South Dakota Beef Industry Council ANNUAL REPORT

2020

2020-2021 SDBIC DIRECTORS

SD Cattlemen's Auxiliary Laurie Johnson (Pres.), Shirley Thompson, Ashley Iliff

> SD Farmers Union Eric Sumption, David Reis, Jeff Kippley

SD Livestock Auction MarketsWayneTupper, Justin Tupper, Baxter Anders

SD Stockgrowers Gary Deering, Randy Volmer, Les Shaw

<u>SD Farm Bureau</u> Mike Gebhart, Kent VanderWal, Stacy Hadrick (Sec./Treas.)

SD Cattlemen's Association Todd Mortenson, Becky Walth, Carl Sanders

<u>SD Cattlewomen</u> Evie Fortune, Erin Yost, Lindy Harkin

<u>SD Beef Breeds Council</u> VeaBea Thomas (V.P), Chris Effling, Jeanne Johnson

<u>Federation Directors</u> Todd Mortenson, Becky Walth, Gary Deering, VeaBea Thomas

<u>USMEF Directors</u> Steve Hellwig, Craig Bieber, Kati Knock

From the President...

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 high 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 2020, you will see the impact of your checkoff through instate 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 the year ahead as we continue to spread the message about beef. We are also continually looking for opportunity to build beef's demand and welcome your ideas. I want to thank you and encourage you to attend one of our quarterly board meetings. These meetings are open to the public.

- Laurie Johnson

SDBIC BOARD

The SD Beef Industry Council has 24 board members that work together through committees to direct the one-dollar Beef Checkoff. Each member is selected by and serves on behalf of the 8 partner organizations making up the SD Beef Council. Although many of these organizations have a policy arm, policy is left at the door. The Beef Checkoff is prohibited by law to engage in any policy or legislative action. It is the consumer arm of the industry designed to increase consumer confidence and build demand for beef.

2020 CONSUMER OUTREACH

2020 outreach efforts required flexibility to adjust and meet the needs of our consumer throughout the pandemic resulting in complete program and event overhauls. The "All About Family" webpage was created on the sdbeef.org website which served as a quick reference for use during times of family isolation and social distancing. Promotion and education components moved to an online format through our social media platforms. Several contests and promotions were implemented and continue to be utilized as we find ourselves in a completely different consumer culture. We continue to provide informational content to consumers that are not only generationally removed from production ag, but also removed from the kitchen as homemade meals have shifted sales away from food service to an increase in retail. Many consumers had to learn how to cook and prepare meals which resulted in the development of new ways in which to educate many about our product and provide easy preparation techniques in relevant formats.



VITAL PARTNERSHIPS

State to State partnerships offered opportunities to expand the SD Checkoff footprint to consumers in the Northeast region of the United States where cattle numbers are lower in comparison to consumer population. Whether it's the national expansion of programs like the Build Your Base program that puts beef in front of young athletes or on the farm ranch tours used to share the beef story and provide insight into modern day production methods, South Dakota's Beef Checkoff works to ensure consumers have access to factual beef information.

INFLUENCER OUTREACH

Several speakers and events associated with evidence-based educational material on beef's nutritional value and information regarding the pasture-to-plate story were offered in online formats throughout the year. Some of them included the American Heart Association, SDSU Dietetic Internship Program, SD Academy of Physicians Assistants. We were still able to provide materials to several of our retail partners through retail toolkits and promotions.

MAY BEEF MONTH

Millions of consumers were reached through a collaboration with the New York Beef Council throughout May Beef month and June Steak month promotions. We know that our South

oin us on the journey.. MAY BEEF MONTH

Dakota dollars impacted more than 11 million consumers in New York alone over the past year and continue to work with them on multiple projects.



INVESTING IN THE FUTURE THROUGH... EDUCATION steaks feat

Our ability to engage with schools, nutrition influencers and consumers was impacted by pandemic factors however the **FACS**, **ProStart & Ag Beef Programs** were implemented in over 50 classrooms serving 7,250 students 50 schools serving 7,250 students. The FACS Beef program provides South Dakota high school and middle school Family and Consumer Science, ProStart and Agriculture teachers the opportunity to expand their beef educational efforts through funding to purchase beef for classroom hands-on educational purposes. The program is designed to help enhance classroom curriculum by providing information on beef cuts, preparation techniques, cooking, and nutrition education. The **Jr. Beef Ambassador program** was introduced in May

of 2020 as a way to engage our youth so that they are prepared to lead our industry into the future. 19 youth from across the state applied and were selected to carry out the beef message. Youth lead the effort at local community outreach events, participate in beef promotion



videos, and work alongside SDBIC staff in spreading an accurate beef story.

PROMOTION

Promotion campaigns showcased beef to millions of consumers. South Dakota continued to work with two large scale promotion events. The **Sturgis Rally** offered the opportunity to reach half a million consumers with the Beef Throw Down event highlighting restaurants throughout the region. The **Sanford**

International Senior Tour of

Champions allowed approximately 80,000 attendees to experience beef through the "Ranch" destination site. The



site offered the opportunity to learn about the beef story and experience beef's taste and flavor through the signature burger. The **Grillin' on the Green** burger battle contest was added to the event in 2020. The contest partnered media partners alongside South Dakota ranchers in a quest to create the "best" burger. Karl's TV and Appliance joined in on the fun and donated 9 travel

grills to the event.

