Letter from the President

Dear South Dakota Beef Producers,

Raising beef can be a challenge with multiple factors continuing to test our resilience. Whether you are dealing with weather, prices, or herd health, it’s important to know the dollars you are investing in the Beef Checkoff are managed and used in the most efficient and effective manner possible. We would like to extend our thanks to you, South Dakota beef producers, for your continued commitment in producing a quality beef product.

The South Dakota Beef Industry Council (SDBIC), your qualified state beef council, is made up of twenty-four members from eight different agricultural organizations across the entire state and we want to assure you that we are listening and your voice is being heard.

As you review highlights from 2019, you will see the impact of your checkoff through in-state and out-of-state promotions; including consumer information, research, industry information, producer communications, and national Beef Checkoff programs and outreach. As a beef producer and leader of this organization, I urge you to contact any one of us on the board, or our tremendous staff at the SDBIC on anything that you may have questions or concerns about.

The year ahead looks very exciting with new opportunities to promote and educate beef’s nutritional value to consumers. I look forward to another year and being a part of the organization as we continue to spread the beef message. We are also continually looking for opportunity to build beef’s demand and welcome your ideas.

With that, I thank you and encourage you to attend one of our quarterly board meetings. These meetings are open to the public. I would especially like to welcome our new board president, Laurie Johnson. I look forward to her leadership in the year to come.

Sincerely,
Eric Sumption, SDBIC President
Frederick, South Dakota

2019-2020 SDBIC Directors

SD Farmers Union
Eric Sumption, Mike Maher, Jeff Kippley
SD Livestock Auction Markets
Wayne Tupper, Justin Tupper, Steve Hellwig
SD Stockgrowers
Gary Deering, Randy Volmer, Les Shaw
SD Farm Bureau
Mike Gebhart, Kent Vander Wal, Stacy Hadrick (Treas.)
SD Cattlemen’s Association
Todd Mortenson, Becky Walth, Scott Jones
SD Cattlemen’s Auxiliary
Laurie Johnson(Pres.), Shirley Thompson, Kati Knock
SD Cattlewomen
Evie Fortune, Erin Yost, Lindy Harkin
SD Beef Breeds Council
VeaBea Thomas (V. Pres.), Chris Elling, Jeanne Johnson
Federation Directors
Laurie Johnson, Becky Walth, Gary Deering, VeaBea Thomas
USMEF Directors
Steve Hellwig, Craig Bieber, Kati Knock

THE CHECKOFF IN SOUTH DAKOTA

The SDBIC collects and administers the $1 Beef Checkoff on cattle sold in South Dakota. Checkoff dollars are utilized strictly for promotion, education, and research programs. The checkoff is prohibited by law to engage in policy. Our role is to instill consumer confidence in our product by supplying consumers with accurate information in which to make their shopping decisions each time they enter a retail location. Fifty cents of every dollar is directed to the Cattlemen’s Beef Board for programs on the national level. The SDBIC retains 50 cents, which is invested in additional national programs and/or in-state programs. For more information on your beef checkoff contact Executive Director Suzy Geppert at sgeppert@sdbeef.org, call (605) 224-4722 or visit us online at sdbeef.org.

State to State Partnerships Reach Millions of Consumers

Our long-standing partnership with the northeast region of the U.S. provides opportunity to reach millions of consumers with our beef story. Cattle outnumber people in South Dakota by nearly 5 to 1 so it’s important for us to utilize Beef Checkoff dollars to support densely populated regions.

⇒ We provide resources to reach the 19.1 million consumers in New York with meaningful programs and outreach efforts that improve consumer confidence and promote beef in a healthful diet.

International Marketing

Global population growth and the projected doubling of the global middle class by 2050, is fueling an increased demand for beef around the world. SDBIC partners with U.S. Meat Export Federation (USMEF) to sponsor activities abroad which result in rising demand for U.S. beef. Your checkoff dollars work for you by adding a voice to these efforts with three South Dakota beef producers serving as representatives to the USMEF.
Dear Fellow Producers,

Cattle producers have their feet firmly planted in two worlds: The world of tradition, using knowledge and skills handed down through the years that help result in vibrant, healthy animals producing the best beef in the world, and the world of technology, using the most up-to-date information to help us manage our businesses, market our animals and stay abreast of our situations.

Truth be told, most of us are probably more comfortable in the first world. After all, knowing and caring for animals comes naturally. Technology can be intimidating and moves so quickly these days that it’s just difficult to stay current.

Stay current we must, however, especially when it comes to marketing beef. Consumers no longer get their information about beef from friends or the sales flyer in the weekly newspaper. The internet, social media, smart phones, artificial intelligence and other emerging technologies are influencing how we must talk with and educate those who buy our products.

