

AUTHORIZATION REQUEST FOR FY 2020

CBB Budget Category: **Foreign Marketing**

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

Name of Organization Subcontracting: **United States Meat Export Federation**

Start Date: **10/1/2019**

End Date: **9/30/2020**

AR OVERVIEW

AR Description:

In support of the Beef Industry Long Range Plan to drive growth in beef exports, the United States Meat Export Federation (USMEF), funded in part by the beef checkoff, organizes its international programs in global markets around the following strategic priorities:

- Total Carcass Utilization – Maximize returns at each link in the marketing chain by building export demand for value-added products and the complete range of red meat items, especially those underutilized in the U.S. market and including variety meat.
- Trade Support – Gather and disseminate market intelligence and facilitate direct contact between U.S. exporters and targeted buyers in export markets.
- Buyer Education and Loyalty – Educate targeted buyers in export markets on the attributes of U.S. red meat and red meat products and build buyer loyalty to products exported from the United States.
- Market Presence – Increase the presence and availability of U.S. red meat and red meat products in the HRI and retail sectors in targeted export markets to build familiarity among consumers.
- Product Image – Establish positive images of U.S. beef with consumers in targeted export markets.
- Market Access – Secure meaningful, sustained access to new and existing export markets using all available means.

USMEF's programs in the international markets address one of the following strategic objectives:

- A) **Market Access** – USMEF's global staff monitor and manage the impact of government requirements and attitudes, consumer issues, and non-science-

based regulations that limit U.S. beef exports. To maximize the impact of market access initiatives, USMEF prioritizes issues that are likely to have the greatest impact on exports and where USMEF is in the strongest position to influence.

- B) **Market Development** – Developing demand for U.S. beef among new and existing buyers by introducing new sectors to U.S. beef and expanding the volume and range of cuts purchased by current buyers is a key component of USMEF’s strategic program planning. USMEF focuses on opportunities to utilize a wide range of cuts, bringing value to an entire carcass by promoting alternative cuts and variety meat products where culturally appropriate. With the expertise of on-ground marketing directors and staff, USMEF identifies sectors with the highest potential for export growth, and ultimately designs strategic objectives unique to each market. For sustained growth and expansion, markets may require a “**develop**”, “**displace**”, or “**defend**” approach depending on a variety of factors such as market access conditions, competitor performance, market penetration level, and future outlook.

Develop – The development of new markets for U.S. meat is a top priority for USMEF. An example is recent work conducted in West Africa to identify market potential, establish relations with importers, and introduce buyers to U.S. sellers. Research and initial market analysis are also part of this development process, where a market is evaluated for its constraints, potential opportunities, and feasible “next steps” plan of action. But development doesn’t necessarily occur only in markets new to U.S. meat. USMEF also develops new outlets for U.S. meat and grows each market by penetrating new market subsectors, even in mature markets.

Displace – Competition is fierce globally, not only from domestic suppliers in each market, but also from other exporting countries. In markets where U.S. red meat has a foothold, USMEF continues working to capture additional market share by further displacing the competition and creating loyal customers. The unique attributes of U.S. product and the industry provide the basis for educating buyers on switching to U.S. red meat, thus displacing competing product.

Defend – In the face of ever-changing market dynamics, it is essential that the U.S. industry never assume that markets currently held will remain U.S.-dominated. Just as USMEF works to displace the competition, competing suppliers are constantly working to displace U.S. meat. Defense strategies must be employed to hold market share against aggressive tactics from competitors, especially in large markets or sectors in which the U.S. has a significant share. Establishing and maintaining loyalty among customers is a primary goal of USMEF, as changing trade dynamics and price differentials can threaten U.S. market share among inconsistent buyers.

Throughout the program development process, USMEF breaks each market into four sectors roughly corresponding to the distribution flow of product and reflective of the level of market penetration of U.S. beef as follows: Trade (importers, distributors, processors), HRI (hotel, restaurant, institution), Retail, and Consumer. To further create opportunities for U.S. beef in each market, each sector is further divided into smaller subsectors characteristic of each individual market. For example, HRI may be divided into family-style eateries, BBQ chains, white tablecloth restaurants, local cuisine, fast-food, etc. As consumer trends change these subsectors may evolve, representing opportunities for U.S. beef export growth. This “sector-oriented” approach allows USMEF to better design programs to meet the strategic objectives.

USMEF tactics and programs designed to achieve strategic objectives are similar in many markets; however, the implementation, target audience, and specific messages delivered through these initiatives are characteristic of each market. Examples of USMEF Market Access and Market Development activities are listed below.

Trade Servicing: This includes ongoing activities conducted in the market to build and maintain relationships, gather and disseminate relevant industry information between the market and the U.S. beef industry, connect buyers and sellers, and communicate the U.S. industry’s commitment to target accounts. Activities may include but are not limited to company visits, exclusive “club” membership and meetings, etc.

Trade Shows: USMEF attends relevant trade shows in each market to bring buyers and sellers together with the opportunity to discuss business needs, reinforce relationships, exchange information about trends, and demonstrate current and new products. Trade shows may span a variety of sectors targeting the trade, HRI buyers, retail buyers, etc. Trade shows are a primary tool used to generate interest in U.S. product and engage with new and existing buyers. Exhibitions often feature a U.S. or meat pavilion in which USMEF and U.S. beef suppliers have booths for displaying product. Shows may range from large-scale international events to smaller events focused on specific sectors or regions, as well as very targeted importer-hosted showcases. USMEF currently hosts an annual showcase, the Latin American Product Showcase targeted at specific regions, and may opt to expand the USMEF-hosted showcase to serve a wider set of international markets.

Seminars/Trainings/Cutting Demonstrations: Targeted and customized seminars are used to introduce U.S. beef to new customers, to establish trust in U.S. product with existing buyers, and to showcase the range and versatility of available U.S. beef cuts in each market. USMEF recognizes that education at all levels, from importers/distributors to retail meat department staff is a key cornerstone of market development. Seminars may include hands-on cutting demonstrations, cooking demonstrations, menu development trainings, sales force seminars, etc. These activities may be customized for company-specific events and may even be directed towards the buyers of a specific

importer/distributor as a support mechanism to generate more downstream sales.

Trade Teams: USMEF hosts numerous international trade teams of importers/distributors, decision-makers, from targeted foodservice and retail companies, and media influencers to give participants a thorough and interactive overview of the U.S. beef industry. Demonstrating U.S. beef production techniques, range of products available, safety and inspection procedures, and foodservice/retail trends, USMEF trade teams are an important means to facilitate business relationships between buyers and sellers, and a primary opportunity to showcase the superiority of U.S. product.

Due to the international onset of African Swine Fever (ASF), USMEF will elect to limit trade teams based on the origin market's infection status. In some cases, USMEF may elect to cease all trade teams coming from a certain region in order to further protect the U.S. red meat industry.

Communications: USMEF may utilize traditional or online communication so distribute information about U.S. beef among targeted buyers and consumers. Using print material such as newspapers, advertisements, magazines, and even online materials such as social media posts, articles, and video content, these activities can help introduce new products, provide information about where to purchase U.S. beef, build consumer hype and generate goodwill, and promote the quality and safety of U.S. product.

Promotions: Supporting retailers and foodservice operators, USMEF utilizes promotions in conjunction with a full range of other activities (i.e. training, communications) to develop long-term sales of U.S. beef. Promotions may take many forms, including in-store tasting demonstrations, menu features, events/contests, etc. Results are often used to communicate the value in U.S. beef to first-time users or to encourage buyers to expand the portfolio of U.S. beef products on their menu or on their shelves. In addition, promotions increase buyer familiarity with U.S. product, and are often used to deliver messages about the quality, taste, safety, and versatility of U.S. beef directly to targeted consumers.

Issue Monitoring, Analysis, and Reporting: As part of the Market Access initiative, USMEF is committed to monitoring U.S. beef access in international markets. USMEF frequently updates U.S. exporters, industry trade associations, and government agencies with information and analysis on import policies, requirements, and changes that have the potential to restrict U.S. beef exports, including traceability requirements and competitor programs. Attendance at conferences, formal communications, and informal meetings are examples of activities where market access information may be gathered and shared.

Government and External Relations: USMEF communications information about U.S. production practices, U.S. meat safety systems, U.S. export requirements, and science-based assurances about the U.S. industry to foreign government authorities, opinion leaders, in-market port personnel, the media, the trade, and the general public in international markets. Specific activities may include hosting seminars or teams, production and distribution of educational material, relationship-building, public relations, and research. USMEF also has a role to communicate the objectives of the organization to the U.S. beef industry, and often presents in front of industry players including producers, attends industry meetings, and disseminates information about export programs publicly on the USMEF website and via social media.

Technical Support: USMEF provides details to the trade and local authorities on U.S. export specifications, certifications procedures, safety inspection measures, and quality assurance programs. In addition, USMEF offers customized technical services support to organization members, addressing export challenges and obstacles that prevent the steady flow of product. Specific activities may include conducting seminars, distributing educational material, and hosting teams.

Funding	Direct Costs	Implementation	Total
CBB/BPOC Funding Request:	\$6,572,150	\$2,621,000	\$9,193,150

Other Potential Funding	Direct Costs	Implementation	Total
Federation of SBCs Pledges: (Informational Only)	\$1,078,225	\$364,775	\$1,443,000
Other Funding: (Informational Only)	\$4,022,550	\$0	\$4,022,550

Long Range Plan Core Strategies Addressed by this AR *(Check all that apply)*

Grow Beef Exports	Consumer Trust	Protect & Enhance	Beef's Value Proposition
<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Digital properties and target audience(s) addressed by this AR:

ASEAN – Facebook (trade, HRI, consumer)

China/HK – Website, Wechat Weibo, Facebook (Trade, HRI, Consumer)

Europe – Website, Facebook, Twitter, Youtube, Instagram (Trade, HRI, consumer)

Japan – Website, Facebook, Twitter, Youtube, Instagram, Mobile apps (trade, consumer)

Korea – Website, Facebook, Instagram, Naver Post, YouTube, NaverTV, Mobile apps (trade, HRI, consumer)

Mexico – Website, Facebook, Youtube, Instagram, LinkedIn (Trade, HRI, retail, consumer)

Middle East – Facebook, Instagram (Consumer, HRI)

South America – Website, Facebook, Instagram (Trade, HRI, consumer)

Taiwan – Website, Facebook, YouTube, Instagram (trade, HRI, retail, consumer)

PROGRAM INFORMATION FOR THIS AR

Tactic A

Tactic Name: ASEAN

Tactic Description: Market Development

Market Assessment

In 2018, exports of U.S. beef plus variety meat to the ASEAN region were up 20 percent in volume to 49,226 mt, while value was up 30 percent to nearly \$275 million. Exports to Philippines, Indonesia, and Vietnam, the three leading export markets for U.S. beef plus variety meats in the region, were all higher in 2018 with growth led by exports to the Philippines up 39 percent (5,037 mt) in volume and 42 percent in value to \$87 million. Beef variety meat exports were led in volume by Indonesia, absorbing 6,700 mt of the total beef variety meat exports to the region. However, growth of BVM exports was led by exports to Vietnam, which nearly doubled in 2018 to 418 mt, and exports to Philippines, which were up 59 percent to 5,719 mt. Value for beef variety meats were up for all three export markets.

	Indonesia	Philippines
Per Capita Beef Consumption	3.2 kg	3.7 kg
Total Beef Imports (not including variety meat) – all sources	164,259 mt	135,343 mt
Total Beef Variety Meat (BVM) Imports – all sources	46,414 mt	11,099 mt
U.S. Share of Total Beef/BVM Import Market	6%	9%
Other Beef/BVM Suppliers & Market Shares	Australia 49.5%	India 30.5%

	India 38%	Australia 27%
	New Zealand 6%	EU-28 12%
Domestic Self Sufficiency	54%	51%
U.S. Beef Exports (not including variety meat)	7,386 mt	12,222 mt
U.S. Beef Variety Meat (BVM) Exports	6,700 mt	5,719 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	1%	1%
Customers for U.S. Beef Imports	Processing	15%
	HRI	70%
	Retail	15%
Top Imported U.S. Beef Cuts: middle meats, rib and chuck items, some thin meats		
Top Imported U.S. BVM Items: livers, kidneys, hearts, tongue, tripe, tendon		

2018 import and market share data is based on import data of Indonesia and the Philippines (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategies:

Educate key accounts about the quality and value of a wide range of U.S. beef products to a) Displace the competition by mitigating the perception that U.S. beef is not competitive, b) Develop the market through expanded purchases among trade, HRI and retail accounts, and c) Defend relationships with existing buyers.

Evolving Consumer Preferences	<ul style="list-style-type: none"> • The middle and affluent class is growing in this region with other foreign investors taking notice. • Traditional markets, such as wet markets, dominate the retail space in this region as consumers prefer to purchase “warm” or very freshly slaughtered meat products. • Consumers remain generally unaware of the attributes of chilled meat products; however, purchasing patterns are showing signs of modernization. • Food safety scandals are fueling consumer distrust in government agencies and domestic product throughout the region, while consumers become increasingly interested in personal health and nutrition. • Consumers in this region are incredibly diverse. According to Euromonitor, in 2018 disposable income per capita (in USD) was approximately \$2,300 in Philippines, \$1,800 in Vietnam, and \$31,000 in Singapore.
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<i>Strategic Objective</i>	Capitalize on evolving consumer trends to gain market share while the region is still in its “developing” stage and the imported beef market is not fully saturated.
<i>Tactical Response</i>	Educate consumers about the quality and safety behind U.S. beef, while increasing consumer exposure to grainfed product via chef interactions, labelling at retail, etc.
Retail Sector Modernization	<ul style="list-style-type: none"> • Traditional markets are still very prevalent throughout the region, selling low quality beef options. • The retail sector across the region is transitioning to modern supermarkets, though most consumers are not very knowledgeable about frozen or chilled meat. • Expansion of foreign retailers familiar with U.S. beef such as Aeon (Japan) and Lottemart (Korea) present opportunities to further penetrate the retail sector. • Consumers demonstrate a willingness to pay more for imported beef products, especially the growing middle class as food safety becomes a top priority. • Some importers are adding cutting/processing facilities to their operations to produce retail tray-pack items for easy inventory replenishment. • Traditional grocery retailers such as mom and pop shops are starting to move into the ecommerce market to maintain sales, reflecting consumer preferences for convenience. • Similar to other Asian markets, convenience stores continue to establish a presence in the region, creating opportunities for ready-made fresh products.
<i>Strategic Objective</i>	Work with distributors to provide merchandising assistance to help retailers effectively handle and promote U.S. beef (e.g., make frozen meat and the freezer case more attractive), and increase exposure and availability of U.S. chilled beef.
<i>Tactical Response</i>	Team up with the trade to enhance U.S. beef’s retail presence through more point of sale activities, both in-store and online, including cooking/tasting demos, with specific tactics customized for each retailer and focusing on corn-fed U.S. beef.
Foodservice Demand and Tourism	<ul style="list-style-type: none"> • Growth in tourism continues to fuel increased demand for quality and consistency among foodservice operators. • Labor shortages, especially in Singapore, are forcing foodservice operators to utilize more value-added products and alternative cuts to reduce in-house costs. • Lack of infrastructure and education continues to limit this region; however, as consumers become more health conscious, local foodservice operators will adhere to more modern health standards.

<i>Strategic Objective</i>	Introduce HRI buyers to a diverse set of U.S. secondary cuts such as hanging tender, short plate, heel muscle, and rib fingers that only require simple preparation but present a higher perceived value.
<i>Tactical Response</i>	Conduct seminars and other activities to teach foodservice end-users about the profitability of underutilized U.S. beef cuts and demonstrate innovative cooking options. Target key food distributors, chefs, purchasing managers and restaurant owners to address company-specific opportunities and challenges.
Diversifying Sources	<ul style="list-style-type: none"> • Increased supplies of low-end Indian buffalo meat, and Spanish/Irish beef are displacing Australian sources. • Displaced Australian beef previously marketed to the processing sector is now moving into “premium” beef territory and competing more directly with U.S. beef; thus, necessitating modifications, including different grades, cuts or preparation methods to differentiate U.S. supply. • Australia and New Zealand benefit from several tariff-eliminating FTA’s in this region. • The EU is aggressively pushing for FTAs in the ASEAN. • The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) will phase out duties for beef in Malaysia, Singapore, and Vietnam for participating competitors.
<i>Strategic Objective</i>	Demonstrate the attributes of utilizing U.S. beef items (such as short plate, cow rib roll and beef loin tail) to highlight consistency, taste profile, and cost efficiency to the HRI and processing sectors.
<i>Tactical Response</i>	Use specialized company-specific training on incorporating a variety of U.S. beef alternative items into meals and processed products, while also gearing the trade to support their downstream customers more directly to defend market share.

Other Key Initiatives

- Explore the untapped market opportunities in Laos, Cambodia, and Myanmar with initial trade servicing to gather information on current market needs.
- Further develop HRI opportunities for U.S. bone-in beef in Thailand, where market access was granted in late 2017 and buyers are still unfamiliar with U.S. bone-in cuts.
- Respond to consumer concerns regarding food safety by positioning U.S. beef as a safe, reliable, and consistent protein source.
- Emphasize the benefits of grain-fed U.S. alternative cuts (vs. grass-fed traditional cuts from other sources) in this developing region.
- Educate processors on using U.S. beef variety meat such as hearts and livers as standard input material.
- Explore expanded use of sirloin and round cuts and increase the market for >30-month and no-roll items.
- Continue to focus on new opportunities, including expanding the marketing reach to new HRI and retail subsectors in targeted markets, and continue to support new outlets for U.S. beef with merchandising suggestions, POS material, etc.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 80% of targeted trade accounts will report that they understand the profit potential of and have a favorable attitude towards U.S. beef based on information provided by USMEF.
- 100% of targeted HRI accounts will report that they understand the unique quality and profit potential of U.S. beef compared to competing products based on information provided by USMEF.
- 93% of targeted HRI accounts will regularly feature and promote U.S. beef on their menus.
- 100% of targeted retail accounts will report that they understand the quality attribute of U.S. beef based on information provided by USEMF.
- 100% of targeted retail accounts will regularly stock U.S. beef.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic B

Tactic Name: ASEAN

Tactic Description: Market Access

Noteworthy market access issues include:

- A) Singapore's ban on certain pathogen reduction treatments, registration requirements for processed beef and beef offal, and EV requirements for beef from imported Canadian cattle.
- B) Vietnam's non-transparent import requirements for "white offal".
- C) The Philippines non-transparent reference pricing system at customs clearance.
- D) Indonesia's requirement for on-site audits for plant approval.
- E) Other non-science-based barriers throughout the region.

USMEF Strategies for addressing these issues—in cooperation with U.S. industry organizations—focus on educating government decision makers about U.S. production standards, presenting science-based technical material to industry stakeholders and the appropriate import-regulating body, and supporting the U.S. government's efforts to negotiate expanded access for red meat in the region. In addition, USMEF will closely monitor the African Swine Fever outbreaks in the region and will impose biosecurity measures on teams and other international travel as needed.

Measurable Objectives (*List at least three outcome-based objectives for this tactic*):

- USMEF will contribute to U.S. government initiatives to eliminate trade restrictive policies.
- 92% of USMEF members will report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic (Check all that apply)

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic (Check all that apply)

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic C**Tactic Name:** Caribbean**Tactic Description:** Market Development**Market Assessment:**

After the devastation brought by hurricanes Harvey, Irma and Maria in 2017, much of the affected areas of the Caribbean region have rebuilt to the degree that they were back open for business heading into 2019. As a result, exports of U.S. beef to the region rebounded in 2018. Growth in Jamaica and the Bahamas contributed to a 11 percent increase in the Caribbean region as U.S. beef exports reached 19,450 mt. Value was up 4.5 percent to \$110.1 million.

