

## **Beef Market At A Glance**

Statistics about America's No. 1 selling protein

### The Men and Women of American Agriculture

Beef cattle production represents the largest single segment of American agriculture. In 2002, more farms were classified as beef cattle operations (31 percent) than any other type of farm.<sup>1</sup>

- The U.S. beef industry is made up of more than 1 million businesses, farms and ranches.<sup>2</sup>
- In 2007, there were more than 800,000 ranchers and cattle producers in the United States.<sup>2</sup>
- The American Veal Association estimates there are 900 veal producers in the U.S.<sup>3</sup>
- In 2007, 98 percent of farms in the United States were family farms.<sup>4</sup>

### The U.S. Cattle Supply

In 2007, the production of meat animals was responsible for \$66 billion in added value to the U.S. economy, as measured by contribution to the national output.<sup>4</sup>

- In 2007, there were 97 million cattle in the United States.<sup>2</sup>
- In 2007, 34.3 million cattle were harvested. That means more than 660,000 cattle are harvested in the United States every week.<sup>2</sup>
- In 2007, 26.4 billion pounds of beef were produced.<sup>2</sup>
- U.S. cash receipts from cattle and calves in 2007 were estimated at \$50.7 billion.<sup>2</sup>
- Total U.S. beef exports were valued at nearly \$2.62 billion in 2007.<sup>5</sup>

### Strong Demand for Beef

Consumers' love of great steaks and burgers, their confidence in the safety of U.S. beef and their renewed interest in the nutritional benefits of protein help create strong demand for beef.

- Consumer spending on beef was \$74.6 billion in 2007 and has grown \$25.5 billion since 1999.<sup>2</sup>
- Per capita spending for beef in retail and foodservice was about \$247 in 2007 — up about \$48 from 2001.<sup>2</sup>
- In 2007, per capita consumption of beef was 62.8 pounds, compared to 59.7 pounds for chicken. Consumption of beef has remained stable throughout the past decade.<sup>2</sup>

### Today's Consumer

The demographic make-up of the domestic consumer continues to evolve. The following trends have been identified: a growing and aging population; the emerging strength of the millennial generation, who are entering their prime household formation years; an increase in small households of one to two members and an increase in ethnic diversity.<sup>8</sup>

### Beef in Retail

Beef dominates the retail meat department in volume (pounds) of sales and total dollar amount. Additionally, the value of beef sales, as well as its share of overall meat sales, continues to increase.<sup>6</sup>

The following statistics represent supermarkets with annual sales of \$2 million or more. Data does not include club stores, butcher shops or independent grocery stores with annual sales of less than \$2 million.

- Total fresh beef sales at retail were \$15.5 billion in 2007, a 1.6-percent sales growth from the previous year.<sup>6</sup>

**Funded by The Beef Checkoff**

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- Beef accounts for more than 53 percent of dollars spent on meat at retail. In comparison, chicken accounts for 21 percent of dollars spent on meat at retail.<sup>6</sup>
- In 2007, 4.2 billion pounds of fresh beef were sold at retail.<sup>6</sup>
- In 2007, beef accounted for 39.7 percent of the pounds of meat purchased at retail.<sup>6</sup>
- The average price per pound of beef in 2007 was \$3.67.<sup>6</sup>
- The volume and value of natural/organic beef product purchases are growing at a faster rate (a rate exceeding 30 percent per year) than total beef sales at retail. In 2007, natural/organic beef sales comprised 1.7 percent of the total beef volume (pounds) and 2.5 percent of the total beef sales (dollars) in retail.<sup>6</sup>

### Beef in Foodservice

The foodservice sector includes both “restaurants” (limited and full service) and “beyond restaurants,” such as lodging, business and industry (e.g., private, corporate and employee dining facilities), colleges and schools.

Of the total dollar amount spent on food and beverages in 2007, approximately 50 percent went to retail outlets and 50 percent to foodservice establishments. In 2007, Americans spent \$540 billion in the foodservice sector, a 5-percent increase from 2006.<sup>7</sup> Importantly, beef remains the No. 1 protein served in restaurants.<sup>7</sup>

- Overall, the foodservice sector purchased 8.67 billion pounds of beef in 2007, a 3.4 percent increase from 2006. Foodservice purchased 7.84 billion pounds of chicken in 2007.<sup>7</sup>
- The volume (pounds) of steaks purchased by foodservice establishments in 2007 increased 1.6 percent compared to the year prior, with the greatest increases in the sirloin steak (6.5% increase), the strip steak (6.2% increase) and the petite tender (17.5% increase).<sup>7</sup>

The following statistics measure beef volume in commercial restaurants, which account for about 65 percent of all consumer spending in foodservice.

- In 2007, 5.6 billion pounds of beef were purchased by commercial restaurant operators, an increase of 1 percent from 2006.<sup>7</sup>
- In 2007, 97 percent of commercial restaurants purchased beef to serve, a 1 percent increase from 2006. Ninety-five percent of commercial restaurants purchased chicken to serve, a 1-percent decrease from 2006.<sup>7</sup>
- Commercial restaurants include limited service restaurants (LSRs), such as McDonalds, Pizza Hut, Subway and Church’s, and full service restaurants (FSR). FSRs are divided into midscale restaurants such as Denny’s, Golden Corral and Cracker Barrel; casual dining restaurants such as Olive Garden, Applebee’s and Red Lobster; and fine dining restaurants such as Morton’s and Del Frisco’s.
- LSRs accounted for more than 64 percent of all beef and 64 percent of all chicken served in commercial restaurants in 2007.<sup>7</sup>

### Beef in the Home

More than eight out of 10 individuals consume fresh beef regularly (an average of 1.6 times per week) in-home.<sup>9</sup>

- Ground beef is the most popular beef item for consumers preparing meals in their home. In 2007, ground beef was present at nearly 60 percent of all in-home beef servings. Steak is the second most popular in-home beef item.<sup>9</sup>
- Although families represent only one-third of households, they represent more than half of fresh beef servings.<sup>9</sup>

Unless otherwise noted, all statistics are for year 2007.

<sup>1</sup> USDA’s National Agricultural Statistic Service

<sup>2</sup> Cattle-Fax, April 2008

<sup>3</sup> American Veal Association

<sup>4</sup> USDA’s Economic Research Service

<sup>5</sup> U.S. Meat Export Federation

<sup>6</sup> FreshLook Data (IRI Scanner Data) Research

<sup>7</sup> Technomic, Inc.

<sup>8</sup> U.S. Department of Commerce, Bureau of the Census

<sup>9</sup> U.S. NPD Group’s National Eating Trends Service