

AUTHORIZATION REQUEST FOR FY 21

CBB Budget Category: **Consumer Information**

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

Name of Organization Subcontracting:

Start Date: **10/1/2020**

End Date: **9/30/2022**

AR OVERVIEW

AR Description:

The year 2020 turned out to be a historic one for the country, the beef industry, and the beef consumer. The global pandemic shifted how consumers view, purchase, and consume beef. Consumer beef demand spiked as the supply chain was disrupted and consumers rushed to fill their freezer for fear of severe beef shortages and remains strong today. Consumers embraced food delivery from retailers and foodservice outlets and aggressively sought information about beef preparation. Across all AR's managed by NCBA, a contractor to the Beef Checkoff we positioned your *Beef. It's What's for Dinner.* brand as the trusted source of information to meet the demands of consumers and the supply chain and to maintain consumer trust in beef and beef farmers and ranchers. Our FY2020 AR's were nimble enough to adjust quickly to the changing environment, and we did. For example, we leveraged our vast library of engaging cookery content and advertisements, supported efforts to educate consumers about the beef supply chain and the safety of beef, and aggressively engaged media and influencers with relevant information about beef and beef production.

Key questions are: What behaviors will be permanent and what behaviors will revert to pre-pandemic? These questions require that the *Beef. It's What's for Dinner* brand and other checkoff programming remain nimble as we enter a new consumer marketing and information environment created by the global pandemic.

This AR will continue to develop on the successful trust building initiatives launched in 2018 to position beef as the top protein choice. All the tactics in this authorization request work towards two complementary strategies:

- 1) Communicate that "Real Beef's Great Taste & Nutrition Can't be Replicated," and
- 2) Address and correct the myths around beef and beef production among various audiences.

To continue to build a strong beef industry brand in *Beef. It's What's for Dinner.* and build trust in the beef industry among a variety of audiences, we will profile and promote beef farmers and ranchers, showcase beef's powerhouse of nutrients, including protein, and remind people of the unbeatable pleasure that beef brings to meals, while conducting research and outreach to prepare for future beef industry needs.

As a result, all tactics in this AR contribute expertise to other checkoff programs, state partners and/or global industry influencers/stakeholders to position beef as the top protein. These tactics provide ongoing counsel and support for the state and national beef council partnership to strengthen the brand across programs at all levels. Sharing program results with a variety of audiences, from stakeholders (including state beef councils and producers) to influencers, to media and to consumers is critical to demonstrate The Beef Checkoff's contributions to the beef industry's success. We will continue to ensure that stakeholders and members of the beef industry see these programs and/or assets first-hand by inviting stakeholders to be part of key events and/or expanding communications and marketing efforts. Given our staff expertise, traveling to/from and attending key influencer/stakeholder/partner meetings may be required to provide or gain more strategic guidance and training, and to engage in briefings and/or educational sessions/events. Besides disseminating knowledge, the funds in this AR may be used to implement current and previously funded ARs. To accomplish this, it may be necessary for the checkoff to fund international travel to/from the U.S. Also note that legal counsel may be sought for routine, day-to-day content development, program planning and contracting to ensure compliance with federal rules or regulations.

Funding	Direct Costs	Implementation	Total
CBB/BPOC Funding Request:	\$2,663,221	\$3,500,000	\$6,163,221

Other Potential Funding	Direct Costs	Implementation	Total
Federation of SBCs Pledges: (Informational Only)	\$1,000,000	\$0	\$1,000,000
Other Funding: (Informational Only)	\$0	\$0	\$0

NOTE: The Federation funds are placeholders only and subject to change. The Federation Division of the NCBA Executive Committee will have jurisdiction and approval over how these funds will be applied to checkoff programs in FY2021.

NOTE: For fiscal year 2021, if the threat of legal challenge does not impact State Beef Council investments, approximately \$5 million will be voluntarily invested by SBCs to supplement NCBA's ARs. This assumes the underlying ARs are funded at a sufficient level to execute the core elements of the program. The supplemental funding will be used consistent with the principles outlined in the AR and deliverables for the industry will increase accordingly.

