriculture, let alone the beef they buy – a chance to see how beef producers are combining good husbandry and production practices with new technology to assure the best possible results in terms of care and products.

The promotion's added direction compliments the broader messages within the *Beef. It's What's For Dinner.* brand and campaign. Those messages highlight the most critical aspects of what consumers expect from the beef they buy, taste being the most important. Recipes, nutrition and cut information and more is available on the industry's upgraded website and is being broadly promoted digitally. Let's face it: Beef will always be among the preferred meats because it tastes so good.

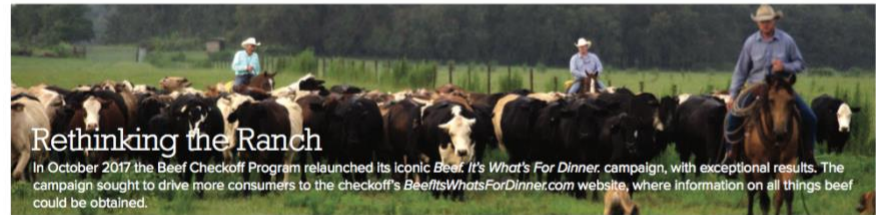
The relaunched national campaign features opportunities for state beef councils to join in outreach and messaging to consumers and marketers at the state level. This creates a state/national team with which our industry is having a real impact on demand for our products.

You can read all about it in this report. Thanks for your support and engagement in continuing to make beef what's for dinner.

Yours truly,

Dawn Caldwell

Dawn Caldwell
Edgar, Nebraska
Chairman, Federation of State Beef Councils



Created 25 years ago, *Beef. It's What's For Dinner.* was introduced with promotion that included television and print advertising that captured the imagination and taste buds of consumers. Times change, however, and while the concept is still strong, the ways consumers get their information is different than it was in the early 1990s. Social and digital media have become the key ways information is delivered to consumers today.

Through the refocused and strengthened campaign, visitors to the website over the past year have totaled more than 8 million – compared to about 3 million the year before. The primary purpose for visiting for many consumers are the recipes, cut information and nutrition advice found on the site. Increasingly, however, consumers want to know even more about how the beef they eat is raised. A new feature of the campaign called Rethink the Ranch is giving consumers an up-close-and-personal look at the people who make beef possible. The campaign features real ranchers and farmers and their real stories about how they produce beef.

Last summer a camera crew traveled 3,800 miles across the United States, visiting six different cattle operations in four states. They captured more than 100 hours of video, as well as

images and stories about the people who raise beef animals. The images and video they developed have become a big part of the checkoff's new consumer outreach.

Nationally, the videos have generated more than 765,000 video views, and reached more than 3.5 million consumers. State beef councils have downloaded Rethink the Ranch content for use on their own social media properties and other consumer and thought leader outreach.

It's the first time *BeefItsWhatsForDinner.com* has promoted both the product and the people who produce it, a story focused on promoting beef's greatest strengths: unbeatable taste, variety and ease of cooking, nutritional attributes that can't be matched and the people that make it all possible, caring for the animals and environment with appreciation and respect.

State beef councils are also extending the campaign, exciting their states' consumers about beef's many benefits. Of special interest has been the campaign's Rethink the Ranch anthem video and related video spots showcasing real farmers and ranchers from around the country.