	Bahamas	Jamaica
Per Capita Beef Consumption	n/a	n/a
Total Beef Imports (not including variety meat) – all sources	3,965 mt	5,945 mt

Total Beef Variety Meat (BVM) Imports – all sources	341 mt	5,403 mt	
U.S. Share of Total Beef/BVM Import Market	75%	58%	
Other Beef/BVM Suppliers & Market Shares	Brazil 19%	Brazil 19%	
	Argentina 1.3%	Australia 13%	
	EU-28 4%	Costa Rica 7%	
Domestic Self Sufficiency	n/a	n/a	
U.S. Beef Exports (not including variety meat)	3,214 mt	2,302 mt	
U.S. Beef Variety Meat (BVM) Exports	28 mt	4,327 mt	
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	<1%	<1%	
Customers for U.S. Beef Imports	Processing	<1%	22%
	HRI	69%	48%
	Retail	30%	30%
Top Imported U.S. Beef Cuts: top sirloin, inside round, strip loin, rib eye, ground beef, tenderloin			
Top Imported U.S. BVM Items: liver, kidney, heart, feet, oxtail			

2018 import and market share data is based on reported exports to the Bahamas and Jamaica (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategies:

Keep U.S. beef top-of-mind among buyers in the Caribbean by distinguishing its quality, consistency and eating experience in order to A) Defend market share against the competition and other alternative protein sources, B) Further develop demand for a wide range of items, especially those targeted for high-end food service and BBQ concepts, and continue to displace competitor product, and C) Offer support and high-quality meat options to islands continuing to rebuild from hurricanes.

Growing Foodservice Sector	<ul style="list-style-type: none"> Recovered islands are keeping pace with tourism demand, fueling the foodservice sector. 2020 is the key year when most islands feel they'll be fully operational. Price Volatility and variable supply present problems for promotional planning. Restaurateurs are seeking affordable cuts while retaining well-marbled characteristics.
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	<ul style="list-style-type: none"> • There is growing interest in portion-controlled cuts (i.e. pre-cut steak-ready) that reduce labor and excess trim costs. • Foodservice operators express a need to differentiate, presenting potential for U.S. beef alternative cuts. • The BBQ trend continues to thrive, with brisket and short ribs appearing on more menus, and chef willingness to use different BBQ techniques driving menu diversification. • Alternative cuts also present an opportunity for resorts to add an affordable protein to menus developed for staff. • HRI buyers have inquired about ways to use high quality beef to improve local burgers.
<i>Strategic Objective</i>	Maintain a presence for U.S. beef on restaurant menus by illustrating the cost benefits of purchasing underutilized U.S. beef cuts at the highest possible/affordable quality grade.
<i>Tactical Response</i>	Train chefs on value cuts such as bottom sirloin flap/ball tip/tri-tip, brisket, chuck eye roll, shoulder clod and top sirloin, reiterating the impact of quality and consistency on profitability while offering support with menu development and methods to differentiate between food service outlets. Demonstrate the value equation on portion control and “new looks for old cuts”.

Transitioning Retail	<ul style="list-style-type: none"> • Retail outlets continue to transition from frozen to chilled beef products but are challenged with a “frozen” mindset. • Retailers face issues such as shrink, inconsistent cold chain infrastructure, price volatility and high employee turnover. • There is new demand for smaller case-ready cuts with >21 days shelf life - both fresh and frozen. • Demand for high-quality value-added products such as dry-aged beef, all-natural, or organic beef is rising in the retail marketplace. • Anti-U.S. sentiments linger with local populations presenting a challenge for country of origin labelling at the retail level. • Consumers want to see brands on products for the story and transparency.
<i>Strategic Objective</i>	Build retailer confidence by educating employees on the value/quality benefits of U.S. beef, train staff on proper handling and marketing of products, and support the launch and merchandising of value-added or niche high-quality chilled items.
<i>Tactical Response</i>	Continue to train retailers and their employees on proper merchandising techniques by incorporating store walk-throughs and audits into tailored seminars and workshops. Work with retailers to embrace brands as part of their marketing strategies, and demonstrate proper cold storage and handling techniques to maintain product quality.

<p>New Cooking Styles</p>	<ul style="list-style-type: none"> • Locals predominantly use slow cooking methods and stew recipes for beef due to the availability of low-quality beef. • Increased availability of high-quality beef has spurred interest in other cooking techniques like grilling and barbecuing, although BBQ is still excluded from many culinary training programs and BBQ training in HRI is inconsistent. • Retailers are seeking to introduce new items suitable for the grill. • Shareable dishes/small bites are becoming more prevalent due to factors related to convenience and flexibility for kitchen staffs.
<p><i>Strategic Objective</i></p>	<p>Demonstrate a variety of grilling techniques to chefs, retailers, and their customers to increase sales of appropriate mainstream and lesser-known U.S. beef cuts suitable for grilling and move consumers away from just stewing meat.</p>
<p><i>Tactical Response</i></p>	<p>Develop educational materials for the meat case that include recipes promoting “Great on the Grill” concepts and provide training for meat department staff on promoting cuts for grilling. Encourage integration of formal barbecue courses into local culinary curriculums and partner with pit-master experts to improve the quality of BBQ training. Introduce the popular one-pot or slow cooker method to replace the stewed meat concept and develop menus around “one meal, many applications.”</p>

Other Key Initiatives

- Elevate the image of U.S. beef, focusing on recapturing the memories of great steak eating moments to recreate positive consumer experiences.
- Capitalizing on the number of American tourists in the market, re-define how a great American burger should taste with juiciness and texture.
- Facilitate communication between potential buyers and U.S. suppliers via participation in events such as USMEF’s Latin American Product Showcase.
- Enhance buyer understanding of the U.S. beef grading system and highlight the value/price relationship between quality grades and affordable cuts.
- Present the maximum SKUs (individual items) from each cut and identify ways distributors can work with their customers to broaden menu and retail offerings.
- Demonstrate the profit potential of case-ready and portion control products (e.g. strip, ribeye, top sirloin, burgers and flat iron) to retail and HRI accounts, plus share new co-product ideas—beyond vein steaks.
- Introduce U.S. exporters to buyers looking for chilled and portion control beef cuts.
- Educate chefs and wait staff on the attributes of U.S. beef and new cooking methods (e.g. low & slow BBQ or sous vide) and support targeted restaurant promotional efforts.
- Work with retailers to review their fabrication and storage facilities, meat case setup, pricing, and product labeling and provide recommendations for improvement to maintain the integrity of U.S. beef products and increase sales.
- Support the development of a modern cold chain and educate buyers on proper handling techniques.

- Reinforce the U.S. beef story of farmers and ranchers, aligning with consumer interests in brand stories.
- Capitalize on cooking trends, such as Sous Vide and provide further training on how to cut and cook U.S. beef to provide maximum quality and flavor.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 95% of targeted importers and distributors understand the supply benefits, quality attributes, and value relationships of U.S. beef based on information provided by USMEF.
- 80% of targeted HRI distributors promote new ways to use popular cuts or an alternative cut of U.S. beef to their customers.
- 100% of retailers understand proper cold chain management, handling, and merchandising of U.S. beef.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic D

Tactic Name: Caribbean

Tactic Description: Market Access

Noteworthy market access issues in this region include:

- A) Jamaica's excessively high import duties on U.S. beef at 86%.

USMEF works closely with U.S. industry organizations to contribute to and support initiatives to eliminate trade-restrictive policies and requirements in the Caribbean region and keep the U.S. industry informed on critical changes in local government regulations and emerging issues in the region.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will contribute to U.S. government initiatives to eliminate trade restrictive policies.
- 90% of USMEF members will report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems	<input type="checkbox"/> Ensure antibiotic stewardship	<input type="checkbox"/> Research & innovate new production technologies	<input type="checkbox"/> Revolutionize beef marketing & merchandising
<input checked="" type="checkbox"/> Increase market access	<input type="checkbox"/> Certify & verify production practices	<input type="checkbox"/> Ensure beef's inclusion in dietary recommendations	<input type="checkbox"/> Measure & improve sustainability
<input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure beef safety	<input type="checkbox"/> Motivate producers & stakeholders to engage in issues	<input type="checkbox"/> Research & communicate beef's nutritional benefits
	<input checked="" type="checkbox"/> Protect beef's image	<input type="checkbox"/> Develop crises management plans	<input type="checkbox"/> Connect & communicate directly with consumers
	<input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic E

Tactic Name: Central America & Dominican Republic

Tactic Description: Market Development

Market Assessment:

With record large exports to mainstay markets of Guatemala and the Dominican Republic (DR) and significant growth in Costa Rica and Panama, beef exports to Central America were pushed to record highs in volume (21,567 mt, up 12 percent) and value (\$138 million, up 10 percent) in 2018. Although more expensive, U.S. beef maintained an advantage in its cut specifications and as a superior quality product in the region.

		Dominican Republic	Guatemala
Per Capita Beef Consumption		7.4 kg	5.1 kg
Total Beef Imports (not including variety meat) – all sources		6,216 mt	16,400 mt
Total Beef Variety Meat (BVM) Imports – all sources *		759 mt	547 mt
U.S. Share of Total Beef/BVM Import Market		97%	35%
Other Beef/BVM Suppliers & Market Shares		EU-28 2%	Nicaragua 52%
			Costa Rica 5%
			Honduras 5%
Domestic Self Sufficiency		89%	80%
U.S. Beef Exports (not including variety meat)		6,047 mt	5,108 mt
U.S. Beef Variety Meat (BVM) Exports *		781 mt	686 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports		<1%	<1%
Customers for U.S. Beef Imports	Processing	10%	10%
	HRI	60%	80%
	Retail	30%	10%

Top Imported U.S. Beef Cuts: strip loin, outside skirt, coulotte, flatiron, ranch cut, round, clod, gooseneck, inside skirt

Top Imported U.S. BVM Items: liver, heart, tongue, tripe

*2018 import and market share data is based on import data of Guatemala and reported exports to the Dominican Republic (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. * Historical discrepancy between import data and U.S. export data.*

Market Development Strategies:

Defend U.S. market share from lesser-quality competitor product by educating the trade and end-users across sectors on the quality, consistency, and profit potential of U.S. beef. Introduce value cuts and the appropriate suppliers to buyers throughout the region to build demand and foster export growth.

<p>Favorable Access</p>	<ul style="list-style-type: none"> • The U.S.-Panama FTA presents increased export opportunities for both top-graded cuts and variety meats. • Access growth for a range of items continues in Guatemala and Costa Rica with the CAFTA-DR FTA. Tariffs on Choice and Prime product immediately eliminated in some countries within a TRQ limit. In general, annual duty reductions to zero by 2020/2023 depending on country. • Decreased domestic supplies presents opportunities for U.S. beef; however, Nicaragua is a growing supplier to the region.
<p><i>Strategic Objective</i></p>	<p>Leverage the benefits of the region's FTAs by identifying niche HRI and retail segments for high-grade U.S. beef, identify retailers willing to bring in Select grade beef to build consumer familiarity with the product, and increase demand in segments willing to utilize variety meats.</p>
<p><i>Tactical Response</i></p>	<p>Develop region-wide programs with large regional retailers such as Walmart and local retail chains and aggressively pursue new sectors to move a variety of products.</p>
<p>Opportunities in Diverse Retail Segments</p>	<ul style="list-style-type: none"> • Although retail in the region is still modernizing, major players, such as Walmart, are continuing to invest and expand in the region. • Trendy meat boutiques are beginning to offer high-end cuts, including T-bone, porterhouse, tomahawk, cowboy, ribeye, striploin, flank steak, etc. • Traditional wet markets still present vast opportunities for variety meats in this region. • U.S. Select grade beef competes with the price of domestic Guatemalan beef products. • Training is key as most buyers are not well-versed in the unique attributes of U.S. beef, and inexperience in proper meat handling hinders perceived quality. • Consumers are generally accustomed to low quality, grass-fed domestic beef and need education on the culinary advantages of corn-

	fed beef and new ways to cook and utilize U.S. beef so as to not overcook and jeopardize the eating experience.
<i>Strategic Objective</i>	Educate buyers on the U.S. beef products available to expand their portfolios, and train them on proper meat merchandising techniques and cold chain practices for optimal yields and profits. Educate final consumers through cooking classes inside of meat boutiques, encouraging them to properly prepare high-end cuts to with a focus on differentiating U.S. beef based on corn-fed attributes versus lower quality grass-fed domestic product to eventually increase demand.
<i>Tactical Response</i>	Conduct activities to develop new business by directly bringing local buyers together with U.S. suppliers, while also providing training on handling and merchandising of unfamiliar cuts, and further supporting downstream buyers with USMEF's "continuous improvement program" to enhance presentation techniques and handling practices at the retail level.
Foodservice Growth	<ul style="list-style-type: none"> • A need for "price friendly" cuts is still prominent in this region, especially with rising beef costs. Restaurants could benefit from adding value cuts to menus such as clod, chuck tender, top sirloin butt, and brisket. • Traditionally, local beef is cooked "medium-well" and marinated, while U.S. beef cooked "medium" offers the same taste quality without requiring extra prep. • Costa Rica and Panama have highest per capita incomes, where consumers are more likely to break traditional eating habits and dine out more often. • Growth in tourism, especially to Dominican Republic, presents opportunities for U.S. beef in meals at resorts for guests and staff alike. • Foodservice importers are creating their own training kitchen centers to teach their customers about the characteristics that distinguish American beef and how to properly handle the product for the best yields.
<i>Strategic Objective</i>	Assist leading importers and distributors in sourcing additional U.S. beef cuts and introduce foodservice buyers to a diverse set of value cuts while emphasizing proper cooking techniques to maximize taste and tenderness.
<i>Tactical Response</i>	Demonstrate trade servicing advantages to directly support importers of U.S. beef. Provide cutting and cooking training on specific cuts to help foodservice operators improve their menu options and reach a wider range of consumers.

Other Key Initiatives

- Educate buyers and consumers in the region on optimal cooking styles to not overcook U.S. beef for a better eating experience.
- Focus on building relationships with integrated importers, processors, and distributors to maximize efficiency in training and create the most impact in downstream sectors.
- Continue to facilitate strong partnerships with major retailers, such as Walmart and other local retail chains.

- Collaborate with regional distributors, retailers, and restaurateurs to promote USDA Choice beef to end consumers to build customer loyalty and differentiate quality U.S. corn-fed beef from the competition.
- Introduce the trade and their downstream customers to lower-cost alternative cuts (e.g., chuck tender, shoulder clod, top sirloin butt) to address relatively high beef prices.
- Further advance channel development in the region and build demand by broadening the reach of educational programs to more countries and into more locally owned supermarket and meat shop chains.
- Work with the Dominican Republic foodservice sector to increase use of value cuts, especially at resorts for both guest and staff meals, and target new retail chains to further expand the market. In addition, work with processors to target the local market with more affordable, processed products.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 70% of targeted importers/distributors will consistently source and successfully promote U.S. beef to their downstream customers.
- 75% of targeted HRI accounts will understand the quality and profit potential of U.S. beef based on information provided by USMEF.
- 83% of targeted retailers will consistently incorporate suggested merchandising methods to promote the quality attributes of U.S. beef.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic F

Tactic Name: Central America & Dominican Republic

Tactic Description: Market Access

Noteworthy market access issues in this region include:

A) Regulations in some countries that do not allow for frozen meat to be thawed at retail. USMEF will focus on building alliance with importers, researchers, and others with an industry interest, encouraging stakeholders to lobby their governments to drop unreasonable restrictions on beef imports from the U.S. Meanwhile, USMEF will work with U.S. and regional government agencies to resolve trade-restrictive issues, and educate government officials on the safety of U.S. beef and the ability to safely thaw frozen product.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will present scientific evidence on the safety of U.S. beef to the region's importers, researchers, and decision makers.
- 90% of USMEF members will report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic G

Tactic Name: China & Hong Kong

Tactic Description: Market Development

Market Assessment:

Exports to Hong Kong were down slightly in 2018, falling 6 percent to 130,129 mt although value increased 9 percent to \$965 million. Although U.S. beef was only granted access to mainland China in mid-2017, exports of U.S. beef plus variety meats saw tremendous growth on a percentage basis in 2018, increasing 142 percent to 7,297 mt, an indication that there is demand for high quality beef in the market. Export value increased 96 percent, reaching \$60.7 million. While eligible supplies remain limited due to China's import restrictions, the market holds significant growth potential as the U.S. is one of few high-quality grain-fed suppliers to this market. Trade tensions with China and retaliatory duties of 25 percent (in addition to 12 percent tariff and 9 percent VAT) will limit future purchasing. However, the market is still showing signs of demand for U.S. beef, and the impacts of African Swine Fever are likely to drive additional demand for beef as an alternate protein option.

	China	Hong Kong
Per Capita Beef Consumption	5.5 kg	25.4 kg
Total Beef Imports (not including variety meat) – all sources	1,047,739 mt	455,504 mt
Total Beef Variety Meat (BVM) Imports – all sources	23,442 mt	355,171 mt
U.S. Share of Total Beef/BVM Import Market	<1%	16.5%
Other Beef/BVM Suppliers & Market Shares	Brazil 30%	Brazil 57.5%
	Uruguay 21.5%	Argentina 4.5%
	Argentina 17%	Australia 4%
Domestic Self Sufficiency	66%	1%
U.S. Beef Exports (not including variety meat)	7,200 mt	103,538 mt
U.S. Beef Variety Meat (BVM) Exports	97 mt	19,294 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	<1%	9%
Processing	10%	0%

Customers for U.S. Beef Imports	HRI	65%	80%
	Retail	25%	20%
Top Imported U.S. Beef Cuts: middle meats, boneless/bone-in short rib, chuck short rib, short plate, chuck roll			
Top Imported U.S. BVM Items: omassum, backstrap, pizzle, tripe, tendon, diaphragm, oxtail, tongue, inside skirt, outside skirt, feet			

2018 import and market share data is based on import data of China and Hong Kong, excluding reported imports from China (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategies:

- A) Maintain customer loyalty with increased support for downstream buyers including trainings and promotions; B) Educate buyers about U.S. beef safety/inspection systems, unique production capabilities, grading and quality, and profitability; C) Create demand in untapped segments in the China/Hong Kong region and reestablish distribution channels in China, focusing on a broad range of cuts and specifications to ensure that U.S. beef remains affordable for a growing set of buyers.

Retaliatory Tariffs and Maintaining Sales	<ul style="list-style-type: none"> • Retaliatory tariffs of 25% on U.S. beef in mainland China, which already carries a price premium compared to competitor beef, has hindered growth in this market and forced some buyers to return to purchasing other imported product, such as Australian grain fed. • Some loyal buyers of U.S. beef are consistently purchasing product despite retaliatory tariffs, although trade tensions with China have hurt the U.S. beef industry's reputation as a reliable supplier in this market. • USMEF's relationships with traders, such as the members of the U.S. Meat Trader's Club, allow the U.S. beef industry to constantly communicate with potential customers in the region and remain agile and ready if tariffs were to be removed. • Unique Chinese import conditions, including cattle traceability and zero hormone and ractopamine residue tolerances, result in higher cost U.S. beef and pressure on exports to send full sets. • Duties in Hong Kong remain at 0% for all beef items.
<i>Strategic Objective</i>	Maintain loyalty among current U.S. beef buyers with renewed levels of trade servicing and support. Continue to build relationships with buyers that initially purchased U.S. beef upon market reopening in 2017, even if such buyers have ceased purchasing amid trade differences.
<i>Tactical Response</i>	Offer increased and intensified levels of support for loyal U.S. beef buyers with additional trainings, POS material, and promotions. Further develop the objectives and interactions within the Meat Trader's Club to foster relationship building and continue to exchange information with buyers in China.

Education Remains Key	<ul style="list-style-type: none"> • While U.S. beef buyers are enthusiastic about U.S. product, buyers remain relatively unfamiliar with U.S. product as the market reopening only just occurred in June 2017. • The growing middle class in China and Hong Kong is showing a willingness to pay premiums for high quality beef, such as grain-fed U.S. marbled cuts, and has greater spending power for pricier items such as chilled beef. In addition, some consumers are willing to pay slightly more for reliable brands they perceive as safe and high-quality, but overall, consumers remain relatively price sensitive. • Affluent consumers are showing increased interested in food safety and are ultimately shifting towards consuming more imported product due to perceived quality. • U.S. competitors, including Australia, Uruguay, and Argentina, have increased their grain-fed production to meet China’s ever-growing demand for premium grain-fed product. • In 2018, China lifted import bans on beef from Ireland, France, and the UK in a subtle message of high-quality beef access diversification. • Traders, importers, and distributors in China continue to benefit from trainings regarding U.S. beef safety, quality, consistency, and grading. • Alternative cuts or middle meats are cost effective substitutes to more popular and more expensive cuts. 	
	<i>Strategic Objective</i>	Increase buyer knowledge on the safety, quality and availability of U.S. beef to build awareness, and reestablish relationships.
	<i>Tactical Response</i>	Create customized, hands-on training for both retail and HRI segments to renew buyer knowledge of U.S. beef, highlighting the affordability and versatility of alternative cuts, while highlighting the differences in Australian grain fed product and U.S. product.
Foodservice Expansion	<ul style="list-style-type: none"> • Hong Kong’s foodservice sector is the main outlet for imported beef and restaurant chains are building centralized kitchens, improving food safety, and offering better value. • Intensifying competition in the foodservice sector, along with climbing rent rates, is pressuring HRI operators to keep food costs low, even as rising incomes and more imported beef options stimulate overall beef consumption. • Grain-fed beef demand is increasing steadily, led by the proliferation of hot-pot, Korean barbecue, steakhouses, and western and family style restaurants, and is further driven by overall consumer interest in beef as a center-of-the plate protein option. • Despite foodservice diversification, hot pot remains the most popular cuisine in China with over 350,000 hot pot restaurants to choose from. • Increased tourism to lower-tier mainland cities may drive foodservice upgrades to these regions. • Chain restaurants are launching new brands to reach a more diverse customer base. 	

