

AUTHORIZATION REQUEST FOR FY 2011

AR Title: NORTHEAST & NORTHERN VIRGINIA RETAIL MARKETING

Name of Contractor: Meat Importers Council of America

CBB Budget Component: Promotion

I. OVERVIEW

A. AR Description: This Authorization Request addresses retail marketing initiatives in the Northeast, where over 26% of the nation's grocery purchases and the highest per capita meat purchases are made. Program work will be in coordination with national strategies to further extend the industry's message and objectives.

B. Costs Requested from this AR:

Source of Funding	Total	Direct Costs	Implementation
Beef Board/BPOC	\$250,000	\$175,000	\$75,000
Federation of SBCs (FSBCs)	\$ -	\$ -	\$ -
Other Sources (<i>describe</i>)	\$ -	\$ -	\$ -
Total Funds Requested	\$250,000	\$	\$75,000

C. Disclosure of Implementation Costs Requested in Separate AR# n/a :

Source of Implementation Funding	Implementation
Beef Board/BPOC	\$ -
Federation of SBCs (FSBCs)	\$ -
Other Sources (<i>describe</i>)	\$ -
Implementation Funds Requested in AR # _____	\$ -

D. Start date: October 1, 2010

Completion date: September 30, 2011

II. PLANNING INFORMATION FOR THIS AR

A. FY 2011 Priorities Addressed by This AR: Educate Influencers on Beef and Beef Production, Make Beef an Easy Choice, Demonstrate Beef's Value, Capitalize on the Power of Lean

B. Committee That Reviewed This AR: Joint Retail Committee

C. Committee Recommendations for This AR: The Joint Retail Marketing Committee recommends to the Operating Committee that this AR be approved for funding for FY 2011.

III. PROGRAM INFORMATION FOR THIS AR

A. Strategy 1: Product

Strategy 1 Proposed Cost: \$250,000

Specific Tactic Information:

Tactic 1A: Retail Contacts- Work with NCBA and state beef council staff to identify accounts with limited or no direct, existing relationship with beef in the Northeast region. Initiate contact with the higher volume retailers who have the potential to move the most product and set up meetings to introduce them to the industry. Provide them with materials available to grow their beef category and increase sales. Continue to build upon established relationships with retailers and identify appropriate levels of support based on their volume potential (tier establishment).

- **Measurable objectives:** Grow database for electronic communications (distributed weekly/monthly) by 25%. Expand upon database used to determine potential promotional partners to include, but not be limited to:
 - Estimated annual sales, annual meat sales, annual beef sales, and annual beef sales per store location
 - Assigned volume and/or sales potential tier within contacts
 - Annual tracking of executed promotions and checkoff dollars invested
- **Proposed cost:** \$50,000

Tactic 1B: Retail Channel Initiatives- In coordination with national objectives, continue to present and execute retail programs with partners who, once implemented, have the capability to move the beef needle in the Northeast region. Primary focus will be on the Beef Training/Boot Camp, Beef Value Cut, On-Pack Nutritional Labeling, Beef Alternative Merchandising Program, and Easy Fresh Cooking Label programs and proactive ways to promote these programs at the store level to consumers. Identify retailers worthy of industry recognition and assist with applications for Beef Backer Award.

- **Measurable objectives:** Conduct a minimum of five (5) Beef Training/Boot Camps and Value Cut Demonstrations and request entrance and exit surveys for all participants. Formalize tracking and evaluation of programs to measure return on investment with a goal of \$1 investment for every incremental pound of beef sold.
- **Proposed cost:** \$100,000

Tactic 1C: Seasonal Promotions- In coordination with national strategy, identify retailers within region to participate in seasonal promotions and provide selected summer grilling, holiday roast, etc. point-of-sale items. Whenever possible, plan additional public relations activities to drive additional traffic to the meat case.

- **Measurable objectives:** Enhance evaluation measures by utilizing a template used to determine return on investment per pound of incremental volume (goal of \$1/lb.), ratio of checkoff investment to partner contribution (goal of 1:2), and generated media impressions from additional public relation efforts as a benchmark for future promotions. Baseline will be evaluated based on sales from previous year and 4 weeks prior to and following promotional period. Provide retailers with sales results form to ensure consistent data from all partners.
- **Proposed cost:** \$100,000

IV. DETAILED BUDGET SUMMARY

Strategy & Tactic	Program Manager	Completion Date	Total FY 2010 Budget	Budget by Funding Source		
				CBB/BPOC	FSBCs	Other
Strategy 1: Product						
Tactic 1A: Retail Contacts	Laurie Bryant	9/30/2011	\$50,000	\$50,000		
Tactic 1B: Retail Channel Initiatives	Laurie Bryant	9/30/2011	\$100,000	\$100,000		
Tactic 1C: Seasonal Promotions	Laurie Bryant	9/30/2011	\$100,000	\$100,000		
Totals - Strategy 1			\$250,000	\$250,000		
AR Totals			\$250,000	\$250,000		

V. SUPPLEMENTAL INFORMATION

A. Changes from FY 2010 Approved AR:

- Cease customized seasonal promotions and focus on seasonal promotions that can be utilized and participated in by larger numbers of retail locations.

B. 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 initiative utilizes Pennsylvania Beef Council resources.

C. Identify any relationships between this AR and projects previously funded by the Operating Committee: This AR, previously funded in FY’s 2006-2010, continues to be closely linked to national retail projects that have also received funding in prior years.

D. Summary of Prior Year AR Budgets and Expenses:

Strategy & Tactic	FY 2010 Approved Budgets			FY 2010 Actual Expenses (through May month end)		
	CBB/BPOC	FSBCs	Total	CBB/BPOC	FSBCs	Total
Strategy 1: Product						
Tactic 1A: Retail Contacts	\$50,000		\$50,000	\$22,578		\$22,578
Tactic 1B: Retail Channel Initiatives	\$100,000		\$100,000	\$35,007		\$35,007
Tactic 1C: Seasonal Promotions	\$100,000		\$100,000	\$86,323		\$86,323
Totals - Strategy 1	\$250,000		\$250,000	\$143,908		\$143,908
AR Totals	\$250,000		\$250,000	\$143,908		\$143,908

E. Historical Summary of Budgets and Expenses:

Strategy & Tactic	Total Approved Budgets			Total Actual Expenses		
	FY 2009	FY 2008	FY 2007	FY 2009	FY 2008	FY 2007
Strategy 1: (include name)	\$250,000	\$250,000	\$234,000	\$223,577	\$234,386	\$229,625
AR Totals	\$250,000	\$250,000	\$234,000	\$223,577	\$234,386	\$229,625