



Checkoff News

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BEEF INDUSTRY CAMPAIGN PROMPTS CONSUMER SPENDING DURING 2003 SUMMER GRILLING SEASON

Annual Summer Grilling Promotion Drives Consumers to the Meat Case Despite Unfavorable Economic Conditions

DENVER (December 18, 2003) – The beef industry today announced the results of its checkoff-funded 2003 Summer Grilling campaign, showing that consumers across America were firing up their grills in record numbers. The evaluation, conducted by FreshLook on behalf of the Cattlemen's Beef Board and State Beef Councils, indicates that despite higher prices and limited supply, consumer spending on beef remained strong throughout the summer.

An analysis of the campaign's results shows that total beef dollar volume increased 3.4 percent, or better than twice the rate of total meat dollar volume. Additionally, dollar volume for grilling cuts of beef increased 4.2 percent over a year ago or 24 percent more than the increase experienced for total beef dollar volume. Overall, beef grilling cuts dominated the product mix, representing 68 percent of all beef dollar sales.

"The impact of the 2003 Summer Grilling campaign can be seen in the strong growth of beef grilling cuts throughout our 15-week checkoff-funded program," said Randy Irion, director of retail marketing services for the National Cattlemen's Beef Association (NCBA). "Our campaign goal was to drive the consumer to the meat case with a variety of promotional initiatives. With the support of key retailers and partners such as A.1., Gallo and Kingsford, as well as State Beef Councils, we were able to achieve that goal."

To increase consumer traffic at the meat case, the beef industry conducted more than 160 value-added radio promotions with the support of the nation's top retailers, including Albertsons. Live, value-added promotions were held in each of the campaign's 33 markets, including New York, Los Angeles, Chicago, Philadelphia, San Francisco and Dallas/Fort Worth.

NCBA partnerships with A.1. Steak Sauce and Marinades, E&J Gallo and Kingsford Charcoal helped to expand the 2003 promotion. Sunday morning newspapers carried three freestanding inserts that dispensed more than 110 million offers to consumers. Produced in collaboration with A.1. and Kingsford, the inserts ran May 18, June 22 and August 10.

- more -

NCBA Summer Grilling Promotion/Page 2

“The beef industry’s Summer Grilling promotion is a great way for us to extend our efforts to make this year’s grilling season a success at our butcher shops and meat cases in 31 states,” said Kip Gruell, vice president, meat merchandising and procurement, at Albertsons. “We look forward to working with the beef industry to increase sales and customer demand as we build the program’s momentum in 2004.”

The 2003 Summer Grilling campaign was an integrated retail marketing effort that featured all cuts of beef, including the chuck and round, and incorporated the well-recognized tagline, “Beef. It’s What’s for Dinner.”

The beef industry is currently in the development stages of the 2004 Summer Grilling campaign, designed to build upon the strong points of the 2003 and 2002 promotions. Plans for the campaign will be unveiled at the American Meat Institute’s Annual Meat Conference held in Nashville in March 2004.

For more information about the NCBA’s Summer Grilling campaign, please contact Randy Irion at 312/670-9403 or visit the official Web site at www.BeefItsWhatsforDinner.com.

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The Beef Checkoff Program was established as part of the 1985 Farm Bill. The checkoff assesses \$1 per head on the sale of live domestic and imported cattle, in addition to a comparable assessment on imported beef and beef products. States retain up to 50 cents on the dollar and forward the other 50 cents per head to the Cattlemen’s Beef Promotion and Research Board, which administers the national checkoff program, subject to USDA approval. The checkoff assessment became mandatory when the program was approved by 79 percent of producers in a 1988 national referendum vote. Checkoff revenues may be used for promotion, education and research programs to improve the marketing climate for beef.

Producer-directed and consumer-focused, the NCBA is the trade association of America’s cattle farmers and ranchers, and the marketing organization for the largest segment of the nation’s food and fiber industry.