

Draft Minutes
Joint Evaluation Advisory Committee
Sheraton Denver Hotel
Denver, Colorado
July 15, 2009

Members Present

Dave Bateman, Chairman	Dave Schubel
Homer Buell, Vice Chairman	Sid Sumner
Jeff Clausen	Craig Uden
Jon Kirkbride	Helen Wiese
Andrew Murphy	Myron Williams

Members Absent

Scott George, Vice Chairman	David Dick
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Guests

Chuck Adami	Dave Lamb
Laurie Bryant	Amanda Nolz
Robert L. Bruner	Ann Ocana
Teri Carstensen	Dan Petersen
E. Cash	Mark Riechers
Virginia Coelho	John Schafer
Wesley Grau	Nancy Thomas
Jim Hill	Leticia Varelas
Richard Hodge	Dr. Ron Ward
Merrill Karlen	

Staff

Carrie Bombgardner	Rich Otley
Lynn Heinze	Michele Murray Petersen
Barry Jennings	Paul Slayton
John Lundeen	Chad Smith
Emilie Miller	

Call to Order

Chairman Bateman called the meeting to order at 1:33 p.m.

Approval of the Agenda

Jon Kirkbride moved and Dave Schubel seconded a motion to approve the meeting agenda. Motion passed.

Approval of Minutes of the April 24, 2009 Meeting

Homer Buell moved and Myron Williams seconded a motion to approve the minutes of the last meeting. Motion passed.

Final Report on the Project Evaluation Audit of the FY 2008 Northeast Public Relations Authorization Request – Ann Ocana

Ms. Ocana reported that the work in this AR was completed in a very satisfactory manner and made the following recommendations for further improvement:

- Broaden public relations strategies around events to gain extended reach and improve overall efficiency
- Identify and/or develop an event for New York City
- Formalize evaluation of public relations programs and define concrete and consistent measurements to evaluate program effectiveness
- Incorporate impression goals and cost per impression (CPI) into future Authorization Request objectives
- Continue to ensure integration with national program and maintain consistent elements across all events
- Identify opportunities to integrate promotional partners and/or credible spokespeople
- Maintain nutrition influencer strategy

Final Report on the Project Evaluation Audit of the FY 2008 Northeast Retail Authorization Request – Ann Ocana

Ms. Ocana indicated that work in this AR was successfully completed during the fiscal year and made the following recommendations for future work:

- Enhance retailer database to include more measurable data
- Formal evaluations, including key measurements, need to be included with every cooperative promotional program to assist with future evaluation and planning
- Strategic retail account targeting will align limited resources with the right opportunities to help improve overall cost effectiveness
- Participate in periodic national checkoff retail marketing conference calls with the National Cattlemen's Beef Association to ensure coordination. Preliminary meetings need to take place to ensure all priority targets are being covered without duplication
- Maintain Beef Boot Camps on an annual basis
- Continue to leverage the national campaign wherever possible

Final Report on the Project Evaluation Audit of the FY 2008 Northeast Foodservice Authorization Request – Ann Ocana

Ms. Ocana told the committee that while a great deal had been accomplished in this area, changes were needed to increase efficiency and made the following recommendations:

- Redefine the foodservice strategy to better leverage limited resources – identify regional broad liners for possible partnerships

- Institute formal evaluations, including key measurements, with all future promotional spending to facilitate future planning
- Evolve and enhance foodservice database to include more measurable data
- Maintain and develop relationships with prominent chefs and culinary educators
- Continue to leverage key versatility messaging and incorporate with any trade initiatives

Andrew Murphy moved and Homer Buell seconded a motion to accept the three audit reports. Motion passed.

Presentation of the Results of Dr. Ron Ward's Latest Econometric Model on the Return on Investment in the Beef Checkoff Program

Dr. Ward explained to the committee the development of his model and said that beef demand models show the effects of a number of demand drivers including the beef promotions and household demographics. The beef checkoff is shown to influence the probability of becoming a beef consumer as well as the number of beef servings included in the household diet over a given time period. For the 2003-2008 period, 78.8% of the U.S. households purchased some beef in a two week shopping period and the average household member included 3.42 servings of beef in that diet. Without the checkoff, market penetration would have been an estimated 3 percentage points less and .11 fewer servings per household member.

Expressing these shifts in demand back to a liveweight level, the marginal rates-of-return to the program for the same period is estimated to be 5.55 for the average checkoff expenditure level. These marginal gains are substantially above one, thus pointing to a program that is quantitatively effective in influencing the U.S. demand for beef. Over the years since 2002, it has become increasingly more difficult to attract households to the market and more of the checkoff gains arise from increased servings contrasted with the percent buying beef. Yet, households buy beef and one seldom finds combinations of promotions and household demographics where the likelihood of buying beef falls below 70%.

Andrew Murphy moved and Craig Uden seconded a motion to accept Dr. Ward's model and report. Motion passed.

Adjourn

Chairman Bateman adjourned the meeting at 3:50 p.m.