

DRAFT MINUTES
Joint Producer Communications Committee Meeting
Denver Convention Center – Denver, Colorado
Friday, July 17, 2009

1. Call to Order

Chairman Richard Nielson called the meeting to order at 9:36 a.m., reviewed the meeting purpose, and had committee approve the meeting agenda by consensus.

2. Introductions

Chairman Nielson requested introductions of committee members and guests.

Members Present

- Chairman Richard Nielson, CBB
- Vice Chairman Chuck Adami, Federation
- Max Bozeman Jr., CBB
- Virginia Davis, CBB
- Bob Drake, CBB
- Rodney Gray, Federation
- Larry Jefcoat, Federation
- Chuck Kiker, CBB
- Hank Maxey, CBB
- Richard Nock, CBB
- Buddy Smith, Federation
- Linda Joy Stovall, Federation
- State Beef Council staff (non-voting): Carol Gillis, New York Beef Industry Council; Kathleen Hawkins, Michigan Beef Industry Commission; and Richard Wortham, Texas Beef Council

Members Absent

- Chris Burris, Federation
- Mike Dee, Federation
- Brad Ethridge, Federation
- Charles Hull, CBB
- Maralee Johnson, Illinois Beef Council Executive Director

Guests Present

- Valerie Bass, Tennessee Beef Council staff
- Dave Bateman, CBB, Illinois (did Dave come in?)
- Lisa Brass, Nebraska Beef Council staff
- Robert Bruner, CBB, Texas
- John Freitag, Wisconsin Beef Council staff
- Paul Slayton, Pennsylvania Beef Council staff
- Barb Wilkinson, NCBA
- Lucinda Williams, CBB Chairman, Mass.

Staff Present

- CBB: Lynn Heinze, staff liaison to committee; Diane Henderson, Melissa Slagle, Chad Smith
- McCormick Company: Suzi Sutton-Vermuelen
- Amanda Nolz, CBB blogger (ZimmComm Media)

3. Approve Minutes

Committee approved minutes of Jan. 30, 2009 meeting unanimously.

4. Progress Reports

CBB Executive Director of Communications Lynn Heinze reviewed the Joint Producer Communications Committee priorities, as well as the target audience and objectives of the three producer-communications program areas.

CBB Communications Manager Diane Henderson gave a 2009 direct communications update; CBB Trade Media Manager Melissa Slagle updated the committee on trade media efforts for the year; Heinze provided an update of national checkoff-funded paid media efforts; and NCBA Federation Services Director Barb Wilkinson updated the committee about what NCBA State Services provides and how it coordinates with CBB's producer communications team. For example, Wilkinson said, when the Kansas Beef Council won national funding for a state SHARE program to hang beef checkoff gate signs, Federation Services coordinated with other states that wanted to order signs, creating a 50 percent cost savings for bulk ordering with an order for 2,293 signs. Written program updates also were mailed to all committee members prior to the meeting as part of the committee book.

5. Producer Communications Tracking (print, online)

Heinze introduced a tracking survey completed through Farm Progress publications to determine producer awareness and recall of beef checkoff producer communications advertising and to track producer perceptions about the Beef Checkoff Program.

Suzi Sutton-Vermeulen of McCormick Company provided information about the survey design, methodology, respondents, operation types, circulation areas/geographic locations. She then offered detailed information about awareness, recall of ad theme, Web site, producer testimonials, checkoff information and advertisements, as well as information about respondents' levels of 'approval' of the checkoff program and its ability to provide benefits directly to producers. While producer awareness of the checkoff was strong, she said producers were somewhat less positive about its benefits than those surveyed in the annual Producer Attitude Survey in January 2009, some of which might be attributed to the economic recession and cattle market.

Heinze provided additional results of "Readex" reader testing in magazines where producer communications ads have been placed, and Sutton-Vermeulen presented reader and traffic results of electronic advertising.

6. Results of Auction Market, QSBC, Media Surveys

Heinze presented results of surveys completed with Livestock Marketing Association members and with Qualified State Beef Council executives to measure perceptions and ideas for coordination in checkoff producer communications; and Slagle presented highlights of a recent survey of agricultural trade publication editors and writers aimed at measuring success of trade media communications.