National Beef Its What's For Dinner Campaigns like the **United We Steak** promotion reached millions in Time Square. South Dakota extended the campaign in South Dakota through the **Great Faces**, **Great Places**, **Incredible Beef** social media and outreach promotion impacting restaurants and retail locations throughout the state. The effort encouraged families to unite in their love of beef. The centerpiece of the campaign was 50 hand-carved state-shaped steaks featured in a variety of Beef It's What's For Dinner content. Still photographs and a new series of videos were served to consumers on social media platforms as well as through TV and YouTube advertising. The campaign drove users to BeefItsWhatsForDinner.com or UnitedWeSteak.com, where they found an interactive map with all 50 stateshaped steaks forming the nation. Each state's profile page had state-themed beef recipes, a "meet your state beef producer" section and fun, informative state facts.



Team Beef SD continues to play a major role in spreading our beef message to consumers as it exemplifies the importance of beef's role in a healthful lifestyle. South Dakota had 200 Team Beef members in the 2020 season.

RESEARCH

Innovative beef research guides the beef community at many different levels and provides direction in understanding our product, consumer, and the future. South Dakota Checkoff funded research includes studies at South Dakota State University to improve beef safety, marbling, quality and value of beef products through innovative techniques and is key to ensuring consumer confidence.

BUILD YOUR BASSE Thousands of SD youth and their families are impacted through beef education and program support. The Build Your Base with

Beef Sports Nutrition and Training program continues to enhance beef's image and share nutritional data creating confidence in our product. The program was placed in 35 high school football programs where it reached approximately 1,700 high school athletes and their families. The program also provided retail toolkits as support material for local retailers. Expansion continued at the collegiate level in both Division I and Division II schools. SDSU athletics, USD Athletics, Augustana Athletics, and Black Hills State University Athletics incorporated the full program that will reach approximately 2,000 post-secondary athletes in all sports. The program will go national as it expands to six other states throughout the 2020-21 school year.



LEADERSHIP DEVELOPMENT

Beef Checkoff dollars continue to support programs at a collegiate and industry leadership level. Whether it is the Meat and Livestock judging teams at South Dakota State University or programs like SDARL and BeefSD, your Checkoff is preparing South Dakota's young beef leaders for tomorrows work with the consumer. This in turn expands opportunities for beef.

INTERNATIONAL MARKETING

With 95 percent of the global population and 80 percent of the global buying power located outside U.S. borders, foreign marketing is essential. South Dakota Beef Industry Council partnered with United States Meat Export Federation (USMEF) to increase the value and profitability of US Beef in international markets, specifically in Japan and the European Union. Three South Dakota beef producers serve as representatives to the USMEF.

NATIONAL CHECKOFF DOLLARS

By law, the Beef Promotion Operating Committee and the Beef Board must contract with established national, nonprofit, industry-governed organizations to implement programs for promotion, research, consumer information, industry information, foreign marketing and producer communications. Contractors are reimbursed only for the work they actually do for the Beef Board on a cash recovery basis and are not allowed to make a profit from a Checkoff Contract. Contractors include, American Farm Bureau Foundation, National Cattlemen's Beef Association, United States Cattlemen's Association, Foundation for Livestock, Meat and Poultry Education Board, North American Meat Institute, United States Meat Export Federation, and the Northeast Beef Promotion Initiative.

AUDITED FINANCIALS

Beef Checkoff dollars are audited on a yearly basis by a third party. This happens at both the state and national levels and serves as a check and balance to ensure your dollars are being used accordingly as designed by the Beef Act and Order. Your SD Beef Council also upholds direct USDA oversight on all communications, contract expenditures, and board activities.

<u>Where Can I Find the Annual</u> <u>Audited Financials? | Beef</u> <u>Checkoff (beefboard.org)</u>

SDBIC 2020 Audited Financials	
Revenue	
Checkoff Receipts	\$3,546,696
Less: State Boards	\$(597,118)
Less: National Boards	\$(1,943,882)
Net Checkoff Revenue	\$1,005,696
Interest/Other Receipts	\$36,293
Total Net Revenue	\$1,041,989
Expenses	
Promotion/Events/	
Education	\$914,301
Research Activities	$$132,\!422$
Total Program Services	\$1,046,723
Supporting Services	\$240,135



Cattlemen's Beef Board Fiscal Year 2020 Expenditures Promotion \$10,206,858 \$8,349,734 Research \$7,260,148 **Consumer Information Industry Information** \$3,392,835 \$6,933,262 Foreign Marketing Producer Communications \$1,553,796 **Program Evaluation** \$202,046 **Program Development** \$388,847 USDA Oversight \$761,214 Administration \$1,505,256

Total Expenses

\$40,553,996 Unaudited Numbers