	<ul style="list-style-type: none"> • China's middle class now includes 430 million people, yet overall per capita beef consumption is growing. • Expanded U.S. beef access in Hong Kong and Macau, and firm foodservice markets, has boosted exports of a wider range of U.S. beef products. In addition, some buyers in Hong Kong purchase product for mainland China. • Grain-fed beef imported directly is generally distributed in Tier 1 & Tier 2 cities
<i>Strategic Objective</i>	Maintain loyalty with U.S. beef buyers in the HRI sector, while demonstrating the value in utilizing U.S. beef to differentiate among menus and improve perceived restaurant quality.
<i>Tactical Response</i>	Position U.S. beef alternative cuts and dry-aged product as ideal for menu differentiation in both mainland China and Hong Kong, and offer increased levels of support for buyers interested in continuing long-term use of U.S. beef on menus. Utilize promotions, celebrity endorsements, and other means to target affluent consumers and drive the perception that U.S. beef is superior to other imported product. Highlight visible U.S. beef "success story" establishments, whose attributes are widely distributed on social media.
Diverse Retail Sectors	<ul style="list-style-type: none"> • Retail in mainland China is still relatively fragmented, with mom and pop shops and wet markets dominating the retail sector. • Sales of imported beef in traditional supermarkets are growing in the double digits annually. • Fierce competition among large retailers has led to exclusive beef store brands. • Chain retail store growth has slowed as e-commerce has taken sales away from brick and mortar operations. However, e-commerce companies are expanding into the traditional retail environment as the sector goes through a phase of "weeding" out. • Online sales of fresh foods, including meat, is still a small percentage of total fresh food retail sales, but is still growing as consumers demand more convenience. • Retailers are allocating more space to portioned, case-ready packaged products. • Merchandising techniques for beef are still underdeveloped and unsophisticated. • Modern retail is still developing in this market; however, international players with the ability to move large volumes of product (i.e. Costco, Sam's Club) via warehouse-style outlets are entering this market
<i>Strategic Objective</i>	Explore new lower-cost chilled U.S. beef cuts with mass retail chains in Hong Kong, while focusing on training for new U.S. beef users in mainland China. Work with distributors to promote portion-controlled U.S. beef items-chilled and frozen- in both China and Hong Kong.
<i>Tactical Response</i>	Develop recipes and merchandising ideas for new cuts at retail, and introduce value-added convenience items including U.S. beef pre-packaged

	products, while developing customized training opportunities for both online and offline retailers. Adopt a “flagship” store approach to perfect the meat case with targeted modern retailers that have the potential to expand in the market and who are visible and watched closely by the industry.
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Other Key Initiatives

- Help match and facilitate communication between U.S. beef suppliers and buyers and share Chinese market needs gathered from interaction with the USMEF Meat Trader’s Club with the U.S. beef industry.
- Educate the trade on applications for new-to-market underutilized cuts in Hong Kong, Macau and main land China.
- Build a following for U.S. beef integrity and culture with restauranters and lifestyle media by hosting consumer-oriented events including BBQs, cooking demos, cooking classes, etc. including utilization of consumer-generated and professional live-broadcasting platforms to capture the attention of end users.
- Utilize mass/social media to educate consumers on both high-end and value U.S. beef options, and inform them about ongoing U.S. beef promotions, events, and activities.
- Identify social media influencers and celebrity chefs to represent and endorse the quality in U.S. beef.
- Partner with health and gym clubs to demonstrate to health-conscious members the nutrition and quality in U.S. beef through sampling demonstrations and tasting promotions.
- In China, develop more e-commerce channels and promotions to sell U.S. beef.
- Expand U.S. wagyu sales to retail and foodservice operators in Hong Kong as a niche product for the high-end consumer.
- Expand interaction with large HRI operators, such as high-end and casual dining establishments in Macau.
- Continue to build relationships with government officials and key influencers, including local beef industry stakeholders to draw attention to the benefits of U.S. beef to Chinese consumers in terms of offering safer and high-quality protein options. Work with U.S. government officials and relevant Chinese organizations, especially port inspectors, to resolve commercial and technical trade issues.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 100% of targeted Hong Kong & China importers and distributors will report that they understand the supply capabilities and quality attributes of U.S. beef based on information provided by USMEF.
- 70% of targeted mainland China importers and distributors will maintain a favorable attitude toward U.S. beef and will be knowledgeable about the range of U.S. beef products available based on information provided by USMEF.
- 41% of targeted Hong Kong HRI outlets and chains will regularly feature 4 U.S. beef cuts including at least 1 underutilized cut.
- 60% of targeted Hong Kong HRI outlets and chains will actively participate in and or contribute to USMEF promotions to their customers.

- 60% of targeted mainland China national or regional foodservice chains will actively participate in and or contribute to USMEF promotions to their customers.
- 50% of targeted Hong Kong retailers will regularly feature 5 U.S. beef cuts.
- 62% of targeted mainland China online or offline retailers will feature or actively promote U.S. beef to end consumers.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic H

Tactic Name: China & Hong Kong

Tactic Description: Market Access

Noteworthy issues in this region include:

- China's zero tolerance policy on the presence of beta-agonists, hormones, and pathogens in red meat imports.
- China's threat of additional tariffs on U.S. beef.
- China's opaque and inconsistent quarantine clearance procedures/regulations.
- China's registration requirements for processed meat exports.
- Bans on specific beef products such as selected beef offal products.

F) 100% inspection of U.S. beef shipments, which substantially delays customs clearance times.

Specific Tactics include joint research projects; attending conferences on food safety, food security, agricultural sustainability, and U.S. red meat technologies; academic and industry forums; study groups; collecting information from local analysts and facilitating discussion with exporters on proper export certification procedures, and other issues.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will contribute to U.S. government initiatives to eliminate trade restrictive policies.
- USMEF will collaboratively engage with key influencers within China’s government, academia, and industry to build support for the U.S. beef industry.
- 92% of USMEF members will report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems	<input type="checkbox"/> Ensure antibiotic stewardship	<input type="checkbox"/> Research & innovate new production technologies	<input type="checkbox"/> Revolutionize beef marketing & merchandising
<input checked="" type="checkbox"/> Increase market access	<input type="checkbox"/> Certify & verify production practices	<input type="checkbox"/> Ensure beef's inclusion in dietary recommendations	<input type="checkbox"/> Measure & improve sustainability
<input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure beef safety	<input type="checkbox"/> Motivate producers & stakeholders to engage in issues	<input type="checkbox"/> Research & communicate beef's nutritional benefits
	<input checked="" type="checkbox"/> Protect beef's image	<input type="checkbox"/> Develop crises management plans	<input type="checkbox"/> Connect & communicate directly with consumers
	<input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic I

Tactic Name: Europe

Tactic Description: Market Development

Market Assessment:

The U.S. beef industry continued to face a situation where the EU duty-free quota was fully utilized within the first few weeks of every quarter, with suppliers other than the U.S., namely, Uruguay, Argentina and Australia increasing their utilization of it. The 2017/2018 quota year ended with the U.S. capturing less than 30 percent of the total quota. EU imports of U.S. beef in the 2017/2018 quota year were 14,994 mt valued at \$189.5 million. For the 2018 calendar year, U.S. beef exports to Europe were down 9 percent in volume (21,273 mt) and value (\$230.8 million).

Per Capita Beef Consumption	15.7 kg
Total Beef Imports (not including variety meat) – all sources	254,376 mt
Total Beef Variety Meat (BVM) Imports – all sources	3,657 mt
U.S. Share of Total Beef/BVM Import Market	6%
Other Beef/BVM Suppliers & Market Shares	Brazil 42%
	Argentina 19%
	Uruguay 15%
Domestic Self-Sufficiency	100%
U.S. Beef Exports (not including variety meat) *	21,029 mt
U.S. Beef Variety Meat (BVM) Exports *	244 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	2%
Customers for U.S. Beef Imports	Processing 0%
	HRI 80%
	Retail 20%

Top Imported U.S. Beef Cuts: middle meats, full hindquarter sets and approximately 50% of forequarter sets

Top Imported U.S. BVM Items:

*2018 import and market share data is based on import data of EU-28 (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. * Historical discrepancy between EU import data and U.S. export data.*

Market Development Strategies:

Build demand for U.S. beef in Europe by educating targeted buyers on the potential profitability and enhanced culinary experience available from both traditional and underutilized cuts of U.S. beef, and expand targeted reach to include lesser developed markets such as the Baltic States, Slovakia, Romania, Bulgaria, Hungary, Poland, and the Czech Republic. Defend key higher-volume and value markets such as the Netherlands, Italy, UK and Germany.

<p>Premium Products</p>	<ul style="list-style-type: none"> • There is growing demand for high-quality (and high-priced) beef in niche segments, and while consumers may reduce the frequency of purchasing premium foods, they spend more as they seek the best quality in high-end restaurants and specialty shops. • Some wealthy populations, such as consumers in Sweden and Germany, choose imported product for quality and general “uniqueness” factor. • Among the trade and many top chefs, U.S. beef is considered superior, with quality standards above other beef; however, buyers lack knowledge about non-traditional alternative cuts that could help offset the high prices of U.S. beef. • As importers generally purchase full sets (16-22 cuts), they sometimes face difficulty in marketing some of the lesser-known cuts.
<p><i>Strategic Objective</i></p>	<p>Build distribution links for U.S. beef and educate distributors/chefs on the availability of and culinary uses for quality alternative beef cuts that are more affordable and improve margins.</p>
<p><i>Tactical Response</i></p>	<p>Identify growth opportunities for specific cuts by responding to trader needs, provide specialized training on a wide range of U.S. beef items, conduct cost-effective joint activities with distributors, and work with the trade, press and social media influencers to raise awareness and provide options with various cuts and cooking styles.</p>
<p>High-end Restaurants</p>	<ul style="list-style-type: none"> • U.S. beef is facing pressure from shipments of cheaper grain-fed beef from Australia, Uruguay and Argentina under the duty-free quota. • Strong national/regional promotional campaigns marketing European beef are increasingly becoming a growing threat. • Despite intensified competition, higher-end restaurants represent a fantastic niche for quality U.S. beef as they tend to focus more on image, high margins and service, rather than on turning large volumes. • In some parts of the EU, there is a trend to eat less, but eat higher quality. Some restaurants are using techniques like dry-aging to add value and differentiate their menus; however European chefs,

	<p>restaurant managers, and consumers often state a preference for local beef, although inconsistent quality in domestic production is a well-recognized issue.</p> <ul style="list-style-type: none"> • Gourmet burger outlets are also growing in popularity, presenting a strong opportunity for the growth of chuck rolls and underutilized cuts, although cut education is key. • Less developed EU markets, such as Poland and the Baltic states, which have economies that are growing at a faster pace than many developed European markets, are rediscovering U.S. beef, presenting a further growth opportunity, especially for cheaper, alternative cuts.
<i>Strategic Objective</i>	Continue to engage top HRI buyers in various markets to U.S. beef, focusing on a range of cuts that offer value, versatility, and the characteristic marbling found in U.S. beef. Put focus on new markets where U.S. beef presence is still nominal. Should there be a resolution to TRQ for Europe, intensity of these efforts will increase across all regions.
<i>Tactical Response</i>	Implement chef training to educate influencers that can impact consumer purchasing decisions and expand demand for not only traditional U.S. beef cuts, but also alternative cuts with joint educational initiatives for chefs and other HRI professionals with U.S. beef distributors.
Retail Differentiation	<ul style="list-style-type: none"> • U.S. beef has a presence in niche e-commerce in established markets such as Germany. • Although constrained by lower price points and margins, most retailers (including discounters) are nonetheless offering premium products to differentiate themselves and attract wealthier consumers. • Beyond specialty shops, more supermarkets are interested in having U.S. beef on their shelves, and cash & carry retailers are open to including alternative beef cuts to reach a wider range of customers.
<i>Strategic Objective</i>	Build awareness among retailers and their customers about the attributes of high-quality U.S. beef and how different cuts can be utilized.
<i>Tactical Response</i>	Conduct educational and promotional events in coordination with retailers to raise awareness of U.S. beef and the varied culinary uses. Support participation of U.S. beef importers in specialized retail shows across the region.

Other Key Initiatives

- Focus on educating buyers in primary markets of Germany, Italy and the UK; secondary markets of France, Netherlands, Finland, Spain and Sweden; third-tier markets of Romania, Bulgaria, Latvia, Slovakia, Hungary, Poland, and Czech Republic; and continue to work in markets where importers are not very active as a means of opportunity for growth.
- Identify new markets, niches and trends to further build demand for high-quality U.S. beef.

- Conduct enhanced trade servicing and training and gather market intelligence to better understand the needs of local stakeholders, including segments that interact directly with end-consumers.
- Demonstrate to the EU market the United States’ commitment to maintaining relationships. Emphasize importance of resolving EU-USA beef market dispute for the benefit of both.
- Raise the image of U.S. beef by showcasing quality cuts at high profile events in collaboration with FAS.
- Continue to maintain online social media activities on Facebook, YouTube and Twitter to educate traders, chefs, buyers, and consumers about U.S. beef.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 95% of targeted distributors are consistent, year-round purchasers of U.S. beef.
- 45% of targeted distributors are purchasing muscle cuts other than traditional loin steak cuts.
- 90% of newly targeted distributors make trial purchases of U.S. beef.
- 60% of newly targeted retailers make trial purchases of U.S. beef.
- 40% of targeted retailers regularly offer U.S. beef to their customers.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef’s Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef’s image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef’s inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef’s product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef’s nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic J

Tactic Name: Europe

Tactic Description: Market Access

Noteworthy market access issues in this region include:

- A) The U.S. industry is still awaiting EU approval and implementation of a U.S.-specific share of the duty-free High-Quality Beef quota, until which U.S. export volumes remain limited.
- B) Restrictions on the use of most pathogen reduction treatments (PRTs) that are used in the U.S.
- C) Ban on the use of beta-agonists and hormones in red meat production.
- D) Pending legislation that may limit antimicrobial use practices as currently allowed under the U.S. system.
- E) Failure to establish consistent and clear procedures regarding the testing of imported product for the presence of bacteria and the resulting diverse positions of Member States' veterinary services in deciding the consequences of incidents when product has tested positive.
- F) High tariffs and relatively small tariff rate quotas and added uncertainty due to Brexit and proposed TRQ apportionment.
- G) Possible future extension of restrictive measures regarding animal welfare, cloned animals, and other production practices to imports.

USMEF Strategies for addressing these issues—in cooperation with U.S. industry organizations—includes a focus on building alliances with beef processors in the EU in support of PRTs; working toward the elimination of technical and sanitary barriers, as well as expansion of the beef duty-free quota; providing assistance to help balance the number of farms/feedlots enrolled in the NHTC program with the demand in the EU; working closely with EU industry federations on animal welfare issues; and supporting U.S. government objectives to get all trade partners to adhere to science based safety and risk analysis in food production.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will contribute appropriate information to support U.S. government initiatives to eliminate trade restrictive barriers.
- USMEF will collaborate with EU processors to increase support for approving PRTs to the EU.
- 90% of USMEF members will report that they receive information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic (Check all that apply)

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input checked="" type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic (Check all that apply)

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic K**Tactic Name:** Japan**Tactic Description:** Market Development**Market Assessment:**

Coming off a record large year in 2017, exports of U.S. beef plus variety meats to Japan set another post-BSE record in 2018, reaching 330,217 mt (up 9 percent) valued at \$2.07 billion (up 10 percent). In 2003, prior to BSE, over 375,450 mt of US beef plus variety meats valued at \$1.39 billion were exported to Japan. While 2018 exports were only 88 percent of total volume exported before BSE, value has grown substantially, surpassing pre-BSE levels as buyers are increasingly interested in higher quality product. 2018 imports of U.S. chilled beef to Japan were steady with 2017 imports, capturing 49 percent of Japan's imported chilled beef market. Defending market share in this top value market for U.S. will be a primary focus as top competitors, including Australia, New Zealand, Canada, and Mexico, are all poised to gain further tariff relief

through the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

Per Capita Beef Consumption	10.5 kg
Total Beef Imports (not including variety meat) – all sources	615,708 mt
Total Beef Variety Meat (BVM) Imports – all sources	73,913 mt
U.S. Share of Total Beef/BVM Import Market	42%
Other Beef/BVM Suppliers & Market Shares	Australia 48.5%
	Canada 4%
	New Zealand 2.5%
Domestic Self Sufficiency	36%
U.S. Beef Exports (not including variety meat)	277,311 mt
U.S. Beef Variety Meat (BVM) Exports	52,906 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	24%
Customers for U.S. Beef Imports	Processing 5%
	HRI 55%
	Retail 40%
Top Imported U.S. Beef Cuts: short plate, rib cap plate, upper plate, chuck eye roll, chuck flap tail, middle meats, boneless short rib, chuck short rib	
Top Imported U.S. BVM Items: tongue, outside skirt, hanging tender, large and small intestine	

2018 import and market share data is based on import data of Japan (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategies:

- A) Highlight the unique product attributes of U.S. beef to increase the volume of both popular and underutilized cuts and defend market share; B) Displace the competition through expansion of U.S. beef as a substitute for Japanese and other imported beef; C) Identify new food trends to develop growing, untapped

segments by conveying the consistent supply, safety, quality and versatility of U.S. beef.

<p>Access Expansion for Over Thirty Months Beef</p>	<ul style="list-style-type: none"> • In 2019 the market will open for U.S. beef products from cattle over thirty months of age. • Over-thirty-month products may provide a less expensive alternative for popular Japanese cuts that tend to be expensive in this market, such as short plate, outside skirt, and hanging tender. • Mid and lower-grade yakiniku restaurants will drive demand for less expensive products. • Variety meats likely to be supplied from cattle over thirty months of age include mountain chain tripe, tongue, abomasum, liver, trimmings, and large and small intestines as raw material for processed and cooked beef.
<p><i>Strategic Objective</i></p>	<p>Introduce over-thirty-month product to mid-grade and lower-end yakiniku and other foodservice chains, and position these products as cost-effective inputs for processing.</p>
<p><i>Tactical Response</i></p>	<p>Identify and select targeted buyers with potential to utilize these products without displacing high quality U.S. beef. Utilize seminars, workshops, and mini product showcases to introduce products to targeted buyers, while facilitating communication between these focused groups and U.S. suppliers.</p>
<p>Competitor Trade Agreements</p>	<ul style="list-style-type: none"> • Exclusion from CPTPP will benefit top beef export competitors, such as Australia, Canada, and New Zealand, in the Japanese marketplace. • European beef will benefit from the EU-Japan EPA with duties phased to 9% over fifteen years, and duties on BVM phased to as low as 0% depending on the product. • As a result of trade agreements not including the U.S., U.S. beef will be at a tariff disadvantage for both chilled and frozen beef, and some specialty variety meats such as tongues and skirts.
<p><i>Strategic Objective</i></p>	<p>Defend relationships with U.S. beef buyers to protect market share and continue to demonstrate the superiority of U.S. beef quality and consistency over competitor product despite additional tariffs.</p>
<p><i>Tactical Response</i></p>	<p>Offer additional educational and promotional support to loyal U.S. beef buyers and convey the profitability in U.S. beef middle meats and alternative cuts as a method to reduce the impact of the tariff disadvantage.</p>
<p>Niku (Meat) Boom - Evolving Foodservice Trends</p>	<ul style="list-style-type: none"> • Though still below pre-BSE levels, per capita beef consumption continues to rise, with consumption of U.S. beef in 2018 reaching its highest level since BSE. • Foodservice operators continue to cater to the “niku” boom with restaurants specializing in meat dishes featuring new applications, such as thick-cut hot pot and sushi-style meat bars. • Restaurants serving meat, steak, and roast beef are increasing due to a consistent and high-quality supply of beef compared to other proteins such as seafood, of which consumption is declining due to rising costs and limited supply.

