

AUTHORIZATION REQUEST FOR FY 2012

AR Title: BEEF QUALITY ASSURANCE

Name of Contractor: National Cattlemen's Beef Association

CBB Budget Component: Industry Information

I. OVERVIEW

A. AR Description: This Authorization Request describes the plan of work for implementing the industry's Quality Assurance initiative. The AR describes the proposed tactics for industry's producer oriented quality assurance educational programs for both beef and dairy producers.

B. Costs Requested from this AR*: \$800,000

Source of Funding	Total Costs	Direct Costs	Implementation**
Beef Board/BPOC	\$684,560	\$684,560	
Federation of SBCs (FSBCs)	\$115,440	\$115,440	
Other Sources (<i>describe</i>)			
Total Funds Requested	\$800,000	\$800,000	

* Only Direct Costs are being requested in this AR.

Total estimated Implementation for this AR is \$443,909; implementation by Tactic in Table IV.

** Implementation for this and other PROMOTION ARs requested in separate AR II-05-2012.

C. Start date: 10/1/2011

Completion date: 9/30/2012

II. PLANNING INFORMATION FOR THIS AR

A. Long Range Plan Core Strategies/Strategic Initiatives Addressed by This AR:

- **Strengthen the Image of Beef and the Beef Industry**
 - Engage all Industry segments to develop and consistently communicate our positive beef production story.
 - Capitalize on the history, heritage and brand equity of family-based production agriculture and the farming/ranching lifestyle.
 - Implement and communicate continuous improvement efforts to enhance consumer trust in our product and production practices.
 - Promote our industry's commitment, ongoing investment and progress in ensuring beef safety.
 - Strengthen efforts to proactively anticipate and rapidly respond to attacks on beef and the beef industry.
 - Develop and implement programs to enhance beef's image among American youth.

NCBA Initiatives Addressed by This AR:

- Enhance beef quality assurance from the producer through the supply chain
- Demonstrate beef is socially responsible
- Unite and lead the industry to solve beef safety issues
- Identify and fill science gaps on pathogen impacts to public health

B. Committee That Reviewed This AR: Joint Producer Education Committee

C. Committee Recommendations for This AR: The Joint Producer Education Committee recommends this AR to the Operating Committee for funding in FY 2012.

III. PROGRAM INFORMATION FOR THIS AR

A. Strategy 1: Modern Beef Production

Strategy 1 Proposed Direct Cost: \$800,000

Specific Tactic Information:

Tactic 1A: Increase Producer Utilization of BQA - Develop training programs and facilitate implementation of on-farm BQA practices and tools. Target audience for training will include seedstock, cow-calf, stocker/backgrounder, feeders, dairy, auction markets and transporters. Specific efforts will:

- *Increase BQA certification across industry segments and regions of the U.S.*
- *Develop more effective on-farm training tools for managers and owners to facilitate training of employees*
- *Increase use of assessments and create a database benchmarking tool for the industry*
- *Increase awareness of BQA across industry segments and regions of the U.S.*
- *Demonstrate the value/advantage of implementation to industry, channel and consumer audiences (leverage NBQA results, success stories, award winners, etc)*

▪ **Measurable objectives:**

- Increase reported BQA certification by 10%. Increase will be based on FY 2011 benchmark.
- Certify all seven Regional Executive Officers of LMA as BQA trainers.
- Achieve a minimum of 36 state coordinators attending the 22nd Annual in-service training (i.e., train the trainer). Follow-up via email to state coordinators to confirm a minimum of 60% have incorporated one of the tools covered in the training (e.g., cattle handling modules, on-line producer certification, safety modules, etc.).

- Expand reach of training notification via multiple channels (e.g., LMA online, Superior Livestock video auctions, BQA website and social media, etc.). Benchmark reach from FY 2011 data and measure improvement in FY 2012. Increase impressions by 25% from FY2011.

- **Proposed Direct Cost:** \$475,000

Tactic 1B: National Residue Avoidance Campaign (i.e. antibiotics, pain mgmt. drugs) - Specific efforts will:

- *Develop partnerships with professional veterinary organizations to improve industry performance*
- *Focus on all beef segments with special emphasis on fed cattle, cull cows/bulls (beef and dairy), bob veal, and dairy feeders audiences*

- **Measurable objectives:**

- Work with livestock markets to enhance residue avoidance by educating auction market patrons of the issue through posters, check stuffers, etc. Achieve a minimum of 25% of livestock markets participating in the program during FY 2012.
- Create three on-line fact sheets to assist beef and dairy producers and their service providers to develop systems to avoid residues

- **Proposed Direct Cost:** \$150,000

Tactic 1C: Develop and Refine BQA Management Protocols –

Specific efforts will address the following production practices where consumer and supply chain concerns have been expressed:

- *Neonatal dairy calf management*
- *Euthanasia protocols across segments and production phases*
- *Pain management interventions*
- *Tail docking*
- *Pre-harvest food safety interventions*
- *Develop a bio-security framework that is specific to the needs of stockers, seedstock, and cow/calf operations*

- **Measurable objectives:**

- We will organize working groups of industry experts to develop the best management practices related to the aforementioned list and provide implementable protocols for beef and dairy producers. These best management practices will be integrated into BQA guidelines for dissemination through training and certification.