Sutton-Vermeulen explained that each of the surveys provides a benchmark for evaluation future progress, as program managers continually measure the effectiveness of checkoff-funded communications and report those to producer leaders/checkoff investors.

7. Lunch Break

After questions and answers about the tracking surveys, Chairman Nielson recessed the Joint Producer Communications Committee meeting for lunch at noon.

At 12:45 p.m., Chairman Nielson called the meeting back to order.

8. QSBC-SHARE Program Update

Vice Chairman Chuck Adami provided an overview of the state SHARE program for producer communications and reminded committee members to consider ways to improve the evaluation process for the program as they reviewed program results from the first year of program (FY2009).

Heinze explained that the Tennessee Beef Council (TBC) SHARE project for Fiscal Year 2009 was complete, and that TBC Executive Director Valerie Bass had worked with CBB Director of Evaluation Rich Otley to put together an evaluation report for it that could serve as an example for a solid program review process. State Beef Council staff – Lisa Brass of Nebraska, Valerie Bass of Tennessee, John Freitag of Wisconsin, Paul Slayton of Pennsylvania, and Richard Wortham of Texas – provided updates on state SHARE programs in process or already completed for Fiscal Year 2009. Heinze explained that the “Southeast Beef Bytes” program was also under way in four southern states, but a spokesperson was not available for the Producer Communications Committee meeting, and their evaluation is not yet complete.

Committee member Hank Maxey said he likes the idea of the SHARE program because it allows a state/national coordination, with the on-the-ground work by people in the state who “know their producers.” Maxey said his only reservation about the program lies in the evaluation to determine the return on investment of checkoff dollars.

Committee members discussed the evaluation form and agreed to have CBB staff develop Tennessee format as a guide with a couple of changes – the addition of budget amounts and ways to quantify/evaluate that program specifically. Heinze said national and state staff would work together to develop the evaluation that Tennessee used into a standard template for other states to use, with the committee’s additions.

Heinze said the main change CBB is recommending to the SHARE program in Fiscal 2010 is to consider funding more than 60 percent of some projects, based on merits of the program and availability (or lack thereof) of producer communications funding in that state beef council’s budget. The committee discussed the options and agreed that for the Fiscal 2010 SHARE program that the Beef Board would offer “a minimum of 60 percent of the costs and increase that according to the value of the program.”

The other significant change, Heinze said, is in reference to the inclusion of implementation costs in the SHARE program, noting that there were some applicants in Fiscal Year 2009 who felt they

needed some of their implementation costs covered to be able to afford the projects they proposed. Heinze said the program rules originally noted that since the states already are paying their staff, the national program shouldn't have to cover implementation. But some states came back this year and asked that if the national program can't pay state implementation directly with the national SHARE money, could they offset the costs of staff time as part of the state's share instead of separating it out altogether? Heinze said that change was made in CBB's program recommendation for Fiscal 2010.

9. Discuss/Recommend FY2010 Authorization Request

Heinze presented the FY2010 Producer Communications Authorization Request (AR) to the Joint Producer Communications Committee. Heinze noted that the CBB Fiscal 2010 budget for producer communications represents a 46 percent decrease from 2006. At the same time, he said, the 2010 AR would deliver 8.62 million hard impressions (reach times frequency, with NO multipliers) in a year-round coordinated state/national plan, compared to a Fiscal Year 2008 program that delivered 2.78 million impressions.

Heinze presented specifics of the Fiscal 2010 program, including communications, conduit, state partnership and attitude research tactics, seeking a combined total of \$1.8 million, including implementation costs.

Chuck Kiker motioned and Virginia Davis seconded to approve the AR as presented. The committee approved the motion unanimously.

Heinze said that while the AR does not include a national radio buy, it does include an "Attachment A" suggesting some regional radio buys that would be helpful to the campaign – in the Northwest, Southeast, and Northeast – if the Operating Committee deemed it a funding priority.

Committee member Virginia Davis said the wording of the Attachment A was a bit unclear and suggested adding verbiage to make it clear that it would be a radio buy. After some discussion, Virginia Davis motioned and Max Bozeman seconded to include the Attachment A in the recommendation forwarded to the Operating Committee. The motion passed 9-2, with Bob Drake and Linda Joy Stovall dissenting.

10. Adjourn

With no other discussion on the table, Chuck Kiker moved and Max Bozeman seconded to adjourn. The committee adjourned.