

AUTHORIZATION REQUEST FOR FY 2012

AR Title: Northeast & Northern Virginia Foodservice

Name of Contractor: MICA

CBB Budget Component: Promotion

I. OVERVIEW

A. AR Description: This Authorization Request addresses foodservice marketing initiatives in the Northeast, where over 25% of the nation's population lives, works and dines. Program work will be in coordination with national strategies to further extend the industry's message and objectives, with a primary focus around channel influencer partnerships, educational trainings and trade show participation.

B. Costs Requested from this AR:

Source of Funding	Total	Direct Costs	Implementation
Beef Board/BPOC	\$65,000	\$50,000	\$15,000
Federation of SBCs (FSBCs)	\$ -	\$ -	\$ -
Other Sources (<i>describe</i>)	\$ -	\$ -	\$ -
Total Funds Requested	\$65,000	\$50,000	\$15,000

C. Start date: October 1, 2011

Completion date: September 30, 2012

II. PLANNING INFORMATION FOR THIS AR

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

- **Core Strategy**

- Improve domestic consumer preference for beef
 - Identify and track domestic consumer needs and preference
 - Collaborate with industry stakeholders to develop and implement demand generation initiatives based on consumer needs and preferences
 - Develop and execute creative communication initiatives to improve consumer understanding of the beef production system and increase consumer confidence in the safety of beef
 - Educate, enable and engage key influencers and opinion leaders in communicating the positive health and nutritional benefits of beef
- 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 commitments, ongoing investment and progress in ensuring beef safety

B. Committee That Reviewed This AR: Joint Foodservice Committee

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

III. PROGRAM INFORMATION FOR THIS AR

A. Strategy 1: Product

Strategy 1 Proposed Cost: \$65,000

Specific Tactic Information:

Tactic 1A: *Foodservice Contacts*- Identify channel influencers who can leverage sales and marketing networks to partner with the beef industry in order to efficiently disseminate materials and opportunities to foodservice operators (goal of 3 new distributors). Maintain and develop relationships with prominent regional distributors, operators, chefs, and culinary educators, and continue to support culinary schools’ efforts to equip future culinarians with beef industry knowledge (goal of 100 students). With the help of distributor partners, identify operators worthy of industry recognition and assist with applications for the Beef Backer Award.

▪ **Measurable objectives:**

- Conduct training sessions; such as Beef U, with culinary schools, chef associations, and/or foodservice distributors (maintain goal of 4)
- Track value of Checkoff efforts and program perception and acceptance with foodservice accounts by utilizing a yearly survey.
- Establish NEBPI webpage for contacts as means to disseminate information.

- **Proposed cost:** \$17,500

Tactic 1B: *Promotions*- Based on relationships established through Tactic 1A, partner with identified broadline distributors to execute a sales incentive (goal of 2) around the introduction of new beef items or featured beef cut (e.g. Middle Meats). For example, trade shows will be utilized as a means of distributing information and concepts to all aspects of the foodservice industry, and when possible additional efforts beyond booth presence will be coordinated to engage interest of attendees through chef contests, etc. Whenever possible, organize opportunity to increase awareness to operators and their customers about beef’s center-of-the-

plate attributes via sponsored beef seminars at foodservice conferences and/or trade shows.

▪ **Measurable objectives:**

- Utilize formal evaluations to measure return on investment and ask partners to provide sales data (in pounds) as a result of promotions supported by Checkoff investments. Achieve goal of 5% increase in sales data when compared to non-promotion periods.
- Target incentives that are expected to generate sales resulting in checkoff expenditure ratios of \$0.10-\$0.15 per pound sold.
- Participate in trade shows where new relationships can be established and foodservice opportunities with beef can be highlighted (new beef items, BEEFlexible materials).
Acceptance of program or concept will be determined by follow-up survey regarding presence of new beef items and BEEFlexible recipes on menu's and/or included in culinary school curriculum. Utilize survey to establish a benchmark for subsequent comparison.

▪ **Proposed cost:** \$47,500

IV. DETAILED BUDGET SUMMARY

Strategy & Tactic	Program Manager	Completion Date	Total FY 2012 Budget	Budget by Funding Source			Est. Impl.
				CBB/BPOC	FSBCs	Other	
Strategy 1: Product							
Tactic 1A: Foodservice Contacts	Laurie Bryant	9/30/2012	\$17,500	\$17,500			\$6,500
Tactic 1B: Promotions	Laurie Bryant	9/30/2012	\$47,500	\$47,500			\$8,500
Totals - Strategy 1			\$65,000	\$65,000			\$15,000
AR Totals			\$65,000	\$65,000			\$15,000

V. SUPPLEMENTAL INFORMATION

A. 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:

- Under Tactic 1A we have added the use of a survey to track value of Checkoff efforts and program perception and acceptance with foodservice accounts and we hope to establish an NEBPI webpage for contacts as means to disseminate information.

C. Subcontractor information:

- **Name of proposed subcontractor:** Pennsylvania Beef Council. Staff will be based out of the Pennsylvania Beef Council office. Consideration will be given to using national program subcontractors, where appropriate, if that will result in more efficient implementation of programs.
- **Will all work with subcontractors be competitively bid? If not, why not?** No, as initiatives utilizes Pennsylvania Beef Council resources.

D. Identify any relationships between this AR and projects previously funded by the Operating Committee: This AR, previously funded in FY 2006-2011, is closely affiliated with national foodservice programs that have received funding in prior years.

E. Summary of Prior Year AR Budgets and Expenses:

Strategy & Tactic	FY 2011 Approved Budgets			FY 2011 Actual Expenses (through May month end)		
	CBB/BPOC	FSBCs	Total	CBB/BPOC	FSBCs	Total
Strategy 1: Product						
Tactic 1A: Foodservice Contacts	\$15,000		\$15,000	\$10,970		\$10,970
Tactic 1B: Promotions	\$50,000		\$50,000	\$17,864		\$17,864
Totals - Strategy 1	\$65,000		\$65,000	\$28,834		\$28,834
AR Totals	\$65,000		\$65,000	\$28,834		\$28,834

F. Historical Summary of Budgets and Expenses:

Strategy & Tactic	Total Approved Budgets			Total Actual Expenses		
	FY 2010	FY 2009	FY 2008	FY 2010	FY 2009	FY 2008
Strategy 1: Product	\$68,500	\$62,840	\$100,000	\$68,463	\$49,014	\$92,175
AR Totals	\$68,500	\$62,840	\$100,000	\$68,463	\$49,014	\$92,175