

## AUTHORIZATION REQUEST FOR FY 2011

**AR Title: VEAL MARKETING AND COMMUNICATIONS**

**Name of Contractor: National Cattlemen's Beef Association**

**CBB Budget Component: Promotion**

### I. OVERVIEW

**A. AR Description:** The Veal Marketing and Communications Authorization Request consolidates all checkoff-funded veal programs through the integrated Veal Go-to-Market Strategy as part of the Veal Industry Long Range Plan.

**B. Costs Requested from this AR:**

Source of Funding	Total	Direct Costs	Implementation
Beef Board/BPOC	\$ 522,800	\$ 522,800	
Federation of SBCs (FSBCs)	\$ 77,200	\$ 77,200	
Other Sources ( <i>describe</i> )	\$	\$	
<b>Total Funds Requested</b>	<b>\$ 600,000</b>	<b>\$ 600,000</b>	

**C. Disclosure of Implementation Costs Requested in Separate AR:**

Source of Implementation Funding	Implementation
Beef Board/BPOC	\$ 410,861
Federation of SBCs (FSBCs)	\$ 60,688
Other Sources ( <i>describe</i> )	\$ -
<b>Funds Requested in AR P-08-2011</b>	<b>\$ 471,549</b>

**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:** Veal Go to Market Strategy

**B. Committee That Reviewed This AR:** Joint Veal Committee

**C. Committee Recommendations for This AR:** The Joint Veal Committee recommends to the Operating Committee that this AR be approved for funding in FY2011.

### III. PROGRAM INFORMATION FOR THIS AR

- A. **Strategy 1: Veal Go to Market Strategy** - Increase demand and profitability for all segments of the veal industry.

**Strategy 1 Proposed Cost:** \$ 600,000

#### **Specific Tactic Information:**

##### **Tactic 1A: Veal Retail Promotions**

In this tactic, we will develop and execute a series of retail promotion programs in the 12-month period designed specifically for retailers to expand veal sales; targeted retailers will include those in areas with higher than average veal consumption. These integrated retail programs will include both retail programs direct-to-consumer media promotions like retail partnership programs, branded retail partnerships, public relations outreach, e-blasts to vealmadeeasy.com consumer database, and leveraged retailer promotions featuring new on pack recipe labels.

##### ▪ **Measurable objectives:**

- Increase retailer participation by 10 percent over the 12 month period (Benchmark estimate for FY 2010 is estimated at 5,000 stores).

##### ▪ **Proposed cost:** \$305,000

##### **Tactic 1B: Veal Retail Tracking and Analysis**

In this tactic we will measure veal sales by through third-party analysis of Freshlook and Promodata information, market penetration with retailer participation and retail ad featuring.

##### ▪ **Measurable objectives:**

- Quarterly reports will be provided for valuable insight into market sales trends by region to be shared with Retail Marketing Managers, Veal Go-to-Market Strategy team and its marketing partners for program extension and evaluation. This insight will guide strategy decisions on geographic focus moving forward.

##### ▪ **Proposed cost:** \$ 10,000

##### **Tactic 1C: Veal Big Idea Retail Conference**

In this tactic an annual Veal Big Idea Conference will be created to help attract branded companies to become marketing partners with the Beef checkoff and veal marketers including veal packer/processors, distributors and wholesalers.

##### • **Measurable Objectives:**

- Secure at least two additional branded marketing partners that will help sell more veal with cooperative funding support in retail

channel. Benchmarks will be established as partnerships are formed. Targets will be set and measured on a year/year comparative basis against these benchmarks.

**Proposed Cost:** \$ 20,000

#### **Tactic 1D: Veal Foodservice Marketing**

Develop foodservice promotions to support foodservice operators, foodservice distributors and packer/processors who market veal nationwide through aggressive account servicing by offering menu assistance, web-based promotion opportunities and partnerships with branded partners. We will participate in at least two meat industry events (NAMP/COP and Southwest Foodservice Expo) focusing on center of plate decision-makers and participate in at least two selected trade shows along with culinary education programs.

##### **▪ Measurable Objectives:**

- Establish new veal menu additions with at least four national chains in the casual and fine dining segments with multiple foodservice partners.

**Proposed Cost:** \$90,000

#### **Tactic 1E: Foodservice Trade Communications and Wait Staff Training Programs**

Develop and implement an integrated public relations campaign to promote [www.vealfoodservice.com](http://www.vealfoodservice.com) website to foodservice trade media, thought leaders, and foodservice professionals through a series of press releases, veal and/or beef industry meetings/events. In addition, we will develop jointly funded wait staff training programs with complimentary branded partners like pasta, olive oil, wine (e.g. Chateau St. Michelle) directed at targeted foodservice chains and distributor sales and marketing personnel.

##### **▪ Measurable Objectives:**

- Achieve at least 10 documentable mentions of the new vealfoodservice.com website in national foodservice publications, other websites or at media events.
- Create, execute and document wait staff training programs with at least two branded companies to help sell more veal in the foodservice channel.

**Proposed Cost:** \$ 30,000

#### **Tactic 1F: Veal Big Idea Foodservice Advisory Group for Menu Development**

In this tactic, corporate chefs will be invited to participate in an annual advisory group with branded partners to support menu ideation, new cuts adoption, nutritional labeling and other marketing factors affecting veal menu placement.