	<ul style="list-style-type: none"> • Increasing U.S. beef production allows for consistent supplies of a wider range of foodservice items including higher-grade beef and bone-in steaks. • Tourism continues to thrive in Japan, fostering the proliferation of diverse foodservice establishments with ideal beef cuts suitable for each cuisine. Japan is expecting to see over 40 million tourists in 2020 when the Tokyo Olympics will be held. • Labour shortages have increased operational kitchen expenses, driving many foodservice managers to search for ways to minimize in-house costs with more portion control or further processed product.
<i>Strategic Objective</i>	Ensure each HRI segment understands the unique quality and value of a diverse set of relevant cuts including various grades and less popular cuts such as tongue, skirt, hanging tender, short plate, boneless short rib, chuck short rib, chuck eye roll, etc.
<i>Tactical Response</i>	Educate chefs and foodservice buyers on U.S. cuts and products for evolving foodservice trends using alternative cuts where appropriate, and use chef competitions and menu promotions to raise the visibility of U.S. beef and defend U.S. market share.
Utilizing Culture to Maximize Opportunities	<ul style="list-style-type: none"> • The \$7 billion yakiniku segment (traditional Japanese BBQ), which has seen a renewed interest from consumers seeking to enjoy traditional cuisine, relies heavily on large volumes of U.S. beef & variety meats including beef intestines and tongue. There are over 22,000 yakiniku outlets that are members of the Japan Yakiniku Association. • Beef bowl chains, a ubiquitous Japanese “fast food” concept, continue to grow and utilize substantial volumes of U.S. short plate. • Consumer demand for fresh food is reflective of entrenched traditions of shopping daily due to small homes with little food storage space. • American wagyu has been introduced as a cost-effective substitute for Japanese wagyu, which is facing declining domestic supplies and rising prices. • Japanese men are showing increased interest in at-home cooking, providing an appropriate platform for U.S. beef grilling cuts.
<i>Strategic Objective</i>	Introduce variety meats and other cuts (tongue, skirt, hanging tender, short plate, boneless short rib, chuck short rib, chuck eye roll) to expand the range of items used for yakiniku, beef bowls, shabu-shabu, and other meat-centric concepts that are deep-rooted in Japanese culture.
<i>Tactical Response</i>	Train both Japanese and Western-style restaurant chains, including groups like the Japan Yakiniku Association, on the availability, quality, and value of U.S. beef. Use Japanese cultural norms, as well as western and other new developing concepts to introduce new cuts and products.

<p>American BBQ and Thick Cuts</p>	<ul style="list-style-type: none"> • American culture/cooking styles are gaining traction as popular food concepts. A casual subsector of steakhouses has emerged, competing with traditional high-end locations. • American BBQ is an evolving trend in Japan, and USMEF's "Urban BBQ" campaign has successfully highlighted this American culinary style and flavors in Japanese retail and foodservice outlets. • Japanese style meat is typically thin-sliced, and consumers are accustomed to small portioned steaks of about 4-6 oz; however, BBQ and thick-cut concepts are growing, creating opportunities to showcase the premium flavor of U.S. beef and larger cuts. • Retailers and foodservice operators benefit from thick-cut concepts as a means to reduce labor costs thus driving consumption of more product. • Gourmet hamburgers provide an opportunity to promote U.S. beef in authentic American-style steakhouses and burger chains. Renowned American gourmet burger and steak chains, such as Umami Burger, Fatburger, Lawry's and Wolfgang Steakhouse, have all recently expanded operations in Japan. • Ground beef is not a typical shelf item in Japan's retail sector; however, consumers are showing increased interest in finding ways to make gourmet burgers at home using U.S. beef cuts.
<p><i>Strategic Objective</i></p>	<p>Continue introducing new culinary styles like American BBQ using thick cut steaks, highlighting the cut/cooking options, regional flavors, and reduced labor savings to retail and food service sectors.</p>
<p><i>Tactical Response</i></p>	<p>Collaborate with both foodservice operators and retailers to develop promotions to stimulate consumer interest in thick cut beef, such as the pound steak campaign, and encourage buyers to purchase more volume with thicker cuts.</p>
<p>Convenience Stores, Home Meal Replacements, and the Café Sector</p>	<ul style="list-style-type: none"> • Demand for convenient foods and home meal replacements is a result of an increase in double-income couples and working singles who have less time to prepare meals. • Convenience stores are one of the fastest growing retail categories, with about 56,000 outlets serving 46 million customer visits per day. • Convenience store chains focus on fresh and convenient foods, with many offering ready-made meals or bento boxes featuring red meat items. • Japanese consumers appreciate the convenience and high-protein benefits of meat snacks such as beef jerky. • The café sector is growing in popularity in Japan, offering consumers a cozy atmosphere and convenience with the ability to purchase breakfast and lunch meals or snacks for on-the-go. • The café sector is under-served by the U.S. beef industry and opportunities exist to expand into this developing sector.

<i>Strategic Objective</i>	Increase U.S. beef usage and diversity in bento boxes and prepared meals as well as menu items such as jerky, salami, sausage, roast beef, smoked beef, pastrami, and corned beef at CVS and café chains.
<i>Tactical Response</i>	Collaborate with CVS and café chains and their suppliers to develop new items using a variety of U.S. beef cuts, highlighting the ability to differentiate with U.S. beef.
Regional and National Retail Chains	<ul style="list-style-type: none"> • Buyers are looking for quality, health, and value, as well as products with a story or brand. • National chains typically sell imported beef, and some have developed Australian brands due to previous U.S. beef market access loss. • Regional chains, which there are over 16,000 of in Japan, were previously unable to offer U.S. beef due to inconsistent supplies. • There are over 300 domestic beef brands.
<i>Strategic Objective</i>	Develop customized strategies, including “stories” and brands, to meet the needs of national, small, and mid-sized retail chains outside major metropolitan areas to promote a wide range of items including grilling cuts.
<i>Tactical Response</i>	Identify and target regional chains underserved by U.S. beef. Develop company-specific strategies for target accounts, provide education and promotional support to develop demand and displace the competition, and provide opportunities for branded U.S. beef suppliers to establish connections with Japanese buyers via a branded showcase.
Social Media	<ul style="list-style-type: none"> • Food-related blogs, forums and networks are well received by Japanese consumers, who are increasingly connected via social media platforms. • Consumers look for “Instagenic” food that is interesting and visually appealing, so they can post to popular social media sites. This presents an opportunity for consumer-generated marketing content which requires little to no investment and is well-trusted by followers. • Consumers place immense trust in local bloggers and social media “celebrities” whose content influences consumer purchase.
<i>Strategic Objective</i>	Leverage social media, bloggers, consumer-generated content and other online media to educate buyers and consumers on the quality, safety and value of U.S. grain-fed beef.
<i>Tactical Response</i>	Feature locally renowned social media influencers and popular websites such as Instagram and Facebook to extend the reach of U.S. beef marketing campaigns while leveraging consumer-generated content to improve the reputation of the U.S. beef industry.
Senior Sector	<ul style="list-style-type: none"> • Japan’s aging population is showing more interest in increased protein consumption for an active healthy lifestyle. • The senior sector represents a strategic consumer target for high-quality U.S. beef as many seniors benefit from increased purchasing power.

	<ul style="list-style-type: none"> • While seniors prefer more traditional methods of communication, including print magazine and newspapers, this sector is having an increased presence on social media. • Demand for delivery meal services catering to the senior sector is growing.
<i>Strategic Objective</i>	Position U.S. beef as a high-quality and healthy protein for the affluent senior demographic.
<i>Tactical Response</i>	Partner with renowned magazines and newspapers targeting health-conscious Japanese seniors to generate demand for U.S. beef and use these media sources to advertise USMEF-sponsored senior luncheons featuring certified nutritionists and gourmet chefs to promote U.S. beef.

Other Key Initiatives

- Work with retailers offering online shopping to broaden the selection of cuts and customer base for U.S. beef.
- Emphasize the opportunity that underutilized cuts, such as round and chuck portions, present in developing a cutting-edge menu.
- Create a network of “Master Chefs” from hand-selected culinary school instructors to promote the quality and diversity in U.S. beef to consumers and other culinary professionals.
- Feature the U.S. beef story across sectors to capture new market segments and differentiate U.S. beef from the competition.
- Provide cooking and merchandising information on new-to-market items (e.g., T-bone, bone-in ribeye, pound steak).
- Conduct consumer programs to provide U.S. beef nutritional information and healthy “functional” recipes that are “Instagenic”.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 83% of targeted importers/distributors will be confident in the safety of U.S. beef.
- 61% of targeted importers/distributors will remain confident in the reliable supply of U.S. beef.
- 55% of targeted importers/distributors that will consistently purchase 2 or more U.S. beef alternative cuts.
- 70% of targeted HRI and retail accounts will consistently feature 2 or more U.S. beef cuts.
- 50% of targeted HRI and retail accounts will add additional U.S. beef items to their menus or shelves.
- 50% of targeted bento and convenience stores will offer menu items featuring U.S. beef.
- 21% of targeted consumers will report being confident in the safety of U.S. beef.
- 29% of targeted consumers will purchase U.S. beef at least every two weeks.

LRP Strategic Initiatives Addressed by this Tactic (Check all that apply)

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic (Check all that apply)

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic L**Tactic Name:** Japan**Tactic Description:** Market Access

Noteworthy market access issues in this region include:

- A) Duties of 38.5% on imports of U.S. beef, which are substantially higher than primary U.S. beef export competitors (i.e. Australia, Canada, Mexico, New Zealand).
- B) Lack of a bilateral trade agreement between the U.S. and Japan will allow for an increase in tariff disparity between the U.S. and those countries included in the CPTPP and Japan-EU EPA.
- C) still relatively isolated but growing concerns among the general public about U.S. production practices including feed additives, GMO feed, antibiotics, sustainability, and environmental issues.

USMEF Strategies for addressing these issues—in cooperation with U.S. industry organizations—include focus on educating key journalists, scientists and influencers on the overall safety of U.S. production technologies, including PRTs, and U.S. risk

mitigation measures to underscore the reliability of the industry. Another important facet of this strategy includes developing and distributing fact-based information to address consumer concerns and providing accurate reporting to the U.S. government and beef industry on the effects of exclusion from trade agreements.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will contribute to and support U.S. government initiatives to reduce/eliminate trade restrictive policies and create a bilateral agreement.
- USMEF will provide factual information to help improve Japanese confidence in U.S. beef.
- 92% of members will report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic M

Tactic Name: South Korea

Tactic Description: Market Development

Market Assessment:

Outpacing the record set in 2017, U.S. beef plus variety meat exports to South Korea increased 30 percent in volume to 239,676 mt, and climbed 43 percent in value to \$1.75 billion, setting a new record for the third consecutive year. Korea's 2018 imports of chilled U.S. beef also achieved tremendous growth, increasing nearly 20 percent in volume (51,568 mt), more than double the imports of chilled U.S. product in 2016. Demand remained strong from the Korean retail sector, where consumer confidence in the quality and safety of U.S. beef continues to gain momentum amid a boom in red meat consumption. In 2019, Korea's imports of U.S. beef are subject to a 18.7 percent tariff (8.4 percent for variety meats), down from a 21.3 percent tariff in 2018 and well below the 40 percent rate in effect prior to implementation of the Korea-U.S. Free Trade Agreement (KORUS). Under KORUS, the tariff rate is scheduled to decline to zero by 2026, and the U.S. is set to maintain a duty advantage over competitor product until 2028.

Per Capita Beef Consumption	16.7 kg
Total Beef Imports (not including variety meat) – all sources	415,881 mt
Total Beef Variety Meat (BVM) Imports – all sources	37,937 mt
U.S. Share of Total Beef/BVM Import Market	49.5%
Other Beef/BVM Suppliers & Market Shares	Australia 43%
	New Zealand 5.5%
	Canada 1%
Domestic Self Sufficiency	33%
U.S. Beef Exports (not including variety meat)	225,474 mt
U.S. Beef Variety Meat (BVM) Exports	14,202 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	17.5%

Customers for U.S. Beef Imports	Processing 10%
	HRI 55%
	Retail 35%
Top Imported U.S. Beef Cuts: chuck roll, chuck eye roll, top blade, chuck flap tail, outside skirt, hanging tender, short rib, chuck short rib, rib finger clod, brisket, short plate, clod, back rib	
Top Imported U.S. BVM: femur bone, large intestine, tendon, feet, abomasum	

2018 import and market share data is based on import data of Korea (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategy

A) Expand U.S. beef market share by educating buyers about the quality, profitability and versatility of high-quality U.S. beef, especially chilled beef, and focus on providing information across all sectors about U.S. industry safeguards to ensure a safe and consistent supply; B) Focus growth on emerging foodservice trends, capitalizing on the superior quality and cost effectiveness of using U.S. beef to displace competitor product; C) Identify opportunities for US beef in an evolving retail landscape, especially for prepared or processed products.

Growing Imported Beef Consumption	<ul style="list-style-type: none"> • Korea’s beef imports have set a new record each year since 2016, reflective of growing demand and limited domestic production. • Following trends in Japan, consumption of red meat is growing in Korea as there is a greater variety of culinary concepts and product availability to meet diverse market needs. • Decreasing tariffs due to KORUS-FTA is increasing U.S. imports and consumption by making imported U.S. beef more affordable. U.S. beef remain at a duty advantage until 2026-2029 when main competitors such as Australia, Canada, and New Zealand also reach a 0% duty. • Chilled beef demand is growing among all sectors. In 2017, the U.S. surpassed Australia as the leading supplier of chilled beef to Korea with 55 percent market share, and showed continued growth in 2018 to 58 percent.
	<p><i>Strategic Objective</i></p> <p>Capitalize on growing consumer interest in beef and the benefits of the KORUS agreement to build stronger demand for high-quality U.S. product and gaining as much market share as possible during years of the KORUS advantage.</p>
	<p><i>Tactical Response</i></p> <p>Continue to connect a broad group of importers/distributors to U.S. beef suppliers through various trade sector activities and showcases that highlight the safety, quality, and taste of U.S. beef. Seminars, demonstrations, product showcases, and other educational activities build demand for a wide range of U.S. beef cuts and products among the trade and their downstream customers.</p>

Foodservice Diversification & Distribution	<ul style="list-style-type: none"> • USDA Prime grade beef, branded beef, and wagyu brands are in high demand among foodservice outlets. • The growing interest in American-style cuisine such as steaks, BBQ, bone-in beef, and gourmet burgers, is penetrating both high-end and family-style restaurants, increasing the use of secondary beef cuts. • A 30% increase in Korean minimum wage since 2017 is straining the foodservice sector, resulting in growth of prepared meats to reduce labor costs. Importers and distributors are opening additional processing facilities to meet this demand. • Reflecting a shift in consumer tastes, the traditional fast food sector is suffering; however, brands advocating homemade recipes, including international burger chains such as Shake Shack, are still growing. Gourmet burgers using U.S. beef appeal to Korean consumers that are quality and health conscious. • Steak is becoming an increasingly “hot” item in Korea, with consumers seeking steak options not only when dining out, but also at retail. • Beef-centric authentic Asian foods, such as yakiniku, are rapidly developing, creating more market opportunity for more alternative cuts. • Quality of convenience store hot meals is escalating, driving more consumers to purchase these quick, ready-to-eat meal options in place of formal dining out, and creating opportunity for high-quality U.S. beef. • Institutions are the least penetrated HRI sector but are a potential venue to move volumes of secondary beef cuts such as chuck roll, shoulder clod, short ribs, and brisket. • Cafes serving quick bites and grab-and-go meals are growing in popularity, offering consumers an intimate, cozy atmosphere with convenient options.
<i>Strategic Objective</i>	Target a variety of foodservice subsectors which demand high-quality, value-priced items, and promote economically priced cuts that can be consistently supplied including higher value chilled product.
<i>Tactical Response</i>	Work with targeted HRI operators and suppliers to the institution and convenience store sectors on using higher grades of U.S. beef along with alternative cuts (e.g., hanging tender, chuck flap tail, chuck eye roll) and new culinary styles, to displace the competition and gain market share.
Convenience & Quality Driven Consumers	<ul style="list-style-type: none"> • Retailers and foodservice outlets have seen rapid growth in the use of delivery services and on-line sales, indicating demand for convenience and efficiency among consumers.

	<ul style="list-style-type: none"> • Ecommerce channels are expanding delivery to include early morning or pre-scheduled delivery times to adapt to consumers' busy schedules. • Retailers are under pressure of tight labor availability. As such, case-ready and portion control products are expanding their presence at retail. Consumers are seeking more portion-controlled, pre-marinated or meal-kit products. • Consumers are increasingly interested in personal health and nutrition, focusing more on fresh foods. Retailers are responding by launching specific "fresh" product lines. The ecommerce sector is aggressively expanding its fresh produce options. • Demand for chilled beef on ecommerce sites is growing. • Convenience stores (CVS) are moving into meat offerings, such as small portioned steak cuts. • There are now over 40,000 CVS locations throughout Korea and they are beginning to stock more fresh options, similar to Japan.
<p><i>Strategic Objective</i></p>	<p>Communicate with end users including on & off-line retailers, convenience store chains, processors, and their distributors to identify niches where US beef can be further utilized. Demonstrate US beef's quality and consistency over competitor product, highlighting the fresh quality in chilled beef and reliability in consistent US supplies.</p>
<p><i>Tactical Response</i></p>	<p>Feature US beef in fresh product promotions to highlight consumer preference for US beef over competitor product. Offer technical seminars and product development workshops or promotional support for further US beef integration and differentiation.</p>
<p>Opportunities in Home Meal Replacement (HMR)</p>	<ul style="list-style-type: none"> • Single-person households account for 29% of Korea's total population. Single-person households are expected to exceed 1/3 of Korea's population by 2045. • The boom in single-person households has led to exponential growth in the HMR industry, which has jumped to well over \$1 billion/year. According to Korean Ministry of Agricultural, Food, and Rural Affairs, the HMR industry has grown on average 17% per year since 2010. • HMR products are typically lower priced than most restaurant meals. • The HMR industry is modernizing and moving away from traditional noodles and rice into more complex dishes such as frozen meats, dumplings, stews, and soups, requiring premium ingredients as consumers seek variety and quality. • HMR products appeal to more than single-persons; young mothers have been integrating more HMR products into dining plans as quality rises and options become more diverse. • Domestic Hanwoo prices are at all-time highs, positioning U.S. beef as a more appropriate raw material option for HMR processors.

<i>Strategic Objective</i>	Demonstrate the versatility and quality of economical beef cuts such as chuck-eye roll to the processing and retail sectors for use in HMR items.
<i>Tactical Response</i>	Work with HMR manufacturers and chefs to develop premium convenience foods and new recipes in smaller portions using underutilized U.S. beef cuts.
Social Media & Online Shopping	<ul style="list-style-type: none"> • Korean consumers of all age groups are utilizing social media platforms. • Food-related blogs, forums and networks are heavily utilized by Korean consumers who follow and trust SNS “celebrities” more than traditional thought leaders. • Online retailing is one of the fastest growing shopping platforms, helping build demand for chilled beef. Chuck eye roll, top blade, chuck flap tail, bone-in steak, and short ribs have all been popular sellers on ecommerce platforms. • Business to business ecommerce platforms are expanding in Korea, allowing foodservice operators and small retailers the opportunity to purchase product box by box. • Large retailers are expanding into the ecommerce sector, offering their own platforms to suit busy consumers and running live sales during interactive streaming sessions where consumers can buy U.S. beef directly.
<i>Strategic Objective</i>	Use traditional and online media to educate buyers and consumers on the quality, safety and value of U.S. grain-fed beef, particularly U.S. chilled beef, and support ecommerce platforms with campaigns and promotions to drive sales of U.S. product.
<i>Tactical Response</i>	Conduct consumer activities highlighting the overall eating enjoyment of U.S. beef, leveraging social media forums and e-tailing websites with traditional promotions and activities. Develop a positive image for US beef with SNS celebrities or popular bloggers to further gain consumer trust and loyalty.

Other Key Initiatives

- Promote U.S. beef to active senior segment, calling upon nutritionists, opinion leaders, and gourmet chefs to convey the quality and health benefits of consuming U.S. red meat.
- Focus on the positive attributes of U.S. beef through “World Class Beef” messaging while also highlighting the safety and quality of U.S. beef, especially to younger consumers/families.
- Promote the use of underutilized cuts that offer both quality and value, compared to domestic beef and other importers.
- Grow Korean imports of U.S. chilled beef through increased coordination with major retail chains and key distributors.
- Provide training to high-end restaurants and retailers on the handling, cooking and merchandising of specialty products such as dry-aged beef.