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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

Tactic A

Tactic Name: Thought Leader Outreach and Engagement

Tactic Description:

“Thought leaders” by definition are individuals recognized as an authority in a specialized field and whose expertise is sought. They are the “go-to” people in their field of expertise and the trusted sources who move and inspire others. NCBA, on behalf of The Beef Checkoff, builds relationships and leverages “thought leaders” to share their credentialed perspectives about beef to inspire peer and consumer acceptance of beef. The thought leader target audiences of this tactic includes health professionals, fitness professionals, credentialed nutrition experts and communicators, medical doctors/physician assistants, non-governmental organizations (NGOs), academics/third-party scientists, culinary leaders, bloggers, beef industry experts, and others with influence on consumer or peer attitudes and perceptions about how beef is raised, its health value and its role as a meal solution.

Historically, this program area has built strong and lasting relationships with a variety of thought leaders using techniques including immersion experiences that facilitate first-hand exposure to beef’s benefits from both a product and production standpoint and by addressing topics like how beef is raised, antibiotic and hormone use and beef in a healthy, sustainable diet. Experiences have also included training and engagement on preparing beef with food-focused culinarians, bloggers and other thought leaders. In 2020, this tactic leveraged key thought leaders for activations on holiday roasting, beef substitutes, summer grilling, cooking with beef at home during the COVID-19 crisis and others as well as speakers at conferences, on webinars and for continuing education credits for health professionals.

The tactic will allow The Beef Checkoff to identify individuals, groups or even events that target a variety of thought leader audiences on topics across nutrition, product, and production to serve as an educational resource for thought leaders wanting to learn more about beef. The extending of speaker bureaus/seminar programs will provide experts for both national and state programs that thought leaders attend. New content will be created for and with identified thought leaders and previously developed content (i.e., beef research and BeefItsWhatsForDinner.com website, videos, fact sheets, reports, web content, etc.) leveraged through on-line and in person opportunities.

Measurable Objectives *(List relevant outcome-based objectives for this tactic):*

- Maintain the total of 10 individuals in the beef experts’ network to include subject matter experts across the food, health, and culinary and beef industry thought leader categories while establishing a new relationship in one or more categories for future leverage.
- Identify and execute three influencer campaigns utilizing thought leaders in the culinary, nutrition and food space.
- In collaboration with a research tactic, leverage a minimum of two research results across the thought leader subject matter areas of expertise in digital or written content or through a presentation to other influencers.

Performance Efficiency Measures

Consumer Reach Goal: 20,000,000

Consumer Engagement Goal: 85,000

KOL Reach Goal: 15,000

KOL Engagement Goal: 2,000

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 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 checked="" 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 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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic B

Tactic Name: Supply Chain Outreach and Engagement

Tactic Description:

The past several months have highlighted more than ever the complexity of the beef supply chain and the many operators—retail, foodservice, manufacturers, packers, processors, distributors—that it takes to get beef from the farm/ranch to consumers' dinner tables. The beef supply chain has had to find ways to innovate their business models to ensure that they can continue to provide high-quality foods, like beef, to consumers. Throughout their toughest times in history, these supply chain operators—from marketing contacts to meat procurement/buyers—have leaned on NCBA, as a contractor to the Beef Checkoff, to be a resource and inspiration for supply chain operators on all things beef, so they can ultimately bring beef to the consumer. This tactic is unique because it provides knowledge, education and resources that drive supply chain operators' decisions to sell beef, while simultaneously conducting pilot programs that are aimed at measuring and increasing beef sales and/or beef purchase intent. As the United States moves from response mode to recovery mode, following the coronavirus pandemic, the long-term relationships with these supply chain operators and building on the previous success of pilot projects will continue to be critical to the beef industry.