Our Beef Checkoff is staying abreast of new technologies, using them effectively to reach both current and potential beef buyers. Thanks to your checkoff investments, we’re able to keep beef front-and-center with those who consume our product and those who market it.

Research suggests we’re on the right track. A recent independent evaluation of the national Beef Checkoff found that for every dollar invested, $1.91 is returned to the beef communities’ profitability. That’s technology we can take to the bank.

Yours truly,

Signature

Laurie Munns
Hansel Valley, Utah
Chairman, Federation of State Beef Councils

Riding Technology Into the Future

Twenty-five years ago, having a website meant you were on the cutting edge of technology. No longer. Today a website is merely the foundation. In 2018 there were more than 1.8 billion websites globally, competing for the attention of consumers.

The Beef Checkoff’s Beef. It’s What’s For Dinner brand has successfully attracted a following of consumers through many channels, including an updated BeefItsWhatsForDinner.com website, which answers questions consumers have about beef from pasture to plate. Since its relaunch more than 15 million people have visited the new website. But that’s just the beginning of the Beef Checkoff’s technological footprint.

Chuck Knows Beef is based on the emerging trend toward smart speakers, such as the Google Home and Amazon Alexa. It can help the 70 percent of consumers who say technical support would help them when shopping for beef. Like the BeefItsWhatsForDinner.com website, Chuck Knows Beef represents a prime opportunity for the beef industry to utilize technology to help increase consumer demand, giving consumers confidence in selecting and preparing beef.

To keep up with the evolving marketing landscape a new tool called Chuck Knows Beef was introduced in 2019. Powered by Google Artificial Intelligence, Chuck Knows Beef is a guide to all things beef – recipes, cooking tips, cut information, production background – helping source its customized responses from content found on the BeefItsWhatsForDinner.com website.

Ads Online

In 2014 Beef Checkoff advertising went 100 percent digital primarily to reach older millennial parents, who are more digitally connected. A new “Keep Sizzlin’” collection of online beef advertising, for instance, shows beef being cooked by grilling, smoking, stir-fry, sous vide and cast iron. In addition to providing consumers with drool-worthy content, the ads lead consumers BeefItsWhatsForDinner.com, where they learn to prepare the perfect beef meal.

New videos utilize the “Nicely done, beef” slogan and highlight the attribute consumers say distinguishes beef from other protein options: its great taste. Appearing on popular websites and social media platforms, Nicely Done advertising uses tongue-in-cheek humor and beef’s swagger to help position beef as the top protein. Nicely Done through social media, search or display ads have had more than 98 million video views, creating more than 4 million engagements, and resulted in more than 500 million consumer impressions.
culinary experts were produced and posted over the past year, with almost 65,000 views. These videos continue to live on the Beef. It’s What’s For Dinner. Facebook page. In addition, six Instagram TV videos were posted in 2019 reaching thousands more consumers.

Technology also influences how the Beef Checkoff educates and motivates those who market beef. A test last year with Instacart, an online delivery service available to more than 80 percent of American households, demonstrated that Beef. It’s What’s For Dinner. ads at digital point-of-sale increased beef purchases among users and proving to retailers the program’s greater-than-average return on investment.

Partnering with other third-party content sites can also be useful in addressing complex beef issues. For instance, the Beef Checkoff has worked with Quartz, Greenbiz and Nativo to ensure consumers see balanced information about how beef is both healthy and sustainable. Articles with these groups have garnered almost 8.5 million impressions.

Technology is also helping improve international marketing. To share beef farming and ranching with audiences across the globe, Beef. It’s What’s For Dinner. is making its virtual ranch tours available in Korean, Japanese, and Spanish. The 360-degree videos virtually transport the viewer to a U.S. ranch to show how cattle are raised and cared for. Originally created by NCBA as part of checkoff-funded Beef.

It’s What’s For Dinner. Rethink the Ranch outreach, the videos are giving audiences around the world a chance to experience U.S. beef production practices.

The Beef Checkoff-funded Beef Quality Assurance program has utilized technology to enhance success with cattle producers. More than 50,000 individuals have gone online to obtain BQA certification since 2017. Free online training and certification is accessible 24/7, making it a convenient option for busy farmers and ranchers. BQA certifications are also available at in-person training events. An estimated 80 percent of the U.S. fed beef supply is touched by BQA-certified operations.

Of course, current technology will not be a component of all Beef Checkoff programs, such as international programs that boost international beef demand. U.S. beef exports, in fact, reached a record-shattering $8.3 billion in 2018, a year-over-year increase of 15 percent. While Japan solidified its position as the leading international destination for U.S. beef, much of the year’s growth was driven by South Korea and Taiwan. 2019 has seen continued momentum for these two markets, with both achieving double-digit growth through the first half of the year.