- Introduce “low & slow” BBQ techniques to further advance the spread of the growing U.S.-style steak and BBQ culture.
- Capitalize on growing tourism to Jeju Island by promoting U.S. beef to the high-end foodservice sector on the island and familiarize importers and distributors on Jeju with U.S. beef attributes.
- Develop and create additional video content to meet consumers’ increasing desire for media rich-text light information, for use in both SNS and traditional communications.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 71% of targeted trade accounts are confident in the consistent supply of U.S. chilled beef.
- 85% of beef imported by targeted importers is U.S. beef.
- 90% of targeted Korean BBQ, steak & grill, buffet, BBQ, and burger accounts feature a new U.S. beef item on the menu.
- 75% of targeted hotel and banquet accounts feature U.S. beef on their menus.
- 40% of targeted institutions express an interest in U.S. beef.
- 78% of targeted retailers merchandise more than three U.S. beef items.
- 70% of targeted media report favorably on U.S. beef and incorporate recommended key message points.
- 56% of consumers express a willingness to purchase U.S. beef.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic N

Tactic Name: South Korea

Tactic Description: Market Access

Noteworthy Issues in this region include:

- A) Korea's ban on imports of U.S. beef from cattle over 30 months of age.
- B) Pending issues with under 30-month beef access (i.e. processed beef, small intestine, tongue, casings, etc.)
- C) Korea's regulations on labelling products as natural or antibiotic free at the point of sale, as well as failure to recognize the U.S. organic standards for red meat.

USMEF Strategies for addressing these issues—in cooperation with U.S. industry organizations—focus on reassuring customers at all levels of the safety of the product and the integrity of the U.S. beef production system, and engaging the U.S. Department of Agriculture on the proper opportunity to engage the Korean government in expanding U.S. beef access.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will contribute to and support U.S. government initiatives to eliminate trade restrictive policies.
- USMEF will provide factual information to help improve Korean confidence in the U.S. beef industry
- 90% of USMEF members will report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic O**Tactic Name:** Mexico**Tactic Description:** Market Development**Market Assessment:**

Mexico fell behind a surging South Korea in 2018 as the third largest destination for U.S. beef plus variety meat exports in 2018 (239,110 mt, flat against 2017). Mexico remained the third largest value market in 2018, reaching \$1.06 billion, an increase of 8 percent over 2017. According to Mexican import data, which varies significantly from U.S. export data, imports of U.S. beef were up nearly 2 percent in volume to 165,595 mt, with value up 7 percent to \$879 million. Mexico is a significant market for U.S. beef shoulder clods, rounds, and the leading market for variety meats (taking 33 percent of U.S. variety meat exports in 2018).

Per Capita Beef Consumption	15 kg
Total Beef Imports (not including variety meat) – all sources	144,117 mt
Total Beef Variety Meat (BVM) Imports – all sources	54,973 mt
U.S. Share of Total Beef/BVM Import Market	83%
Other Beef/BVM Suppliers & Market Shares	Canada 8%
	Nicaragua 7%
	Australia 1 %
Domestic Self Sufficiency	106%
U.S. Beef Imports (not including variety meat) ¹	115,541 mt
U.S. Beef Variety Meat (BVM) Imports ¹	50,054 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	18%

Customers for U.S. Beef Imports	Processing 35%
	HRI 15%
	Retail 50%
Top Imported U.S. Beef Cuts: clod, goose neck, inside round, boneless chuck, outside round, inside skirt	
Top Imported U.S. BVM Items: tripe, outside skirt, liver, oxtail, tongue, lips, intestines	

2018 import and market share data is based on import data of Mexico (from GTA). ¹Due to data discrepancies, import data of Mexico is used rather than U.S. export data.

Market Development Strategies:

A) Capitalize on USMEF’s established relationships with the trade to defend market share by demonstrating to HRI and retail decision makers and their customers the consistency and superior quality of U.S. beef; B) Build demand with a new set of buyers by demonstrating the unique attributes and profit potential of U.S. beef, and how to effectively handle and merchandise a wide range of products; C) Demonstrate the U.S. beef industry’s commitment to the Mexican market and consumers to offset any Anti-American sentiments stemming from uncertainties in U.S.- Mexico trade relations.

Market Diversification	<ul style="list-style-type: none"> • Retail exists in many forms throughout Mexico, ranging from the traditional wet markets to modern supermarkets. As a result, a variety of cuts should be made available to meet Mexican retail demand according to consumer demographics. • Across sectors, U.S. beef is known mainly for high-end/high-cost cuts, which limits the perceived culinary applications. • Mexico does not require Country of Origin identification at retail. As a result, U.S. beef may be mingled with domestic or other imported product, confusing consumers as they do not get consistent quality. • Concerns about reliable supply have forced Mexico to diversify beef imports, leading to an import quota for countries that do not have an FTA as well as negotiation of trade agreements with U.S. competitors. • Nicaragua is a growing competitor in the region, and although volumes from Nicaragua are small with the majority of volume processed and imported by Sukarne, Mexico’s imports of beef and beef variety meats from Nicaragua have more than doubled since 2015. • Developing diverse market segments for U.S. beef for a broad range of products is important for increasing buyers, meeting consumer needs, and defending market share.
<i>Strategic Objective</i>	Focus on developing new cuts, new uses and new clients, while implementing programs in an expanded range of market sectors to highlight new and more affordable items with superior quality, possibly including top

	sirloin, flank steak, chuck tender, knuckle, and variety meats and continue to demonstrate the profit potential, stability and safety of the U.S. beef supply.
<i>Tactical Response</i>	Train importers, HRI, and retail staff to ensure a wide selection of U.S. beef items appropriate for a price-conscious market are properly presented, promoted, merchandised and origin-identified to develop and cement loyalty among store customers.
Medium-sized Importers & Processors	<ul style="list-style-type: none"> • Beyond the large importers/processors in Mexico, there are hundreds of smaller firms that either do not source, or could source more, U.S. product. • Many newer players do not have experience with U.S. beef and lack knowledge about the unique product attributes and specs. • Presence of U.S. beef in metropolitan areas is significant, however in other regions of Mexico, which typically tend to have more price-conscious customers, awareness and presence is lower. • Processors are demonstrating strong interest in new processed product development.
<i>Strategic Objective</i>	Continue to broaden trade education programs in more regions to develop new segments, increase the number of committed U.S. beef buyers, facilitate purchasing efforts, and support the processing sector with seminars, workshops and other trainings for quality product development.
<i>Tactical Response</i>	Provide customized support such as training seminars, handling and merchandising assistance, product positioning advice, development workshops, and buyer-seller linkages, to a diverse set of U.S. beef buyers, and expand these activities into new regions where knowledge of U.S. beef is limited.
High-end & Specialty Retail	<ul style="list-style-type: none"> • Global demand and strength in US beef pricing have made US beef an unaffordable product for some consumers. • While older and low-income households still purchase meat at wet markets, a considerable shift into shopping at supermarkets and meat boutiques is occurring in urban areas. • Large retailers, such as Walmart and Costco are investing additional resources into Mexico, presenting an opportunity for growth of U.S. beef. • Meat boutiques are finding success selling high-quality U.S. beef on weekends, especially to men, and are looking to increase sales during the workweek with value added products such as marinated cuts for easily prepared meals. • Enhanced meats and water-added products are common at the retail level, keeping prices artificially low for consumers; however, labeling is not required in Mexico.
<i>Strategic Objective</i>	Differentiate U.S. beef based on quality grading and consistency of the product. Educate retailers on the profit potential of various grades of U.S. beef, and increase shelf space at selected retail outlets to displace domestic and other competing product.

<i>Tactical Response</i>	Intensify training and promotions with high-end retailers whose customers seek out quality products and are less price constrained. Incentivize retailers to correctly identify US beef in the case
Chef Product Knowledge	<ul style="list-style-type: none"> • With beef prices high, restaurants are looking for ways to keep input costs, thus meal prices, at a competitive level as middle-class consumers are eating out less often due to shrinking levels of disposable income. • Growth in tourism is expected to continue, providing expanded opportunities for the HRI sector in Mexico's tourist hubs. • The all-inclusive formats of an increasing number of resorts will continue to drive the push for affordability. • Chefs do not realize how alternative cuts compare on cost, flavor and cooking styles, while also providing a consistently enjoyable eating experience.
<i>Strategic Objective</i>	Work with restaurants to improve culinary applications to maximize profitability with the use of alternative cuts such as baseball cuts, Denver steaks, etc.; develop new users of alternative cuts in HRI segments that move large volumes of meat; and train foodservice operators on U.S. beef attributes, specifications, and promotional/merchandising techniques to draw in even the price sensitive customers.
<i>Tactical Response</i>	Demonstrate to chefs with seminars, hands-on workshops, and promotions, the use and cost benefit of value cuts such as those from bottom sirloin (tri-tip, flap, bottom butt), as well as top sirloin (coulotte), chuck tender, and the Vegas cut to keep costs low.
Consumer Level	<ul style="list-style-type: none"> • Noticeably more foodie bloggers gaining influence among consumers. Social Media is influencing creativity of menus and presentation (Instagramability). • Consumers still need training on quality grading and proper cooking techniques for high quality beef. • BBQ and grilling techniques becoming increasingly popular, presenting an ideal opportunity to push U.S. red meats for the "All-American" eating experience.
<i>Strategic Objective</i>	Work with importers, distributors, and retailers to engage more consumers with U.S. beef, U.S. cooking styles, and demonstrate the U.S. beef industry's commitment to serving the Mexican market and fulfill consumers preferences and trends.
<i>Tactical Response</i>	Expand the reach of USMEF's grilling seminars to train both importers and consumers on a range of proper grilling techniques for high quality U.S. beef, and develop more recipe videos and social media material to capitalize on growing interests in the foodie blogger culture.

Other Key Initiatives

- Train importers, distributors and processors about the attributes, handling, versatility and profitability of U.S. beef for meeting a wide variety of downstream buyers' needs.

Expand customer understanding of the U.S. beef grading system and assist them in using grading as a marketing tool to increase profitability.

- Emphasize trade servicing activities to demonstrate the U.S. beef industry's commitment to buyers in Mexico amid trade tensions and growing uncertainty. Monitor plans to diversify away from U.S. beef and aggressively defend market share against competitors, especially Nicaragua.
- Expand promotional activities into new regions of the country to reach new buyers and consumers and increase demand for high-quality U.S. product.
- Showcase U.S. beef variety meats in front of hundreds of buyers at Mexico City's huge Central de Abasto market, and similar markets in Monterrey, Guadalajara and Aguascalientes.
- Implement web-based educational platform to train more customers along the supply chain about U.S. beef.
- Develop and implement an annual product showcase event for the region to bring buyers and suppliers together.
- Leverage the growing competition in the family-style restaurant segment by promoting U.S. beef as a major point of differentiation among the top chains.
- Maximize foodservice cut utilization and profits by showing the consistency of the product and the different items that can be obtained from primals, while providing menu innovations that fit various dishes and dining formats.
- Push for western-style cuisine such as BBQ and burgers via chef workshops and consumer activities to create the ideal culinary environment for U.S. beef.
- Further penetrate the regional supermarket and specialty store segment which has not consistently purchased U.S. beef.
- Integrate a cohesive and comprehensive digital marketing strategy. Continue to grow social media presence on Facebook, Instagram, etc. to engage and educate the chef community, trade as well as consumers by partnering with and educating social media influencers.
- Capitalize on convenience-driven trends contributing to increases in the at-home meal delivery sector by partnering with online-based meal delivery services.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 80% of targeted importers, distributors, and processors actively promote more than three U.S. beef cuts, including value cuts, highlighting the products' quality attributes.
- 35% of targeted restaurant chains actively feature and promote U.S. beef, including value cuts.
- 35% of targeted restaurant and hotel groups will increase sales of U.S. beef by at least 10% during USMEF promotions.
- 75% of targeted retailers incorporate the suggested merchandising methods to promote U.S. beef to their customers.
- 75% of targeted retailers increase sales of U.S. beef by at least 10% during USMEF promotions.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic P

Tactic Name: Mexico

Tactic Description: Market Access

Noteworthy market access issues in this region include:

- A) NAFTA renegotiation, USMCA ratification.

USMEF Strategies for addressing these issues—in cooperation with U.S. industry organizations—focus on a) building relationships with Mexican industry groups that are in a position to influence Mexican government policy on red meat imports, and b) supporting the U.S. government by providing industry input on market access issues to key Mexican government decision makers as well as providing comments on Mexican laws and regulations that have the potential to have an impact on U.S. red meat exports.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will contribute to and support U.S. government initiatives to mitigate or prevent trade restrictive policies.

- USMEF will provide key Mexican government decision makers with information about the benefits of liberalized trade, the U.S. food safety system and the U.S. beef industry.
- 90% of USMEF members will report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic Q

Tactic Name: Middle East

Tactic Description: Market Development

Market Assessment

U.S. beef exports to the Middle East in 2018 declined 10 percent in volume (75,651 mt) and 1 percent in value (\$201.5 million), mostly on a 13 percent drop to Egypt (61,851 mt), which is overwhelmingly the largest export destination in the region for U.S. beef variety meats, second overall to Mexico. Importers have struggled to finance shipments as a result of the 2016 currency devaluation that occurred after it was allowed to float. Compounded with uncertainty stemming from political instability, the entire region imported 9.6 percent less beef in volume for the same period. Other suppliers also saw

their numbers fall to varying degrees, including India (-25 percent), Argentina (-5 percent) and Paraguay (-28 percent). On the other hand, leading suppliers Brazil and Australia recovered market share and ended the year 21 percent and 8 percent higher, respectively. In the summer of 2016, the Saudi Arabian market reopened to U.S. beef product with initial exports slow due to restrictive feed regulations. However, following a kick-off event held at the U.S. Embassy in Riyadh with more than 100 importers, foodservice operators, chefs and retailers, Saudi Arabia's imports of U.S. beef increased 748 percent (1,223 mt) by the end of 2018.

		Egypt		United Arab Emirates (UAE)	
		Beef	BVM	Beef	BVM
Per Capita Beef Consumption		7.1 kg		11.9 kg	
Total Beef & BVM Imports – all sources		207,455 mt	87,765 mt	79,908 mt	3,619 mt
U.S. Share of Total Beef & BVM Import Market		<1%	70%	7%	>1%
Other Beef & BVM Suppliers & Market Shares		Brazil 84%	India 9%	India 40%	Australia 40%
		India 14%	Brazil 7%	Brazil 27%	EU-28 38%
		Paraguay <1%	Australia 9%	Australia 11%	Brazil 18%
Domestic Self Sufficiency		55%		15%	
U.S. Beef & BVM Exports		228 mt	61,623 mt	5,662 mt	68 mt
Exports as a % of Total U.S. Beef/BVM Exports		4.6%		<1%	
Customers for U.S. Beef Imports	Processing	10%	2%	3%	0%
	HRI	85%	28%	80%	10%
	Retail	5%	70%	17%	90%
Top Imported U.S. Beef Cuts: flat iron, tenderloin, rib-eye, striploin, T-bone, chuck cuts (both high-quality graded beef, and standard cuts derived from cattle 30 months of age or older), brisket, round cuts, tri-tip, outside skirt flank, short rib, bone-in ribs					
Top Imported U.S. BVM Items: liver, kidney, heart					

2018 import and market share data is based on reported exports to Egypt and the UAE (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategies

A) Continue to develop the market by demonstrating the range of U.S. beef and variety meat available, and build the image of U.S. product as the premier beef among new targeted buyers in all segments; B) Defend market share by reassuring buyers of the U.S. safety inspection measures, halal certification credibility, and premium value of U.S. beef; and C) Displace competition by educating on the diversity and profitability of U.S. beef alternative cuts or value-added products, especially for high-end foodservice outlets that require cost efficiency without compromising quality; D) Continue to displace

competitor product, especially for underutilized cuts, to generate profitability along the entire carcass.

Foodservice Expansion	<ul style="list-style-type: none"> • Growing tourism and high demand for new dining concepts is driving the fast-paced HRI sector. Increasing numbers of expatriates in the region are driving demand for international foods. • A growing market for Halal products and the importance of highlighting this attribute on the menu, ads and social media pages as it affects consumer purchases in this region. • In 2020, the UAE will host the World Expo, and will likely experience notable growth in its core economic sectors including tourism and hospitality, attracting substantial foreign investments to the country. • Competitive dining sector is the product of tourist centers; thus, restaurants require unique and memorable menus. • High end restaurants require cost efficiency, but will not compromise on taste and quality, leading to increased interest in alternative cuts. • There is still a lack of understanding regarding proper usage of U.S. beef underutilized cuts and the internal marbling aspect of U.S. beef contributing to the U.S. beef grading system. • Growth of mobile food trucks present an opportunity for U.S. beef. • Casual dining, fast food chains, and classic burger joints, and steakhouses are booming in the region, especially with the growing youth population, and Western chains, such as Applebee's and Chili's, and American steakhouse and BBQ concepts such as Luca steakhouse, Ribs Yard, Rodeo Grill, Cattleman Joe's, Black Rock, Skirt, and Grill Room have been establishing a presence in major metropolitan areas. • Lower-end, family-style restaurants are now the top destination for Select and Commercial grade beef middle meats. • Focus on sliders, handhelds, wraps, mini burgers, and grab-and-go sandwiches in Jordan and Lebanon is driving a dramatic shift towards alternative U.S. beef cuts of lower grades and prices. • More international and local culinary schools, cooking academies, and chef association are opening in Jordan and Lebanon, and are becoming highly active and influential. • Consumers are becoming more concerned with health, and are better informed thanks to communication from dietitians, food bloggers, sports trainers, chef students, etc.
<i>Strategic Objective</i>	Educate importers and distributors about available alternative cuts and appropriate culinary applications, U.S. beef production and internal marbling characteristics that differentiate U.S. product from competitor product, and U.S. beef halal certification requirements.
<i>Tactical Response</i>	Provide hands-on sales and culinary trainings on menu planning and preparation for various cuts, ranging from ribeye, striploin and tenderloin, to heel, shank, top round, brisket and chuck roll, etc. to meet all foodservice

	requisites, and aggressively pursue the growing HRI sector for new growth opportunities.
Retail Sector Growth	<ul style="list-style-type: none"> • The retail sector is poised to grow at a moderate, but steady pace, particularly with the expanding multi-ethnic consumer base, high income levels, an increasing number of tourists, and high numbers of expatriates. • Hypermarkets in large shopping centers, are still dominating the market as major retailers such as Carrefour, Lulu and Spinneys continue to expand in the region. Also, an increase in the number of convenience stores, community malls and smaller-store formats is also observed, thus enabling consumers to shop from stores located within their neighborhoods and allowing retailers to save cost and have a broader geographical presence. • The increased use of social media and internet usage has led to an adoption of digital channels by retailers, especially in the UAE and Saudi Arabia, and the online retail is expected to grow at a CAGR of 24% from 2016 to 2021. • Modern retail growth continues at a rapid pace, and consumers increasingly seek convenience, ambiance, and a wider variety of affordable products. • Gourmet meat boutiques are targeting a well-educated, affluent shoppers in Lebanon and Jordan. This boom in meat boutique stores is creating opportunities for U.S. chilled beef products. • Distributors are hesitant to promote new muscle cuts with retailers as they lack the marketing, butchering and merchandising knowledge to penetrate this sector. • Development and growth of convenience items, such as fresh pre-packaged, ready to eat, and portable items, in large format retails such as Spinneys Lebanon is increasing demand for chilled U.S. portion cuts. • Consumer willingness to order meat online is growing, reflecting demand for convenience, although online meat purchases still lag behind grocery ecommerce. Frozen meals are also growing in popularity as the need for convenience rises.
<i>Strategic Objective</i>	Educate retailers and their suppliers on proper handling, butchering and merchandising of U.S. beef, and support in-store promotions with a goal of consistent, year-round sales of chilled and value-added items.
<i>Tactical Response</i>	Provide retail staff training, and conduct demonstrations to showcase alternative cuts such as top sirloin butt, chuck roll, heel, shank and striploin to store customers while focusing on the premium quality, Halal certification, and versatility within a range of U.S. beef cuts.

Other Key Initiatives

- In response to a zero-tolerance residue approach from Egypt, conduct ongoing educational activities in conjunction with FAS Cairo to promote adherence to CODEX regulations and scientific standards on beta agonist testing.