Research conducted by NCBA, on behalf of the Beef Checkoff, shows that beef is the most valuable protein in the grocery and restaurant space and consumers re-iterated this with their dollar purchases during coronavirus. This tactic helps communicate beef's value proposition to the supply chain and find unique moments in the beef purchase lifecycle to sell more beef.

NCBA, on behalf of the Beef Checkoff, has a rich history of success in helping position beef as the top protein and marketing beef at the meat case, on the menu and through emerging shopping experiences. According to results provide by third-party food delivery services, such as Instacart (retail app) and Postmates (foodservice app), NCBA has been able to increase beef sales by an average of 25-30 percent by using innovative marketing efforts and relationships with supply chain companies to sell more beef. This tactic also shares content and resources built by other tactics and program areas with supply chain operators to showcase how beef is the top protein—for example, popular webinars that have been hosted for supply chain operators on Beef Quality Assurance Program, sustainability and meat substitutes have resulted in hundreds of influential business-decision makers hearing accurate information about how beef is raised. This content is then leveraged and further extended through owned digital channels that reach business-decision makers, such as the popular Beef News Now e-newsletter and the *Beef. It's What's For Dinner*. LinkedIn platform which have experienced significant growth over the past few months. This tactic allows for staff expertise to be leveraged in other tactics, such as the Media Relations tactic, so that

staff who are experts in the supply chain can help explain to major media the complexity of the beef supply chain and why consumers may not see certain cuts of beef at the grocery store and what “steak swaps” they can use instead. In FY2020, experts from this program area conducted numerous media interviews, including with Fox News, to help them understand the workings of the beef supply chain.

In FY2021, NCBA will continue to focus on two priority areas through this program: 1) measuring and increasing beef sales and/or beef purchase intent through digital pilot programs; 2) increasing *Beef. It's What's For Dinner.* brand awareness among supply chain operators so they can extend these assets to their customer who is our target consumer (such as digital assets including ads, images, recipes, website or social content or other tools).

Working alongside state beef council partners, NCBA will focus efforts on key national accounts and work with states to extend programs and materials to their contacts at the local level to ensure a surround-sound approach. Existing content (such as photography, infographics, recipe inspiration, presentations, and other shopper marketing tools and learnings) as well as ongoing knowledge and expertise will be shared with supply chain stakeholders through a variety of touchpoints such as meeting sponsorships, one-on-one meetings, emails, webinars, paid marketing efforts.

Measurable Objectives (*List relevant outcome-based objectives for this tactic*):

- Conduct at least one pilot program that measures and aims to increase beef sales and/or beef purchase intent and share results with beef supply chain industry to encourage new ways to market and merchandise beef.
- Reach supply chain partners with *Beef. It's What's For Dinner.* brand messaging and/or assets at least once per month (including via presentations, email newsletters, social media, paid media, etc.).
- Identify and execute a minimum of two beef education opportunities that reach supply chain operators nationwide.

Performance Efficiency Measures (*PEM are not required for research ARs*)

Consumer Reach Goal: 0

Consumer Engagement Goal: 0

KOL Reach Goal: 30,000

KOL Engagement Goal: 3,000

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 traceability systems <input 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 type="checkbox"/> Protect beef's image <input checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production tech. <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage <input type="checkbox"/> Develop crises management plans <input type="checkbox"/> Attract, develop & enable the next generation <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 & comm. with consumers <input type="checkbox"/> Improve product & production efficiency

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 type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Tactic C

Tactic Name: Media & Media Relations Efforts

Tactic Description:

Today's 24-hour, always-on news cycle and how consumers get their news continues to evolve. This tactic positions beef as the top protein with media by ensuring the Beef Checkoff can quickly respond to inaccurate media stories AND share positive, proactive stories about beef with a variety of news outlets – including TV broadcast, print publications, online news sites, radio, podcasts and more. In terms of media response, in the first quarter of FY20 alone, NCBA, a contractor to the Beef Checkoff, responded to reporters and media outlets more than 50 times. The value of this type of media response is evident in a letter to the editor from NCBA that was published in the Los Angeles Times (circulation of 654,000) addressing beef's sustainability story.