- **Proposed Direct Cost:** \$125,000

Tactic 1D: Industry Education to Avoid Abuse & Neglect Campaign

Develop a campaign in coordination with Producer Communication to deliver educational messaging to industry audiences.

▪ **Measurable objectives:**

- Create working group of industry participants (vets, scientists, producers, livestock markets) to develop fact sheets for seedstock, cow-calf, stocker, feeder and dairy to be available on the BQA website.
- Develop an integrated media strategy with the release of four stories about producers who have put in place the key elements of management to avoid neglect and abuse.

Proposed Direct Cost: \$50,000

IV. DETAILED BUDGET SUMMARY

Strategy and Tactic	Program Manager	Completion Date	Total Est. FY 2012 Budget	Total Direct Cost	Direct Cost by Funding Source			Est. Impl.
					CBB/BPOC	FSBCs	Other	
Increase Producer Utilization of BQA	R. Ruppert	9/30/2012	\$ 741,345	\$ 475,000	\$ 406,458	\$ 68,542		\$266,345
National Residue Avoidance Campaign	R. Ruppert	9/30/2012	\$ 238,782	\$ 150,000	\$ 128,355	\$ 21,645		\$ 88,782
Develop and Refine Management Protocols	T. Field	9/30/2012	\$ 191,586	\$ 125,000	\$ 106,962	\$ 18,038		\$ 66,586
Industry Education Campaign	T. Field	9/30/2012	\$ 72,196	\$ 50,000	\$ 42,785	\$ 7,215		\$ 22,196
Product Total			\$1,243,909	\$ 800,000	\$ 684,560	\$ 115,440		\$443,909
AR Totals			\$1,243,909	\$ 800,000	\$ 684,560	\$ 115,440		\$443,909

V. SUPPLEMENTAL INFORMATION

A. Will all of the work detailed in this AR be completed by the end of the fiscal year? If not, please provide an explanation. Yes

B. Changes from FY 2011 Approved AR:

- Focus on disseminating the 2012 National Beef Quality Audit Results
- Creating detailed best practices on animal care and what is defined as abuse
- Creating specific modules on residue avoidance for all sectors on beef production
- This AR may also pursue opportunities to leverage checkoff funding with third party investments. The cost, both direct and implementation, related to pursuing these opportunities will be allocated between this AR and any other NCBA funding sources which receive the benefit of these opportunities.

C. Subcontractor information:

- **Name of proposed subcontractor:** University contractors, the Minnesota Beef Council; Pennsylvania Beef Council; Kansas State University; Dale Heikes High Definition (DHHD formally Agrivision); Dairy Calf & Heifer Association (DCHA), Others vendor/subcontractors to be determined as project needs dictate.

Beef Quality Assurance State Pilot Project proposals will be reviewed and evaluated for potential funding by a working group composed of members of the Beef Quality Assurance Advisory Board and members of the Joint Producers Education Committee.

Will all work with subcontractors be competitively bid? If not, why not?

Educational development/production materials for the Beef Quality Assurance program will be competitively bid by qualified vendors. Kansas State University hosts the BQA online training program. This was competitively bid 3 years ago and DHHD hosts a large amount of BQA video footage and has some advantages in pricing. We do bid out the process every 3 years to make sure that DHHD is in the market on services.

D. Identify any relationships between this AR and projects previously funded by the Operating Committee:

This AR is a continuation of the Industry's Quality Assurance initiative (Beef Quality Assurance and Dairy/Beef Quality Assurance) and further builds upon and expands previous efforts and programs developed and implemented by the industry's Quality Assurance initiative. The beef industry's Quality Assurance commitment and initiative began in 1987. The programs, projects and educational materials to be developed as outlined in this FY AR will further support and advance the producer's commitment to addressing the consumers concerns about production practices that influence the safety, wholesomeness and quality of beef and beef products.

E. Summary of Prior Year AR Budgets and Expenses:

Strategy	FY 2011 Approved Budgets			FY 2011 Actual Expenses (NCBA's as of 5/31/11)		
	CBB/BPOC	FSBCs	Total	CBB/BPOC	FSBCs	Total
Product	\$ 703,600	\$ 103,900	\$ 807,500	\$ 314,051	\$ 46,347	\$ 360,398
AR Totals	\$ 703,600	\$ 103,900	\$ 807,500	\$ 314,051	\$ 46,347	\$ 360,398

F. Historical Summary of Budgets and Expenses:

	Total Approved Budgets			Total Actual Expenses		
	FY 2010	FY 2009	FY 2008	FY 2010	FY 2009	FY 2008
Product	\$ 829,529	\$ 724,234	\$ 940,000	\$ 771,230	\$ 722,103	\$ 901,009
AR Totals	\$ 829,529	\$ 724,234	\$ 940,000	\$ 771,230	\$ 722,103	\$ 901,009