- Position U.S. beef muscle cuts as the highest quality option throughout the region and educate consumers on the attributes of internal marbling found in U.S. beef as opposed to competitors marbling scores.
- Work with the trade, particularly importers and distributors, to improve awareness of U.S. beef in light of increased competition from lower price/quality product from Brazil and India, as well as Australia's intensified brand imaging and promotional activity for chilled beef.
- Drive demand for U.S. beef alternative cuts and variety meats, particularly livers, in retail and foodservice via promotions and trade servicing activities to align buyers and suppliers.
- Educate and upgrading the know-how of sales force teams, butchers, meat counter staff of major retailers about U.S. beef attributes, its quality competency and keep them updated on production innovations related to alternative meat cuts as essential pillars for sales growth.
- Work closely with Saudi importers and retailers to encourage them to re-introduce U.S. beef as part of their regular purchases, reassuring them about the safety and quality of the product.
- Combine technical assistance with marketing support and involve targeted meat buyers from all sectors in the planning and implementation of promotion programs.
- Expand foodservice training to new accounts, such as catering and culinary schools as well as new restaurants and hotels in various areas, focusing on beef cutting techniques, cooking instruction and an analysis of the profitability margin possible when using different cuts of U.S. beef. Conduct U.S. beef educational workshops for chefs as well as one-on-one workshops with steakhouses and hotels that combine users and non-users of U.S. meat.
- Conduct Junior Chefs' Tutorials to provide youthful chef groups education and training skills on U.S. beef production practices, grain feeding, marbling, grading, safety standards, and product consistency.
- Implement Butchering Master Classes and Butcher Training Workshops. Classes are geared towards improving butchers' understanding of U.S. beef technical information, cutting techniques, and handling and storage techniques, making them better able to communicate with consumers, retailers and foodservice workers about U.S. beef.
- Host "American Beef Nights" in top steakhouses and restaurants to promote the unique and value-added characteristics of a range of cuts among chefs and consumers.
- Take part in international trade shows such as Gulfood to help U.S. beef achieve greater exposure among a considerable audience of potential and existing buyers.
- Participation in sponsoring culinary competitions involving chefs from different levels to increase awareness of U.S. beef and reinforce USMEF's credibility among an audience of high ranked chefs, junior chefs, importers and foodservice operators and decision makers.
- Organize live cooking sessions in key retail accounts, using a professional chef to explain to shoppers the different cooking applications and attributes of U.S. beef. Expand these activities to a larger scale with a U.S. beef retail show conducted in several busy malls, designed to gain maximum exposure and reach a diverse audience.

- Target housewives with Art of Cooking Classes that present alternative U.S. beef cuts and train homemakers how to cut, grill, braise, simmer, and sear the different cuts each according to its optimal cooking method.
- Optimize USMEF's Middle East Facebook page and Middle East Arabic/English Website by promoting U.S. beef products, information, and services, quickly and effectively and further engaging the audience by implementing several contests and competitions as SNS becomes increasingly important in GCC society
- Support U.S. beef suppliers, that are USMEF members, in their promotional activities in the region.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 65% of targeted importers and distributors have a favorable attitude toward U.S. beef and beef variety meat based on information provided by USMEF.
- 55% of targeted importers and distributors regularly purchase U.S. beef and beef variety meat.
- 88% of targeted HRI buyers regularly purchase U.S. beef and beef variety meat.
- 77% of targeted fine dining and casual family-style restaurants or chains hold a U.S. beef promotion or use menu promotional materials.
- 85% of targeted retail chains and outlets have a favorable attitude toward U.S. beef and beef variety meat and are knowledgeable of its quality based on information provided by USMEF.
- 75% of targeted retail chains and outlets identify the origin of U.S. beef and beef variety meat and actively participate in USMEF promotions.
- 58% of targeted media report favorably on U.S. beef and incorporate recommended key message points.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input checked="" type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic R

Tactic Name: Middle East

Tactic Description: Market Access

Noteworthy market access issues in the region include:

- A) Egypt maintaining zero tolerance for residues for ractopamine and synthetic hormones on imported U.S. beef livers.
- B) Varying halal slaughter requirements and certifier accreditation between countries and efforts to more strictly enforce religious slaughter requirements.
- C) Strict feed requirements for cattle supplying beef to export to Saudi Arabia.
- D) Restrictive chilled beef shelf life requirements in Saudi Arabia and Mexico.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 90% of USMEF members report they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
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- | | | | |
|--|---|--|---|
| <input type="checkbox"/> Adopt animal I.D. traceability systems

<input checked="" type="checkbox"/> Increase market access

<input type="checkbox"/> Promote unique attributes of U.S. beef | <input type="checkbox"/> Ensure antibiotic stewardship

<input type="checkbox"/> Certify & verify production practices

<input type="checkbox"/> Ensure beef safety
<input checked="" type="checkbox"/> Protect beef's image

<input type="checkbox"/> Engage beef advocates | <input type="checkbox"/> Research & innovate new production technologies

<input type="checkbox"/> Ensure beef's inclusion in dietary recommendations

<input type="checkbox"/> Motivate producers & stakeholders to engage in issues

<input type="checkbox"/> Develop crises management plans

<input type="checkbox"/> Defend beef's product identity | <input type="checkbox"/> Revolutionize beef marketing & merchandising

<input type="checkbox"/> Measure & improve sustainability

<input type="checkbox"/> Research & communicate beef's nutritional benefits

<input type="checkbox"/> Connect & communicate directly with consumers

<input type="checkbox"/> Improve our product |
|--|---|--|---|

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic S

Tactic Name: Oceania

Tactic Description: Market Development

Market Assessment:

Exports of U.S. beef to Oceania were down 53 percent in volume in 2018. Protectionist attitudes and regulations in Oceania are hindering the U.S. beef industry's ability to grow in this market; however, as Australia continues to suffer from drought opportunities may emerge. As major beef producers and even global exporters of beef, Australia and New Zealand are both customers and competitors to the U.S. beef industry.

	Australia	New Zealand
	26.28 kg	10.11 kg
U.S. Share of Total Beef/BVM Import Market	<1%	1.5%
Other Beef/BVM Suppliers & Market Shares	New Zealand 89.5%	Australia 95%
	Brazil 7%	Fiji 2.5%
U.S. Beef Exports (not including variety meat)	406 mt	158 mt
U.S. Beef Variety Meat (BVM) Exports	0 mt	0 mt

2018 import and market share data is based on import data of Australia and New Zealand (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategies:

New Export Markets	<ul style="list-style-type: none"> • Australia and New Zealand are both self-sufficient beef producers, although drought has limited Australian production in previous years. • Seasonal herd size fluctuations may impact domestic supplies and require imports. • Interest in U.S. product is mainly for processed and canned beef. • Consumers tend to support local, domestic industries.
<i>Strategic Objective</i>	Introduce high-end niche buyers for retail or HRI to U.S. beef, highlighting processed product variety and quality, and the benefits of the U.S. grain-fed system, while remaining conscious of protectionist attitudes for domestic beef.

<i>Tactical Response</i>	Expose potential buyers to U.S. beef via increased presence at targeted trade shows, organize buyer teams to visit the U.S. for formal introductions to the U.S. industry and support existing buyers with trainings, promotions, etc., without drawing negative attention to the U.S. as a “foreign” supplier.
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Other Key Initiatives

- Gather and disseminate information on market needs and introduce U.S. suppliers to potential buyers as appropriate.
- Introduce new products to potential buyers and conduct deskside trainings as requested to expand the range of U.S. beef products sold to this region.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will identify at least two new target accounts representing the trade in this region.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic T

Tactic Name: Russia & the Commonwealth of Independent States (CIS)

Tactic Description: Market Development

Market Assessment:

U.S. beef has remained locked out of Russia since 2013 when the country enacted an import ban due to political disputes. Prior to 2013, Russia was the U.S. beef industry's sixth largest export market. While it is unlikely that the import ban will be lifted in the near future, USMEF's staff in Russia maintains regular contact with major market players through meetings and attendance at major events. Neighboring countries in the region continue to represent solid untapped potential for U.S. beef, and USMEF targets the most promising markets, namely Ukraine, Kazakhstan, Azerbaijan, Moldova, Kyrgyzstan, Georgia and Uzbekistan. Exports of U.S. beef/bvm to the region in 2018 reached 174 mt and U.S. beef's share of the import market was less than one percent.

In addition to the current political ban on U.S. beef imports, Russia also remains closed to U.S. beef due to its zero tolerance for ractopamine residues. Further, Russia has been striving to harmonize its food safety standards with those of the EU and will not allow the use of hormones in beef production. Thus U.S. beef's return to Russia will face significant constraints. SPS barriers for the Euro Asian Economic Union (EAEU – Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia) are the same as for Russia. Other countries in the region allow for relatively easy access for U.S. beef, though this situation remains fluid as some countries seek closer integration with Russia (e.g., Tajikistan) or the EU (Georgia, Ukraine, Moldova).

Important considerations include the region's turbulent economic situation and the modest disposable incomes of the consumers, which are impacting demand from both processors and consumers. Further, increased production of Russian high-quality beef and concentrated Russian efforts targeted at larger exports to neighboring countries are changing the competitive environment. However, it remains to be seen whether Russian high-quality beef production will be sustainable, and if so, if it can compete with Australia and the U.S. in the region. This production could be seen as preferential to buyers in the EAEU.

	Russia	Kazakhstan
Per Capita Beef Consumption	12.6 kg	27.4 kg
Total Beef Imports (not including variety meat) – all sources	351,814 mt	9,984 mt
Total Beef Variety Meat (BVM) Imports – all sources	86,690 mt	1,996 mt

U.S. Share of Total Beef/BVM Import Market	0%	6%
Other Beef/BVM Suppliers & Market Shares	Belarus 34%	Ukraine 57%
	Paraguay 30%	EU-28 13% (Italy-3%, Denmark 6%, France 2%)
	Argentina 22%	Poland 2%
Domestic Self Sufficiency	74%	96%
U.S. Beef Exports (not including variety meat)	0 mt	24 mt
U.S. Beef Variety Meat (BVM) Exports	0 mt	0 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	0%	<1%
Customers for U.S. Beef Imports (open market)	Processing 60%	Processing 40%
	HRI 33%	HRI 40%
	Retail 4%	Retail 20%
Top Imported U.S. Beef Cuts: ribeye, striploin, tenderloin, short ribs, top blade, short plate, hanging tender, skirt, flanks		
Top Imported U.S. BVM Items: liver, trimming		

2018 import and market share data is based on import data of Russia (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategies:

Increase availability of U.S. beef products and strengthen the image of U.S. beef and beef variety meat throughout the region by differentiating U.S. beef from the competition, educating buyers about the profitability and benefits of using U.S. beef products. Furthermore, expand outreach into new markets in surrounding territories around Russia that present strong opportunities for importing U.S. beef, and remain prepared logistically for market reopening into Russia.

Regional Expansion	<ul style="list-style-type: none"> • As a result of reduced supply, Russia has been increasing investments in expanding domestic high-quality beef production to eliminate the need for foreign imports and increase export opportunities, but production is still low and prices are high for consumers. • The nascent regional markets outside of Russia represent solid untapped potential for U.S. beef and provide greater diversity for U.S. beef exports. • Ukraine, Kazakhstan, Uzbekistan, Georgia and some Caucasian and Central Asian countries, despite economic challenges, are showing
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	<p>growth in beef consumption, and several countries have strong traditions of using offal products.</p> <ul style="list-style-type: none"> • In general beef remains expensive for the average consumer; however, opportunities exist for alternative cuts that are still perceived as high-quality beef. • Some high-end retailers have picked up U.S. beef in regions such as Ukraine and Kazakhstan, setting the stage for other retailers and increasing U.S. beef visibility. • While the number of U.S. beef users has grown, regional markets outside of Russia have struggled with yield and end-product results, and most only know about the higher priced loin cuts.
<i>Strategic Objective</i>	Focus on expanding promotional reach into emerging export markets of Azerbaijan, Belarus, Georgia, Moldova, Mongolia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, and Ukraine.
<i>Tactical Response</i>	Create demand in the region with promotions, seminars, and workshops for appropriate usage of cost-friendly cuts for a greater variety of beef cuts and grades and increase consumer exposure to the attributes of high-quality product.
Foodservice Opportunities	<ul style="list-style-type: none"> • The HRI sector in Georgia, Kazakhstan, Uzbekistan, and Azerbaijan is rapidly developing, presenting viable opportunities for U.S. beef and veal. • Expatriate populations working for oil and gas companies throughout the region, as well as traders, businessmen and tourists, are willing to spend more on quality dining experiences and respond well to familiar cuisines. This creates demand for high-end foodservice outlets representing a number of cuisines, including Western influences well-suited for U.S. beef. • Domestic beef is generally lean, and not well-suited for Western-style cuisines like BBQ. • Tourist traffic to ski and seaside resorts in Ukraine and Georgia as well as holy destinations in places like Uzbekistan present opportunities for foodservice outlets catering to the demand for halal meats. • Foodservice outlets are demonstrating strong interest in U.S. beef alternative cuts (such as short plate, brisket, top blade, etc.) as a price conscious option for high-quality material. • Since September 1, 2017, chilled beef and BVM in Uzbekistan has had zero customs duties, presenting a key opportunity for export growth. • Russian marketing efforts for domestic, marbled beef have driven consumer awareness for high-quality beef and its attributes. This has encouraged higher consumption of high-quality beef both at foodservice and retail as it cultivates beef usage traditions and improves perception of the protein. Russia's experience with its domestic marbled beef feeds into the regional markets as well. • Russian consumers have adjusted to the high price of domestic beef in the closed market, allowing for a new trend of high-end burger outlets.

<i>Strategic Objective</i>	Engage more restaurants to try U.S. beef chilled product and alternative cuts by positioning alternative cuts as high-quality, low-cost options for high-end or family-style dining options and catering services, and train chefs and decision makers on the advantages of U.S. beef over domestic supplies, emphasizing quality and consistency as key traits of U.S. product.
<i>Tactical Response</i>	Train chefs on proper cooking techniques (e.g. not to overcook), and how to differentiate high quality, marbled U.S. beef from competing product. Explain the advantages of U.S. beef over product from Uruguay, Argentina, Australia, and in some cases, over domestic beef, and promote American BBQ as an ideal and trendy venue for high quality U.S. beef.

Other Key Initiatives

- Advise and support regional distributors on the best ways to market high quality U.S. beef.
- Maintain long-term relationships and regular contact in Russia to regain share when the market reopens by quickly restoring buyer knowledge and confidence.
- Increase visibility for U.S. beef by attending world renowned and popular trade shows.
- Conduct workshops in newer markets in the region on fabrication, cutting, portion control, and the best methods of cooking both popular and secondary U.S. beef cuts.
- Demonstrate to chefs and distributors that U.S. beef cuts like shoulder clod, chuck roll, and top sirloin butt can be effectively used in foodservice and in-home settings due to the high marbling and optimal quality-price ratio.
- Educate larger processors on how U.S. beef can meet their needs, gather market intelligence on what attributes are most important (such as leanness and better packaging), and continue to build a strong U.S. reputation with these processing companies.
- Educate consumers on the unique attributes of U.S. beef to assist in building demand at HRI and retail.
- Continue to focus on new opportunities, including increased alternative cut usage, growth in chilled beef at retail, and online meat shops.
- Monitor the development of domestic beef production specifically targeting higher-end segments in order to adjust U.S. beef strategies accordingly.
- Penetrate the e-commerce sector with high quality U.S. beef as consistency in the e-commerce market is highly valued.

Measurable Objectives (*List at least three outcome-based objectives for this tactic*):

- 100% of targeted trade accounts understand U.S. beef's quality attributes based on information provided by USMEF.
- 100% of targeted trade accounts understand how to properly handle U.S. beef.
- 100% of targeted HRI outlets and restaurant chains regularly stock U.S. beef.
- 93% of targeted retail outlets identify the origin of U.S. beef.
- 66% of targeted retail outlets actively promote U.S. beef and its origin.

LRP Strategic Initiatives Addressed by this Tactic (Check all that apply)

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic (Check all that apply)

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic U

Tactic Name: Russia & the Commonwealth of Independent States (CIS)

Tactic Description: Market Access

Noteworthy market access issues in this region include:

- A) Russia's political sanctions on U.S. red meat imports.
- B) The Russian and Euro Asian Economic Union (EAEU) zero tolerance policy on the presence of beta-agonists in beef, and the resulting ban on U.S. beef.
- C) The Russian and EAEU zero tolerance policy on the presence of synthetic hormones in beef.
- D) Russia's longstanding TSE-related restrictions on imports of U.S. beef.
- E) Russia's zero tolerance policy on the presence of certain pathogens (e.g., Salmonella) and tetracycline.
- F) Other regional countries' attempts to harmonize standards in line with either the EU or EAEU, both of which include growth promotant bans and other increased veterinary restrictions (i.e. may threaten access in Kazakhstan, which currently maintains its own approved plant list); and i) lack of clarity

regarding the Russia/EAEU establishment approval process, currently affecting countries that are not impacted by the sanctions, such as Belarus.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will educate the region’s government decision makers on U.S. production processes.
- 90% of targeted USMEF members will report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input checked="" type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic V

Tactic Name: South America

Tactic Description: Market Development

Market Assessment:

Export growth of U.S. beef plus variety meat to the South America region was flat in 2018, totaling 28,333 mt in volume, but increasing 10 percent in value to over \$126 million. A decline in exports to Chile, the top market for U.S. beef plus variety meats,

was offset by modest growth to Peru and 21 percent growth to Colombia. For U.S. variety meat exports, the leading market of Peru, increase volume by 3 percent (6,482 mt) while value increased by 13 percent (\$10,144 million).

	Peru	Chile
Per Capita Beef Consumption	6.1 kg	27.7 kg
Total Beef Imports (not including variety meat) – all sources	5,363 mt	226,516 mt
Total Beef Variety Meat (BVM) Imports – all sources *	17,367 mt	2,613 mt
U.S. Share of Total Beef/BVM Import Market	28%	4%
Other Beef/BVM Suppliers & Market Shares	Brazil 27%	Brazil 50%
	Argentina 18%	Paraguay 29%
	Bolivia 9%	Argentina 15%
Domestic Self Sufficiency	96%	40%
U.S. Beef Exports (not including variety meat)	1,362 mt	9,396 mt
U.S. Beef Variety Meat (BVM) Exports *	6,482 mt	1,776 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	<1%	<1%
Customers for U.S. Beef Imports	Processing	0%
	HRI	25%
	Retail	75%
Top Imported U.S. Beef Cuts: chuck roll, short rib, knuckle, strip loin, ribeye, flank, coulotte, tri-tip, outside skirt		
Top Imported U.S. BVM Items: tripe, liver, heart		

*2018 import and market share data is based on import data of Peru and Chile (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau. * Historical discrepancy between import data and U.S. export data.*

Market Development Strategies:

Continue to develop the market by communicating the quality, consistency and profit potential of U.S. beef across sectors, and by introducing U.S. beef value cuts and variety meats to buyers.

<p>Developing Markets</p>	<ul style="list-style-type: none"> • Some consumers in Peru, Colombia and Chile are willing to pay higher prices for high-quality beef, and interest is growing in other markets. • There are opportunities for primal and subprimal cuts of beef and variety meat due to the variable demographics in this diverse market. • Many market segments are unfamiliar with U.S. beef, and inefficient handling, cold chain management and a lack of product knowledge can result in low yields and an unfavorable eating experience, which heightens safety concerns. • Growing interest in BVM in regions such as Brazil, Uruguay and Colombia are presenting strong opportunities to move volumes of U.S. BVM products. • American Food service chains are focusing on this region, with Chili's, Hooters, Taco Bell, and Chuck-e Cheese expanding into some South America markets, presenting an established place to feature U.S. beef. • Competition from Argentina and Uruguay is growing as the quality from these competitor beef suppliers is improving, both in terms of product quality and product presentation. • Improving, yet underdeveloped infrastructure in intermediate cities challenge the distribution channel. • Many market segments are unfamiliar with U.S. beef, and inefficient handling and a lack of product knowledge can result in low yields and an unfavorable eating experience. • Despite recent high U.S. beef prices and unfavorable exchange rates the competitiveness of U.S. product has remained strong with export volumes to the region increasing.
<p><i>Strategic Objective</i></p>	<p>Educate buyers on the quality and profit potential of U.S. beef, including value cuts and other more affordable products, and demonstrate effective merchandising of unfamiliar cuts and products.</p>
<p><i>Tactical Response</i></p>	<p>Provide training on proper handling and cold chain management for the HRI and retail sectors to ensure a positive eating experience with a range of U.S. beef cuts to suit any price point.</p>
<p>Retail Development</p>	<ul style="list-style-type: none"> • Retail ranges from wet markets, which are still prevalent throughout the region, to modern supermarkets and high-end meat boutiques. • While mainly sold in wet markets, beef variety meats can also be found in modern retail. • The growing middle class is spending more on premium food items, including imported beef. • With high meat prices, some consumers are looking to purchase smaller quantities at more affordable prices; however, high-quality beef is still a luxury item for many consumers. • Retail giants are slowly integrating convenience-driven concepts into their retail models, such as ecommerce services and features as well as drive-through grocery departments for added convenience.