Over the past several years, NCBA has focused efforts on pitching articles on a variety of beef topics—from positioning subject matter experts in stories about how beef is raised to securing coverage about new checkoff-funded research to sharing recipes with leading food outlets. By being timely, creative, and leveraging experts, NCBA has helped increase positive media coverage around key beef moments, like the holidays and grilling season, and topics that consumers are particularly interested in, like sustainability, technology and food trends. Fox News, Good Morning America online, The Daily Meal and Yahoo.com are just a few examples of the outlets NCBA placed positive beef articles in during FY20. And, a story secured in People Magazine in June 2019 about a MBA graduate's weight loss journey is just one example of how the media relations tactic works in an integrated way across programs. The story, which mentioned how beef was an integral part of the producer's weight loss journey, was immediately picked up by Good Morning America and generated more than 20 stories in various outlets leading to an opportunity for at least 800 million views. It was also shared via NCBA social media and owned channels to drive additional visibility.

In FY21, NCBA will build on this momentum to continue to share positive stories about how beef is raised, it's amazing flavor and the nutrition it provides. NCBA will also find opportunities to share the latest beef-related research, including everything from new nutrition studies to product- and sustainability-related findings, with media outlets and reporters. Leveraging this research is an important component of addressing ongoing myths about beef with consumers.

During the past several years through strategic and sustained media outreach, NCBA has developed strong relationships with top-tier consumer media contacts in the areas of food, sustainability, business and marketing, among others. In FY21, NCBA will continue to cultivate and leverage these relationships to ensure stories about beef are fair, accurate and include the perspective of the Beef Checkoff. Through both earned and select paid media opportunities, NCBA will position beef as the top protein with consumers and tell stories to help drive beef demand and preference. NCBA will also continue to work with supply chain/channel media to share content and relevant news with retail and foodservice decision makers.

In conjunction with other tactics in the consumer information, industry information and promotion authorization requests, this media tactic will reach important consumer and stakeholder audiences with timely and valuable stories about beef.

Measurable Objectives *(List relevant outcome-based objectives for this tactic):*

- Host or participate in beef industry briefing(s), event(s), workshop(s) and/or experience(s) with at least three top-tier reporters covering the beef industry.
- Place at least four positive stories, including but not limited to features, op-eds, quotes, and/or key data about how beef is raised, beef safety, quality, nutrition or sustainability, and/or innovation in beef merchandising in top-tier national consumer media outlets (e.g. *New York Times*).

- Place at least five positive stories, including but not limited to features, op-eds, quotes, and/or key data about how beef is raised, beef safety, quality, nutrition or sustainability, and/or innovation in beef merchandising in top-tier supply chain media outlets (ex. *Progressive Grocer*).

Performance Efficiency Measures *(PEM are not required for research ARs)*

Consumer Reach Goal: 500,000,000

Consumer Engagement Goal: 0

KOL Goal: 10,000

KOL Engagement Goal: 3,000

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 traceability systems <input 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 checked="" type="checkbox"/> Engage beef advocates	<input type="checkbox"/> Research & innovate new production tech. <input type="checkbox"/> Ensure beef's inclusion in dietary recommendations <input type="checkbox"/> Motivate producers & stakeholders to engage <input checked="" type="checkbox"/> Develop crises management plans <input type="checkbox"/> Attract, develop & enable the next generation <input type="checkbox"/> Defend beef's product identity	<input type="checkbox"/> Revolutionize beef marketing & merchandising <input checked="" type="checkbox"/> Measure & improve sustainability <input type="checkbox"/> Research & communicate beef's nutritional benefits <input checked="" type="checkbox"/> Connect & comm. with consumers <input type="checkbox"/> Improve product & production efficiency

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

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

SUPPLEMENTAL INFORMATION FOR THIS AR**1. Please explain changes from FY 2020 approved AR:**

There will be no changes in direction in FY2020. The focused strategy established in FY2018 will be maintained (people, pleasure, and protein).