The U.S. Meat Export Federation, a subcontractor to the Beef Checkoff, uses checkoff support to promote the unique attributes of U.S. beef worldwide, including to key buyers in the Korean and Taiwanese foodservice sectors, where dry-aged U.S. beef is increasingly popular.

In the United States, many other efforts not requiring enhanced technology – including personal and face-to-face interactions – reach both consumers and those who influence them, such as farm-to-fork tours for influencers, discussions with dietitians and health professionals, farm-to-fork tours for chefs and other influencers and dozens of other outreach efforts.

Being on the front line in today’s marketplace, however, requires the beef industry to keep pace with the needs of consumers who buy its products. Thanks to beef producer investments in the Beef Checkoff, technology and beef can go hand-in-hand.

### 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: $299,075
- USDA Oversight: $601,681
- Administration: $1,811,956
- TOTAL EXPENSES: $39,934,161

Audited Numbers
RESEARCH PROVIDES DIRECTION
Innovative beef research guides the beef community at many different levels and provides direction in understanding our product, consumer and future. Continued checkoff-funded research includes studies at South Dakota State University to improve beef marbling, quality and value of beef products through various innovative techniques.

BEEF THROWDOWN HIGHLIGHTS RESTAURANTS AND COMMUNITIES ACROSS THE BLACK HILLS REGION AS OFFICIAL MEAT OF THE 79TH STURGIS® MOTORCYCLE RALLY™
This year’s rally brought forth new partnerships with area restaurants as they competed in the 2019 Sturgis Beef Throwdown event. Area ranchers worked alongside celebrity chef, Justin Warner to judge signature beef dishes at participating restaurants. The Alpine Inn of Hill City, SD took top honors with the Steak Diane sandwich.

The Sturgis Rally offers opportunity to reach over a half million consumers each year with efforts that also include: the mayor’s ride, various media interviews including local radio, TV, and publications. Mt. Rushmore Angus of Hermosa, SD hosted a producer Meet and Greet as part of the event where Chef Warner offered a beef demonstration to attendees and shared insight into today’s consumer trends.

SANFORD INTERNATIONAL SENIOR PGA TOUR OF CHAMPIONS
Beef was the premiere protein at the tournament with exclusive naming rights to the prime destination oasis located in the 1st, 2nd, 17th, and 18th viewing area. The “Ranch” destination expanded this year to include a beef expo tent that provided opportunities to share the beef story through multiple education opportunities including virtual beef tours where consumers toured a cow-calf operation and feedlot. Local beef producers were available to share personal stories and answer consumer questions. WNAX broadcasted live from the “Ranch” throughout the week and the SD Beef Breeds Council served ribeye sandwiches. Young beef leaders were added to the mix as four beef caddies traveled with the pros during the Pro/Am tournament. This event expanded on the national “Re-think the Ranch” campaign and reached approximately 80,000 consumers.

Build Your Base with BEEF!
The Build Your Base with Beef sports nutrition and training program written in collaboration with Sanford Sports Science Institute expanded to 27 South Dakota High School Football Programs in 2019 directly impacting 1,275 athletes and their families. Three hundred and twenty five pre/post game beef meals were served across the state with 31 South Dakota retailers utilizing program resources and retail toolkits.

The program ventured into the collegiate sports realm this year in both of South Dakota’s Division I universities with reach projections estimated at approximately 1,000 athletes utilizing beef as their recovery protein. The program will cross state borders in 2020 and be piloted in 5 other states.

Dr. Mike Roussell, author, speaker, nutritional consultant and advisory board member of Men’s Health magazine has endorsed and become a program consultant to the program.

CELEBRITY CHEF AND FOOD NETWORK STAR JOINS TEAM BEEF SD
Celebrity chef, Justin Warner, joined the SD beef team as the official Team Beef SD chef in 2019. Warner works alongside the SDBIC team in promoting beef both in state and abroad.

Team BEEF SD
This community of cyclists and runners recognize the nutritional benefits of beef and the vital role high-quality protein plays in their training. This highly visible group of beef advocates promote beef through their healthful lifestyle and showcase their love for the protein by wearing their Team BEEF SD jerseys when participating in activities within and outside our state borders.

PARTNERSHIPS HIGHLIGHT BEEF AS A HEALTHY CHOICE
Outreach efforts continued through 2019 with several opportunities to engage with schools, nutrition influencers and consumers. The SDBIC offered the FACS, ProStart & Ag Beef Programs to 50 schools serving 7,250 students and sponsored speakers and events that offered attendees an opportunity to receive science-based educational material on beef’s nutritional value and information regarding the pasture-to-plate story. Some of which include the American Heart Association, SDSU Dietetic Internship Program, SDSU athletes, sports and nutrition influencers, as well as numerous retail outreach opportunities.

SDBIC 2019 Audited Financials
For sources of information on key accomplishments please contact the South Dakota Beef Industry Council.