<i>Strategic Objective</i>	Work with retailers to identify the U.S. origin and promote U.S. beef cuts by improving product labels and maintaining product rotation to increase consumer confidence.
<i>Tactical Response</i>	Educate retail buyers (supermarkets and wet markets) on the attributes of U.S. beef to increase the number of cuts offered, and promote alternative cuts for price-conscious consumers with recipe development, in-store tastings, etc. Ensure proper handling and highlight the profit potential of portion-control packaging.
Favorable Access	<ul style="list-style-type: none"> • Brazil reopened to U.S. beef in 2016 after a 13-year absence; However, challenges with complex registration regulations have delayed shipments. U.S. livers, picanha, and tri-tip are in high demand, but opportunities for more cuts may exist with meat boutiques. • U.S. beef now has expanded access to Ecuador and Uruguay, though Ecuador remains non-transparent regarding their import licensing process and informal arbitrary import quotas. • The removal of the EV requirement for Colombia increases eligible U.S. exporter plants to over 500, while also increasing opportunities for value-added items.
<i>Strategic Objective</i>	Further build the image and visibility for U.S. beef among buyers who may be price-sensitive and must to be educated on the premium quality of U.S. beef.
<i>Tactical Response</i>	Provide training on U.S. production, safeguards, and quality, and provide promotional support to help expand sales of new U.S. beef items entering these emerging markets.

Other Key Initiatives

- Facilitate sales by conducting activities that directly bring buyers together with U.S. suppliers, especially medium/small suppliers interested in growing exports to South America, such as the Latin American Product Showcase.
- Continue to identify U.S. suppliers willing to offer smaller packaging and partial loads to South America.
- Demonstrate to importers and purveyors how to use the latest available technologies, including procedures to freeze and thaw meats, to preserve quality and food safety.
- Present U.S. beef as a profitable item, educating buyers on affordable and available cuts that can replace local beef in traditional dishes, while enhancing flavor.
- Increase buyer awareness about U.S. beef variety meats and lower-cost alternative cuts and how to fabricate, package and promote them to increase sales.
- Strengthen the foodservice channel in Chile and other markets by working with newly identified trade partners (importers/distributors), including those outside of major metropolitan areas, to conduct joint educational and promotional activities.
- Use interactive merchandising and culinary education to drive sales in high-end foodservice, focusing on higher-graded and branded U.S. beef.
- Work with the HRI sector to promote U.S. burgers and smaller sized beef portions as a way to maintain volume sales and eating quality experience with affordable products.

- Coordinate promotions with HRI and retail partners to raise the visibility and image of U.S. beef. Introduce to foodservice novel cooking techniques, such as BBQ, to help promote U.S. beef's image.
- Expand activities into secondary cities with stable cold chain infrastructure in key markets throughout the region.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 86% of targeted importers and distributors have a favorable attitude toward U.S. beef based on information provided by USMEF.
- 80% of targeted importers and distributors consistently source U.S. beef.
- 73% of targeted HRI outlets and chains regularly use U.S. beef on their menus.
- 90% of targeted retailers identify origin of U.S. beef.
- 80% of targeted retailers actively promote the attributes of U.S. beef to their customers.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic W

Tactic Name: South America

Tactic Description: Market Access

Noteworthy market access issues in this region include:

- A) Chile's restrictive beef labeling requirements.
- B) Brazil's onerous label registration process for beef products.
- C) Colombian rules which prohibit frozen meat from being thawed for sale at retail.
- D) Port issues related to dirty containers and documentation/labeling in Colombia.
- E) Ecuador's nontransparent import licensing process.
- F) Onerous product and label registration requirements in Uruguay and Argentina.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- USMEF will present scientific evidence on the safety of U.S. beef to the region's importers, researchers, and decision makers.
- 90% of USMEF members report that they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic X

Tactic Name: Taiwan

Tactic Description: Market Development

Market Assessment:

Following a record year in 2017, U.S. beef and variety meat exports to Taiwan set yet another record in 2018, with volume up 33 percent to 59,694 mt, with value climbing 34 percent to over \$550 million. Reflective of other leading Asian markets, namely Japan and Korea, Taiwan's appetite for high-quality beef has been on the upward trajectory as consumers desire healthier and more "wholesome" choices. U.S. beef alternative cuts thrive in this market, where price conscious buyers are willing to try new cuts while still maintaining the superior quality of U.S. beef.

U.S. beef continues to hold majority market share of imported chilled beef in Taiwan, capturing nearly 75.5 percent of the market in 2018, up from 72 percent in 2017. Meanwhile, Australia and New Zealand, top chilled beef competitors, continue to lose share.

Per Capita Beef Consumption	7.8 kg
Total Beef Imports (not including variety meat) – all sources	125,596 mt
Total Beef Variety Meat (BVM) Imports – all sources	7,484 mt
U.S. Share of Total Beef/BVM Import Market	43%
Other Beef/BVM Suppliers & Market Shares	Australia 23.5%
	New Zealand 19.5%
	Paraguay 5%
Domestic Self Sufficiency	4%
U.S. Beef Exports (not including variety meat)	59,640 mt
U.S. Beef Variety Meat (BVM) Exports	54 mt
U.S. Beef/BVM Exports as a % of Total U.S. Beef/BVM Exports	4.5%
Customers for U.S. Beef Imports	Processing 1%
	HRI 80%

	Retail 19%
Top Imported U.S. Beef Cuts: rib fingers, short plate, chuck roll, shank, BL short ribs, top blade, chuck flap tail	
Top Imported U.S. BVM Items: tendon	

2018 import and market share data is based on import data of Taiwan (from GTA), and U.S. export data is from the U.S. Department of Commerce, Trade Census Bureau.

Market Development Strategies

- A) Maintain loyalty among key buyers to defend market share, and develop new customers by demonstrating the variety, profitability and superior quality of U.S. beef, emphasizing first and foremost the safety of the product, but also its value and versatility; B) Drive demand for high-value U.S. chilled beef, capitalizing on buyer demand for fresh and high-quality product; and C) Displace competitor products by offering appropriate cut alternatives.

Alternative Cuts	<ul style="list-style-type: none"> • High-end food products are growing in popularity among consumers, while cheap, low-quality foods are being phased out as consumers resort to treating themselves to “small indulgence” luxuries with high quality meals. • Taiwan is experiencing a “meat boom” similar to that seen in Japan and Korea. • Foodservice operators are facing additional costs associated with changing labor laws. As a result, these buyers are eager to incorporate less expensive cuts that still reflect the quality consumers are demanding. • Retailers are also expressing interest in offering alternative cuts for consumers to try at home; however, retailers are hesitant to introduce new cuts that consumers are unfamiliar with. • Japanese Wagyu regained access to the market in 2017, after a 16-year ban. However, feedback from buyers has indicated that high-quality but more economical alternatives are needed, positioning U.S. beef as a reputable alternative. • Purchasing U.S. beef alternative cuts is an appealing strategy to reduce the risk of U.S. beef price increases on more popular items.
Strategic Objective	Collaborate with U.S. packers to identify new alternative cuts appropriate for the market. Introduce alternative cuts such as plate fingers, rib cap plate, coulotte, clod heart, brisket, petite tender, tri-tip and chuck eye roll to targeted HRI and retail buyers as a suitable substitute for traditional cuts, and offer recipe support and cooking demonstrations to help buyers and consumers understand less expensive cuts.
Tactical Response	Develop educational programs and POS materials to support the use of underutilized cuts, highlight value, and encourage chefs to feature new items in a wider range of cuisines while also releasing educational materials tailored to consumers in the retail sector. Support retailers and HRI operators to promote alternative cuts by driving consumer interest via incorporation into

	social media campaigns, and utilize platforms such as Facebook to educate buyers and consumers on availability and cooking methods.
Diverse Dining Culture	<ul style="list-style-type: none"> • Eating out is essential to social life in Taiwan. According to Euromonitor, Taiwan boasts the second highest number of foodservice transactions per capita in the world. • Influences from Japan, Korea, and China are extremely prevalent in this market, where the geographic proximity to other Asian destinations make Taiwan a cultural melting pot. The various cuisines available in Taiwan tend to use beef cuts with specific attributes. • Japanese and Korean restaurant chains, which use U.S. beef in their recipes, are expanding into Taiwan. For example, Matsuya, a popular Japanese beef bowl brand, has expanded into Taiwan, and is becoming very popular. Successful promotions or marketing strategies from other Asian markets can typically be applied to Taiwan, where Japanese, Korean, and Chinese influences are strong. • With diverse options to choose from, consumers tend to lack loyalty to a single type of restaurant; thus, to thrive in the long-term operators must create menus that continually satisfy and intrigue consumers. • The number of outlets available per foodservice brand is declining as consumers grow bored with repetitive options. Instead, an increasing number of brands with only a few outlets are appearing in the market. • The Michelin Guide for Taiwan was officially released in early 2019, creating additional hype for acclaimed or critically recognized restaurants.
<i>Strategic Objective</i>	Target the HRI sector to find and develop suitable outlets for a range of cuts that coincide with consumer eating trends, such as top sirloin cap, brisket, rib cap plate, delmonico steak, tri-tip, etc., which are ideal for a wide variety of cooking styles, including various types of American cuisine like BBQ, steak, and burgers or beef bowl.
<i>Tactical Response</i>	Along with traditional styles, introduce and educate importers and buyers to new cooking applications for alternative cuts to leverage the diverse dining culture in Taiwan. Identify emerging foodservice trends and support HRI operators with promotions and evolving consumer events to invigorate menus and further boost sales and utilize gourmet identifiers, such as the Diamond Plus program, to help foodservice operators differentiate from the competition.
Evolving Retail	<ul style="list-style-type: none"> • Major foreign convenience store brands, such as Seven Eleven and FamilyMart, are continuing to expand in the market. • Convenience stores are offering fresh products, with FamilyMart bringing BBQ and beef bowl items to their shelves in 2017. • Wholesale markets, like Costco, offer U.S. chilled beef and even more frozen beef. • Traditional retailers typically do not sell alternative cuts; however, consumers can find alternative cuts in newly popular meat boutiques or through vendors advertising on Facebook.

	<ul style="list-style-type: none"> • Taiwan Fresh Supermarket is well-known for carrying imported, and “unique” products and has been very receptive to selling U.S. beef alternative cuts.
<i>Strategic Objective</i>	Integrate more U.S. beef into the Taiwan retail channel, especially more affordable alternative cuts, while building retailer confidence in U.S. beef for long-term use.
<i>Tactical Response</i>	Support willing traditional, convenience store, and meat boutique retailers with promotions, tasting demonstrations, and educational material to launch new alternative cuts and highlight U.S. origin. Announce traditional in-store events through social media, allowing more consumers to follow U.S. beef promotions.
Social Media and Consumer Confidence	<ul style="list-style-type: none"> • Consumers in Taiwan are heavy users of social media sites, such as Facebook, Youtube, or Instagram, and rely on this platform to share information and keep up on current trends. • Cultural standards and religion have historically minimized beef consumption in this market. However, with evolving cultural norms and the sharing of information via social networks, lingering taboos about consuming beef are disappearing rapidly. • More consumers are seeking fresh/healthy convenience items, though food safety is a lingering concern in general among consumers. Improving and maintaining consumer trust through public platforms is a priority.
<i>Strategic Objective</i>	Educate importers, restaurateurs and retailers on U.S. beef production safety, and use unified messages to create a favorable image among consumers and displace competitors.
<i>Tactical Response</i>	Create content to heighten visibility for U.S. beef and educate on U.S. beef safety and quality, including videos to be shared on Facebook, while collaborating with foodservice and retail partners to highlight specific promotions featuring cuts such as tri-tip and delmonico steaks. Cooperate with restaurants using U.S. beef to develop video advertisements designed for Facebook and Youtube to increase consumer traffic to the restaurant and enhance the restaurant’s loyalty to U.S. beef.

Other Key Initiatives

- Continually analyze the market to identify gaps in supply within desired price ranges, and position specific cuts of U.S. beef, including chilled beef, to take advantage of these opportunities.
- Work with U.S. packers to address Taiwanese trends and capitalize on opportunities to quickly move certain cuts (e.g., currently boneless short ribs, bone-in short ribs, short plate, rib cap plate, plate finger, chuck roll, etc.) using specialized initiatives targeting importers, distributors, foodservice operators and retailers.
- Educate the foodservice sector on dry aging for cuts beyond striploin and ribeye.
- Broaden awareness of U.S. niche beef items, including natural/organic, branded and breed-specific products.

- Capitalize on the growing number of tourists traveling to Taiwan by introducing chefs in tourist regions to the range and quality of U.S. beef cuts available.
- Target younger chefs and consumers through events and social media to promote venues/menus featuring U.S. beef, and use PR activities to highlight Taiwanese consumers accepting and enjoying U.S. beef.
- Rotate focus of building food trends with consumers to maintain buyers' interest and benefit a variety of cuisines with consumer events.

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

- 100% of targeted trade accounts have a favorable attitude toward U.S. beef based on information provided by USMEF.
- 100% of targeted trade accounts have a willingness to purchase additional U.S. beef items.
- 61% of targeted trade accounts collaborate with downstream customers to promote U.S. beef.
- 80% of targeted restaurants actively participate in and contribute to USMEF promotions.
- 80% of targeted restaurants use U.S. beef for a new menu item.
- 61% of targeted retailers stock and promote an additional alternative U.S. beef cut.
- 76% of targeted retailers actively promote the attributes of U.S. beef to their customers.

LRP Strategic Initiatives Addressed by this Tactic *(Check all that apply)*

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input checked="" type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic Y

Tactic Name: Taiwan

Tactic Description: Market Access

Noteworthy market access issues in this region include:

- A) BSE-related restrictions on imports of U.S. ground beef and variety meat from cattle under 30 months of age and all products from cattle over 30 months of age

USMEF Strategies for addressing these issues—in cooperation with U.S. industry organizations—focus on communicating information about U.S. meat safety systems, U.S. government export requirements, and U.S. production practices, and providing government authorities, opinion leaders, the media, the trade, and the general public with science-based assurances about the U.S. meat industry.

Measurable Objectives (*List at least three outcome-based objectives for this tactic*):

- USMEF will contribute to and support U.S. government initiatives to eliminate trade restrictive policies.
- USMEF will provide factual information about U.S. meat safety and quality to Taiwan industry, government, and academic stakeholders.
- 92% of USMEF members report they receive the information they need from USMEF related to market access issues.

LRP Strategic Initiatives Addressed by this Tactic (*Check all that apply*)

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems	<input type="checkbox"/> Ensure antibiotic stewardship	<input type="checkbox"/> Research & innovate new production technologies	<input type="checkbox"/> Revolutionize beef marketing & merchandising
<input checked="" type="checkbox"/> Increase market access	<input type="checkbox"/> Certify & verify production practices	<input type="checkbox"/> Ensure beef's inclusion in dietary recommendations	<input type="checkbox"/> Measure & improve sustainability
<input type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure beef safety	<input type="checkbox"/> Motivate producers & stakeholders to engage in issues	<input type="checkbox"/> Research & communicate beef's nutritional benefits
	<input checked="" type="checkbox"/> Protect beef's image	<input type="checkbox"/> Develop crises management plans	<input type="checkbox"/> Connect & communicate directly with consumers
	<input type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic *(Check all that apply)*

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic Z

Tactic Name: Global Initiatives

Tactic Description: New Market Research, Access & Development

Measurable Objectives *(List at least three outcome-based objectives for this tactic):*

With growing global beef production and increasing competition for export markets worldwide, identification and development of new and emerging markets will become more critical to the U.S. beef industry. Shifting global dynamics, including changes in global economies, trade relationships, demographics, resource availability, and consumption patterns will continue to create new opportunities of the U.S. beef industry as USMEF evolves existing strategies and develops new programs for export growth. USMEF will remain focused on identifying growth outlets for U.S. beef through close observation of market access, research, and deep dive analysis of emerging markets. Following market development strategies in these identified regions, USMEF will position the U.S. industry for rapid expansion and displacement of competitor product where appropriate. USMEF recognizes the continual need to develop new outlets with the highest potential for export growth of U.S. beef.

New markets demonstrating traits of rapid development, such as Sub-Saharan Africa, provide potential growth opportunities for the beef industry. In order to identify, develop, and capitalize on these additional opportunities, USMEF will continue to utilize the following tactics A) Conduct market, economic, and technical research to identify and develop new opportunities for U.S. beef exports; B) Educate and support targeted buyers in new markets about the quality and availability of U.S. beef products; and C) Introduce U.S. suppliers to potential in-market buyers.

LRP Strategic Initiatives Addressed by this Tactic (Check all that apply)

Drive Export Growth	Grow Consumer Trust	Protect & Enhance Business Climate	Beef's Value Proposition
<input type="checkbox"/> Adopt animal I.D. traceability systems <input checked="" type="checkbox"/> Increase market access <input checked="" type="checkbox"/> Promote unique attributes of U.S. beef	<input type="checkbox"/> Ensure antibiotic stewardship <input type="checkbox"/> Certify & verify production practices <input type="checkbox"/> Ensure beef safety <input checked="" type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production technologies <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage in issues <input type="checkbox"/> Develop crises management plans <input checked="" type="checkbox"/> Defend beef's product identity	<input checked="" type="checkbox"/> Revolutionize beef marketing & merchandising <input type="checkbox"/> Measure & improve sustainability <input checked="" type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & communicate directly with consumers <input type="checkbox"/> Improve our product

Committee(s) to Score this Tactic (Check all that apply)

Consumer Trust	Export Growth	Innovation	Nutrition & Health	Safety	Investor Relations	Mkt. Research
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SUPPLEMENTAL INFORMATION FOR THIS AR

1. Will all work detailed in this AR be completed by the end of the fiscal year?
 Yes

If not, please provide an explanation.

All objectives outlined in this AR are expected to be achieved by the end of the fiscal year. However, objectives are designed to be part of a long-term strategy plan, which will continue into the next fiscal year, and is subject to changes in trade access.

2. Please explain changes from FY 2019 approved AR:

In collaboration with the U.S. beef industry, USMEF makes annual, systemic assessments of its resource allocation to each market where it conducts its programs. Key elements contributing to market evaluation include but are not limited to the current and anticipated size of the market (export volume & value), current and medium-term market access conditions and competitive environment, degree of penetration of USMEF programs, various economic factors, the cost of doing business, and the measured results of program initiatives based on the in-market analysis conducted by on-ground staff. USMEF adjusts priorities, accordingly, making recommendations proposed to the U.S. beef industry via an annual meeting reflective of the “Unified Export Strategy” proposed to the Foreign Agricultural Service for the following fiscal year’s Market Access Program funding.

The U.S. beef industry will continue to face market access challenges in 2020 as the effects of trade tensions with China, exclusion from CPTPP, and NAFTA renegotiation begin to surface. The potential to disrupt exports to the U.S. beef industry’s largest international trade partners- namely Japan, Mexico, Canada, and China- will continue to be a major concern. However, growing demand for chilled U.S. beef in Asia and the anticipated increase in protein demand from China (due to ASF) are opportunities for growth.

3. List any proposed subcontractor/agencies that will be used to complete the work in this AR.

Due to USMEF’s contract bidding policy, the below list is subject to change and is not exhaustive of the companies that may be subcontracted to support this AR.