- **Measurable Objective:**
  - At least two national foodservice chains will partner with a branded partner for veal menu placement in the 12 month period following the event.

**Proposed Cost:** \$15,000

**Tactic 1G: Veal Issues Management**

Build on the success of industry's commitment to newly adopted Ethical Standards and Code of Conduct; expand veal farm tour program (geared toward the public) to facilitate beef council use within their own states, complete Veal Course for industry education purposes and revise the [www.vealfarm.com](http://www.vealfarm.com) web site. This tactic will also include an integrated communication program targeting meat industry media by working collaboratively with veal quality assurance based programs.

- **Measurable Objective:**
  - Increase [vealfarm.com](http://vealfarm.com) usage by 10 percent among veal industry participants and the public. Utilize FY 2010 metric as baseline for measuring usage growth in FY 2011.

**Proposed Cost:** \$90,000

**Tactic 1H: Veal Quality Assurance Program**

Continue to develop and implement targeted producer education programs by updating technical bulletins, recertifying producer and allied industry through web-based education programs, and by working directly with veal feed companies and veal packer/processors.

- **Measurable Objective:**
  - Update at least two technical bulletins, establish web-based education updates at least quarterly and develop email communications system through [vealfarm.com](http://vealfarm.com) and focused industry communication efforts. Success will be measured by achieving 100% annual recertification of veal quality assurance program.

**Proposed Cost:** \$40,000

#### IV. DETAILED BUDGET SUMMARY

Strategy & Tactic	Program Manager	Completion Date	Total FY 2011 Budget	Budget by Funding Source		
				CBB/BPOC	FSBCs	Other
Veal Retail Promotion	Dean Conklin	9-30-11	\$ 305,000	\$ 265,760	\$ 39,240	
Veal Market Tracking and Analysis	Dean Conklin	9-30-11	\$ 10,000	\$ 8,710	\$ 1,290	
Very Big Idea Conference	Dean Conklin	9-30-11	\$ 20,000	\$ 17,430	\$ 2,570	
Veal Foodservice Marketing	Dean Conklin	9-30-11	\$ 90,000	\$ 78,420	\$ 11,580	
Foodservice Trade Communications and Wait Staff Training Programs	Dean Conklin	9-30-11	\$ 30,000	\$ 26,140	\$ 3,860	
Veal Big Idea Advisory Group for Menu Development	Dean Conklin	9-30-11	\$ 15,000	\$ 13,070	\$ 1,930	
Veal Issues Management	Dean Conklin	9-30-11	\$ 90,000	\$ 78,420	\$ 11,580	
Veal Quality Assurance Program	Dean Conklin	9-30-11	\$ 40,000	\$ 34,850	\$ 5,150	
<b>Veal Go to Market Total</b>			<b>\$ 600,000</b>	<b>\$ 522,800</b>	<b>\$ 77,200</b>	
<b>AR Totals</b>			<b>\$ 600,000</b>	<b>\$ 522,800</b>	<b>\$ 77,200</b>	

#### V. SUPPLEMENTAL INFORMATION

##### A. Changes from FY 2010 Approved AR:

- Continuation of successful Retail and Foodservice initiatives
- Completion of Veal Course
- Updating Vealfarm.com
- Expansion of Producer Education Industry Communications Efforts

##### B. Subcontractor information:

- Name of proposed subcontractor: Streetmarc Advertising and Marketing, LLC; Thomas Marketing Group; CMA Consulting, LLC and Meat Solutions.
- Will all work with subcontractors be competitively bid? If not, why not?

C. Identify any relationships between this AR and projects previously funded by the Operating Committee: Each year the subcontractors are evaluated in terms of meeting desired outcomes identified within the Veal Go to Market Strategy and contract provisions agreed upon by both parties. While we may not competitively bid each contract annually, an annual performance evaluation is conducted to determine subcontractor performance and corrective measures taken, if necessary, to achieve the objectives of the Veal Authorization Request.

**D. Summary of Prior Year AR Budgets and Expenses:**

Strategy	FY 2010 Approved Budgets			FY 2010 Actual Expenses (NCBA's as of 5/31/10)		
	CBB/BPOC	FSBCs	Total	CBB/BPOC	FSBCs	Total
Veal	\$ 510,200	\$ 94,600	\$ 604,800	\$ 305,228	\$ 56,584	\$ 361,812
<b>AR Totals</b>	<b>\$ 510,200</b>	<b>\$ 94,600</b>	<b>\$ 604,800</b>	<b>\$ 305,228</b>	<b>\$ 56,584</b>	<b>\$ 361,812</b>

**E. Historical Summary of Budgets and Expenses:**

	Total Approved Budgets			Total Actual Expenses		
	FY 2009	FY 2008	FY 2007	FY 2009	FY 2008	FY 2007
Veal	\$ 579,950	\$ 641,000	\$ 759,000	\$ 603,195	\$ 596,154	\$ 768,228
<b>AR Totals</b>	<b>\$ 579,950</b>	<b>\$ 641,000</b>	<b>\$ 759,000</b>	<b>\$ 603,195</b>	<b>\$ 596,154</b>	<b>\$ 768,228</b>