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

VML, FoodMinds, Linhart Public Relations

3. Will all work with subcontractors be competitively bid?

No

If not, why not?

Contract and fees are reviewed every year. Agencies are reviewed annually and must meet or exceed expectations to continue work. Subcontractors and consultants with specific expertise will be contracted on an as-needed basis.

FoodMinds is an agency that has supported the Beef Checkoff for many years to include the food and health Involved Influencer program and the supply chain and media relations programs. The contracts were competitively bid and FoodMinds was selected based on the organization's strong relationships and expertise. VML, the checkoff's consumer advertising agency of record, may also support programs in this area.

VML, the current digital agency of record for Promotion, was chosen in FY18 based on their performance developing the consolidated Beef. It's What's For Dinner.com website as well as their background, experience and expertise in the area of digital advertising creative development and execution. VML's capabilities also include strong relationships with national retailers which will help support digital pilots aimed at increasing beef sales. The relationship is ongoing and contractual.

Linhart PR is the public relations agency of record for NCBA and was selected in 2019 after a competitive bid process. They were selected based on their experience, media relationships and ability to secure positive media coverage on behalf of the Beef Checkoff. They have been retained due to their performance. The relationship is ongoing and contractual.

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

All tactics in this AR build on previously funded ARs.

CBB/BPOC Funding Request:

Committee Name	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Nutrition & Health/Innovation</i>	A	Thought Leader Engagement and Outreach	BPOC	\$ 1,625,000	\$ 1,128,600	\$2,753,600
<i>Innovation</i>	B	Supply Chain Outreach and Engagement	BPOC	\$ 750,000	\$ 1,826,500	\$2,576,500
<i>Consumer Trust</i>	C	Media and Media Relations Efforts	BPOC	\$ 288,221	\$ 544,900	\$ 833,121
AR Totals				\$ 2,663,221	\$ 3,500,000	\$6,163,221

Federation of SBCs Pledges/Other Funding Source(s): (Informational Only)

Committee	Tactic	Tactic Name	Funding Source	Direct	Implementation	Total
<i>Nutrition & Health/Innovation</i>	A	Thought Leader Engagement and Outreach	Federation			\$ -
<i>Innovation</i>	B	Supply Chain Outreach	Federation			\$ -
<i>Consumer Trust</i>	C	Media and Media Relations Efforts	Federation			\$ -
AR Totals				\$ 1,000,000	\$ -	\$1,000,000

NOTE: The Federation funds are placeholders only and subject to change. The Federation Division of the NCBA Executive Committee will have jurisdiction and approval over how these funds will be applied to checkoff programs in FY2021.

NOTE: For fiscal year 2021, if the threat of legal challenge does not impact State Beef Council investments, approximately \$5 million will be voluntarily invested by SBCs to supplement NCBA's ARs. This assumes the underlying ARs are funded at a sufficient level to execute the core elements of the program. The supplemental funding will be used consistent with the principles outlined in the AR and deliverables for the industry will increase accordingly.

Summary of Prior Year AR Budgets and Expenses:

Summary of Prior Year Budget:	FY 2020 Approved Budget						
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
AR Totals	\$ 6,384,460	\$ 950,000		\$ 7,334,460	\$ 3,381,860	\$3,952,600	\$ 7,334,460

FY 2020 Actual Expenses (through June 30, 2020)							
	CBB/BPOC	FSBCs	Other Source(s)	Total	Direct Cost	Impl.	Total
AR Totals	\$ 3,635,178	\$ 128,866		\$ 3,764,044	\$ 1,146,554	\$2,617,490	\$ 3,764,044

Historical Summary of Budgets and Expenses: (includes all funding sources listed in original AR)

	Total Approved Budgets			Total Actual Expenses		
	FY 2019	FY 2018	FY 2017	FY 2019	FY 2018	FY 2017
AR Totals	\$ 7,352,700	\$7,759,800	\$8,129,200	\$ 7,020,784	\$ 7,728,810	\$8,000,550