Asia People Works	Regional Consultant	ASEAN
Exclamation Graphic	POS Production	ASEAN
Talentnet Corp	Regional Consultant	ASEAN
Usaha	Travel Agency	ASEAN
Elizabeth Wunderlich	Regional Consultant	Caribbean
2050 Comunicaciones	Marketing and Logistics	Central America + DR
Arte en el Servicio de Alimentos	Marketing & Logistics	Central America + DR
Gomez Lee	Marketing & Logistics	Central America + DR
Grupo Campeon	Marketing & Logistics	Central America + DR
Hernandez Hermanos	Marketing & Logistics	Central America + DR
Irma Lucia Ruano Solares	Regional Consultant	Central America + DR
Pecuaría Exportadora	Marketing & Logistics	Central America + DR
Saul Bueso	Regional Consultant	Central America + DR
Servicios Logísticos y Auxiliares de Occidente	Marketing & Logistics	Central America + DR
GZ China Culinary Industry Assoc.	Chef Association	China/Hong Kong
Henan Shineway	Marketing & Logistics	China/Hong Kong
Min XU	Regional Consultant	China/Hong Kong
Rachel Deng	Foodservice Consultant	China/Hong Kong
Ren Yu	Marketing & Logistics	China/Hong Kong
Thousand Beyond Limited	Marketing & Logistics	China/Hong Kong
Monty Brown	Meat Consultant	Europe

Yuri Barutkin	Regional Representative	Europe
T20 Media	Online Marketing	Europe
Alvis	Technical Translation	Japan
Dai Nippon	Printing	Japan
DeNA Travel	Travel Agency	Japan
Ei Publishing	POS Production	Japan
Eire Systems	IT Support	Japan
Hakuhodo	Agency	Japan
Image	Website Coordinator	Japan
IPSOS	Research Firm	Japan
JAC Japan	Employment Consultant	Japan
JTB Metropolitan	Travel Agency	Japan
Kinki Nippon Tourist	Travel Agency	Japan
ManPower Group	Dispatch Consultants	Japan
Rekids	Culinary PR	Japan
Sakaki Lab	Seasonal Publication Development	Japan
SP Ring	Marketing Agency	Japan
Tokyu Agency	Ad Agency	Japan
Topfield Marketing	Research/Publishing	Japan
ATOZ	Marketing & Logistics	Korea
Creative May	Ad/POS Production	Korea
Daymon-CDS Worldwide	In-store Promotions	Korea
Gooseul Hambak	Promotions	Korea
Greedeat	Promotions/Marketing	Korea
Haevichi	Promotions	Korea
HSIND	Booth Construction	Korea
Iiji FHC	POS Production	Korea
KIM Terri Taekyong	PR Consultant	Korea
Korea Sauce	Sauce Manufacturer	Korea
MixNFix Co	Marketing & Logistics	Korea
Platcomm	Marketing & Logistics	Korea
Sharp Aviation	Travel Agency	Korea
Tae-Pyeong Salt	Seasoning Manufacturing	Korea
Timehurst	Consumer Events	Korea
Walk Company	Marketing & Logistics	Korea
Weber Shandwick	PR/Advertising	Korea
WithM	Retail Promotion/POS Production	Korea
Yujin Metro	Subway Advertising	Korea
Zestn	Cooking Classes	Korea
Alberto de Jesus Diaz Cadena	Translation	Mexico
Brand Synergy	Research	Mexico
Carat Mexicana	Media Agency	Mexico
Cerebro Kreativo	PR/Events	Mexico
Consultora de Servicios en Imagen	Marketing/Logistics Agency	Mexico
Cristian Zarabozo Enriquez de Rivera	Photography/Videography	Mexico
Ediciones del Norte	Marketing/POS Production	Mexico
Gomez Lee Marketing	Marketing/Logistics Services	Mexico
Grupo Arieliz	Promotional/POS Materials	Mexico
ITESM	Meeting Services	Mexico
Litografia Gil	Printing services	Mexico

M2	Booth Installation	Mexico
Operadora MeatBone	Promotions	Mexico
Pablo Chavarria Solorio	POS Material/Printing	Mexico
Promo Conceptos	Promotions	Mexico
Proyectos y Consultoria en Informatica	Research	Mexico
Sanborn Hermanos	Promotions	Mexico
Sylvia Basaldua Pohlenz	Graphic Design/Production	Mexico
Viajes El Corte Ingles	Travel Agency	Mexico
Agri Marketing International	Regional Consultant	Middle East
Arab Marketing & Finance, Inc.	Regional Consultant	Middle East
Sole Partnership V. Korupaev	Website Support	Russia & CIS
Galina Kochubeeva	Regional Representative	Russia & CIS
Atlantic FS	Promotions	South America
Jessica Julca	Regional Representative	South America
Don Mason	Meat Consultant	South America
Glaro	Marketing & Logistics	South America
Jorge Abella	POS Production	South America
Latone	Booth Installation	South America
Manya	Website Management	South America
Always Marketing	Marketing Agency	Taiwan
Bayshore	PR/Events	Taiwan
Focus Marketing	Social Media Marketing	Taiwan
General Innovation Services	Seminar Support	Taiwan
Target Exhibition Design	Booth Construction	Taiwan
Trend Young Marketing	PR/Events	Taiwan

4. Will all work with subcontractors be competitively bid?

Yes

If not, why not?

In agreement with USMEF's vendor selection process, contracts greater than \$25,000 must be competitively bid at least every three years. Selection will be based on qualifications and reasonableness of cost.

5. Please list any relationships between this AR and projects previously funded by the Operating Committee:

As USMEF marketing strategies are designed for long-term market development, the FY20 AR is a continuation of the strategies and tactics outlined in the F19 AR. These strategies and tactics are designed to be adjusted as market trends evolve, but are founded on trade servicing, training, education, and promotions.

CBB/BPOC Funding Request:

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
Export Growth	A	ASEAN MD	BPOC	\$ 150,435	\$ 60,820	\$ 213,255
Export Growth	B	ASEAN MA	BPOC	\$ 16,715	\$ 6,670	\$ 23,385
Export Growth	C	Caribbean MD	BPOC	\$ 98,280	\$ 42,020	\$ 140,300
Export Growth	D	Caribbean MA	BPOC	\$ 10,920	\$ 4,355	\$ 15,275
Export Growth	E	Central America MD	BPOC	\$ 207,450	\$ 85,560	\$ 293,010
Export Growth	F	Central America MA	BPOC	\$ 23,050	\$ 9,190	\$ 32,240
Export Growth	G	China HK MD	BPOC	\$ 342,000	\$ 139,210	\$ 481,210
Export Growth	H	China HK MA	BPOC	\$ 38,000	\$ 15,155	\$ 53,155
Export Growth	I	Europe MD	BPOC	\$ 279,000	\$ 114,090	\$ 393,090
Export Growth	J	Europe MA	BPOC	\$ 31,000	\$ 12,360	\$ 43,360
Export Growth	K	Japan MD	BPOC	\$ 2,210,840	\$ 884,520	\$3,095,360
Export Growth	L	Japan MA	BPOC	\$ 236,760	\$ 94,420	\$ 331,180
Export Growth	M	South Korea MD	BPOC	\$ 834,830	\$ 335,760	\$1,170,590
Export Growth	N	South Korea MA	BPOC	\$ 83,870	\$ 33,450	\$ 117,320
Export Growth	O	Mexico MD	BPOC	\$ 764,550	\$ 307,730	\$1,072,280
Export Growth	P	Mexico MA	BPOC	\$ 84,950	\$ 33,880	\$ 118,830
Export Growth	Q	Middle East MD	BPOC	\$ 355,500	\$ 144,600	\$ 500,100
Export Growth	R	Middle East MA	BPOC	\$ 39,500	\$ 15,755	\$ 55,255
Export Growth	S	Oceania MD	BPOC	\$ -	\$ -	\$ -
Export Growth	T	Russia & CIS MD	BPOC	\$ 85,500	\$ 36,920	\$ 122,420
Export Growth	U	Russia & CIS MA	BPOC	\$ 9,500	\$ 3,780	\$ 13,280
Export Growth	V	South America MD	BPOC	\$ 157,050	\$ 65,460	\$ 222,510
Export Growth	W	South America MA	BPOC	\$ 17,450	\$ 6,960	\$ 24,410
Export Growth	X	Taiwan MD	BPOC	\$ 369,000	\$ 149,985	\$ 518,985
Export Growth	Y	Taiwan MA	BPOC	\$ 41,000	\$ 16,350	\$ 57,350
Export Growth	Z	New Markets	BPOC	\$ 85,000		\$ 85,000
AR Totals				\$ 6,572,150	\$ 2,621,000	\$9,193,150

DETAILED BUDGET SUMMARY:

Funding	Direct Costs	Implementation	Total
CBB/BPOC Funding Request:	\$6,572,150	\$2,621,000	\$9,193,150

Other Potential Funding	Direct Costs	Implementation	Total
Federation of SBCs Pledges: (Informational Only)	\$1,078,225	\$364,775	\$1,443,000
Other Funding: (Informational Only)	\$4,022,550	\$0	\$4,022,550
Total Cost	\$11,672,925	\$2,985,775	\$14,658,700

CBB/BPOC Funding Request:

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Export Growth</i>	A	ASEAN MD	BPOC	\$ 150,435	\$ 62,820	\$ 213,255
<i>Export Growth</i>	B	ASEAN MA	BPOC	\$ 16,715	\$ 6,670	\$ 23,385
<i>Export Growth</i>	C	Caribbean MD	BPOC	\$ 98,280	\$ 42,020	\$ 140,300
<i>Export Growth</i>	D	Caribbean MA	BPOC	\$ 10,920	\$ 4,355	\$ 15,275
<i>Export Growth</i>	E	Central America MD	BPOC	\$ 207,450	\$ 85,560	\$ 293,010
<i>Export Growth</i>	F	Central America MA	BPOC	\$ 23,050	\$ 9,190	\$ 32,240
<i>Export Growth</i>	G	China HK MD	BPOC	\$ 342,000	\$ 139,210	\$ 481,210
<i>Export Growth</i>	H	China HK MA	BPOC	\$ 38,000	\$ 15,155	\$ 53,155
<i>Export Growth</i>	I	Europe MD	BPOC	\$ 279,000	\$ 114,090	\$ 393,090
<i>Export Growth</i>	J	Europe MA	BPOC	\$ 31,000	\$ 12,360	\$ 43,360
<i>Export Growth</i>	K	Japan MD	BPOC	\$ 2,210,840	\$ 884,520	\$ 3,095,360
<i>Export Growth</i>	L	Japan MA	BPOC	\$ 236,760	\$ 94,420	\$ 331,180
<i>Export Growth</i>	M	South Korea MD	BPOC	\$ 834,830	\$ 335,760	\$ 1,170,590
<i>Export Growth</i>	N	South Korea MA	BPOC	\$ 83,870	\$ 33,450	\$ 117,320
<i>Export Growth</i>	O	Mexico MD	BPOC	\$ 764,550	\$ 307,730	\$ 1,072,280
<i>Export Growth</i>	P	Mexico MA	BPOC	\$ 84,950	\$ 33,880	\$ 118,830
<i>Export Growth</i>	Q	Middle East MD	BPOC	\$ 355,500	\$ 144,600	\$ 500,100
<i>Export Growth</i>	R	Middle East MA	BPOC	\$ 39,500	\$ 15,755	\$ 55,255
<i>Export Growth</i>	S	Oceania MD	BPOC	\$ -	\$ -	\$ -
<i>Export Growth</i>	T	Russia & CIS MD	BPOC	\$ 85,500	\$ 36,920	\$ 122,420
<i>Export Growth</i>	U	Russia & CIS MA	BPOC	\$ 9,500	\$ 3,780	\$ 13,280
<i>Export Growth</i>	V	South America MD	BPOC	\$ 157,050	\$ 65,460	\$ 222,510
<i>Export Growth</i>	W	South America MA	BPOC	\$ 17,450	\$ 6,960	\$ 24,410
<i>Export Growth</i>	X	Taiwan MD	BPOC	\$ 369,000	\$ 149,985	\$ 518,985
<i>Export Growth</i>	Y	Taiwan MA	BPOC	\$ 41,000	\$ 16,350	\$ 57,350
<i>Export Growth</i>	Z	New Markets	BPOC	\$ 85,000		\$ 85,000
AR Totals				\$ 6,572,150	\$ 2,621,000	\$ 9,193,150

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
Export Growth	A	ASEAN MD	Federation	\$ 27,170	\$ 9,500	\$ 36,670
Export Growth	B	ASEAN MA	Federation	\$ 3,020	\$ 1,025	\$ 4,045
Export Growth	C	Caribbean MD	Federation	\$ 16,495	\$ 5,880	\$ 22,375
Export Growth	D	Caribbean MA	Federation	\$ 1,830	\$ 620	\$ 2,450
Export Growth	E	Central America MD	Federation	\$ 34,935	\$ 12,200	\$ 47,135
Export Growth	F	Central America MA	Federation	\$ 3,885	\$ 1,315	\$ 5,200
Export Growth	G	China HK MD	Federation	\$ 57,255	\$ 19,700	\$ 76,955
Export Growth	H	China HK MA	Federation	\$ 6,360	\$ 2,155	\$ 8,515
Export Growth	I	Europe MD	Federation	\$ 46,580	\$ 16,100	\$ 62,680
Export Growth	J	Europe MA	Federation	\$ 5,175	\$ 1,750	\$ 6,925
Export Growth	K	Japan MD	Federation	\$ 359,050	\$ 122,000	\$ 481,050
Export Growth	L	Japan MA	Federation	\$ 39,895	\$ 13,500	\$ 53,395
Export Growth	M	South Korea MD	Federation	\$ 126,150	\$ 43,000	\$ 169,150
Export Growth	N	South Korea MA	Federation	\$ 14,020	\$ 4,750	\$ 18,770
Export Growth	O	Mexico MD	Federation	\$ 128,090	\$ 43,650	\$ 171,740
Export Growth	P	Mexico MA	Federation	\$ 14,235	\$ 4,815	\$ 19,050
Export Growth	Q	Middle East MD	Federation	\$ 59,195	\$ 20,500	\$ 79,695
Export Growth	R	Middle East MA	Federation	\$ 6,580	\$ 2,225	\$ 8,805
Export Growth	S	Oceania MD	Federation	\$ -		\$ -
Export Growth	T	Russia & CIS MD	Federation	\$ 14,555	\$ 5,400	\$ 19,955
Export Growth	U	Russia & CIS MA	Federation	\$ 1,620	\$ 550	\$ 2,170
Export Growth	V	South America MD	Federation	\$ 26,200	\$ 9,500	\$ 35,700
Export Growth	W	South America MA	Federation	\$ 2,910	\$ 1,000	\$ 3,910
Export Growth	X	Taiwan MD	Federation	\$ 62,105	\$ 21,300	\$ 83,405
Export Growth	Y	Taiwan MA	Federation	\$ 6,900	\$ 2,340	\$ 9,240
Export Growth	Z	New Markets	Federation	\$ 14,015	\$ -	\$ 14,015
AR Totals				\$ 1,078,225	\$ 364,775	\$ 1,443,000

Other Funding: (Informational Only)

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
Export Growth	A	ASEAN MD	USDA	\$ 201,200	\$ -	\$ 201,200
Export Growth	B	ASEAN MA	USDA		\$ -	\$ -
Export Growth	C	Caribbean MD	USDA	\$ 98,750	\$ -	\$ 98,750
Export Growth	D	Caribbean MA	USDA	\$ -	\$ -	\$ -
Export Growth	E	Central America MD	USDA	\$ 135,800	\$ -	\$ 135,800
Export Growth	F	Central America MA	USDA	\$ -	\$ -	\$ -
Export Growth	G	China HK MD	USDA	\$ 166,950	\$ -	\$ 166,950
Export Growth	H	China HK MA	USDA	\$ -	\$ -	\$ -
Export Growth	I	Europe MD	USDA	\$ 413,790	\$ -	\$ 413,790
Export Growth	J	Europe MA	USDA	\$ -	\$ -	\$ -
Export Growth	K	Japan MD	USDA	\$ 1,329,285	\$ -	\$ 1,329,285
Export Growth	L	Japan MA	USDA	\$ 15,000	\$ -	\$ 15,000
Export Growth	M	South Korea MD	USDA	\$ 531,000	\$ -	\$ 531,000
Export Growth	N	South Korea MA	USDA	\$ 10,000	\$ -	\$ 10,000
Export Growth	O	Mexico MD	USDA	\$ 249,900	\$ -	\$ 249,900
Export Growth	P	Mexico MA	USDA	\$ -	\$ -	\$ -
Export Growth	Q	Middle East MD	USDA	\$ 336,750	\$ -	\$ 336,750
Export Growth	R	Middle East MA	USDA	\$ -	\$ -	\$ -
Export Growth	S	Oceania MD	USDA	\$ -	\$ -	\$ -
Export Growth	T	Russia & CIS MD	USDA	\$ 216,000	\$ -	\$ 216,000
Export Growth	U	Russia & CIS MA	USDA	\$ -	\$ -	\$ -
Export Growth	V	South America MD	USDA	\$ 84,125	\$ -	\$ 84,125
Export Growth	W	South America MA	USDA	\$ -	\$ -	\$ -
Export Growth	X	Taiwan MD	USDA	\$ 234,000	\$ -	\$ 234,000
Export Growth	Y	Taiwan MA	USDA	\$ -	\$ -	\$ -
Export Growth	Z	New Markets	USDA	\$ -	\$ -	\$ -
AR Totals				\$ 4,022,550	\$ -	\$ 4,022,550

Total Cost Summary for All Funding Sources: (Informational only)

AR #: 2040-FM

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
Export Growth	A	ASEAN MD	All	\$ 378,805	\$ 72,320	\$ 451,125
Export Growth	B	ASEAN MA	All	\$ 19,735	\$ 7,695	\$ 27,430
Export Growth	C	Caribbean MD	All	\$ 213,525	\$ 47,900	\$ 261,425
Export Growth	D	Caribbean MA	All	\$ 12,750	\$ 4,975	\$ 17,725
Export Growth	E	Central America MD	All	\$ 378,185	\$ 97,760	\$ 475,945
Export Growth	F	Central America MA	All	\$ 26,935	\$ 10,505	\$ 37,440
Export Growth	G	China HK MD	All	\$ 566,205	\$ 158,910	\$ 725,115
Export Growth	H	China HK MA	All	\$ 44,360	\$ 17,310	\$ 61,670
Export Growth	I	Europe MD	All	\$ 739,370	\$ 130,190	\$ 869,560
Export Growth	J	Europe MA	All	\$ 36,175	\$ 14,110	\$ 50,285
Export Growth	K	Japan MD	All	\$ 3,899,175	\$ 1,006,520	\$ 4,905,695
Export Growth	L	Japan MA	All	\$ 291,655	\$ 107,920	\$ 399,575
Export Growth	M	South Korea MD	All	\$ 1,491,980	\$ 378,760	\$ 1,870,740
Export Growth	N	South Korea MA	All	\$ 107,890	\$ 38,200	\$ 146,090
Export Growth	O	Mexico MD	All	\$ 1,142,540	\$ 351,380	\$ 1,493,920
Export Growth	P	Mexico MA	All	\$ 99,185	\$ 38,695	\$ 137,880
Export Growth	Q	Middle East MD	All	\$ 751,445	\$ 165,100	\$ 916,545
Export Growth	R	Middle East MA	All	\$ 46,080	\$ 17,980	\$ 64,060
Export Growth	S	Oceania MD	All	\$ -	\$ -	\$ -
Export Growth	T	Russia & CIS MD	All	\$ 316,055	\$ 42,320	\$ 358,375
Export Growth	U	Russia & CIS MA	All	\$ 11,120	\$ 4,330	\$ 15,450
Export Growth	V	South America MD	All	\$ 267,375	\$ 74,960	\$ 342,335
Export Growth	W	South America MA	All	\$ 20,360	\$ 7,960	\$ 28,320
Export Growth	X	Taiwan MD	All	\$ 665,105	\$ 171,285	\$ 836,390
Export Growth	Y	Taiwan MA	All	\$ 47,900	\$ 18,690	\$ 66,590
Export Growth	Z	New Markets	All	\$ 99,015	\$ -	\$ 99,015
AR Totals				\$ 11,672,925	\$ 2,985,775	\$ 14,658,700

Summary of Prior Year Budget:	FY 2019 Approved Budgets					
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.
AR Totals	\$ 8,300,000	\$ 372,400	\$ 3,584,795	\$ 12,257,195	\$ 9,657,195	\$ 2,600,000

FY 2019 Actual Expenses (through June 30, 2019)	FY 2019 Approved Budgets					
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.
AR Totals	\$ 3,629,866	\$ 25,731	\$ 504,189	\$ 4,159,786	\$ 2,094,975	\$ 1,534,891

Historical Summary of Budgets and Expense:	Total Approved Budgets			Total Actual Expenses		
	FY 2018	FY 2017	FY 2016	FY 2018	FY 2017	FY 2016
AR Totals	\$ 7,360,919	\$ 7,230,600	\$ 8,346,200	\$ 7,334,971	\$ 7,211,160	\$ 8,306,721