

FOR THE FISCAL YEAR 2014 - 2015



ADVERTISING AND MEDIA FUEL PASSION FOR BEEF

When it comes to building awareness about beef and Idaho's beef industry - advertising and media play a critical role. To reach today's consumers it requires us to come at them in a variety of ways. If they're on the computer, listening to the radio, waiting for a flight at the airport or watching TVwe've got an opportunity to reach them with a beef message. In fiscal 2015 our robust media plan involved radio, TV, outdoor billboards, direct mail, digital advertising, and some new, non-traditional advertising mechanisms. Utilizing multiple touchpoints, we keep beef top of mind with our consumers, reinforce their passion for beef and promote beef's healthy qualities.

An impressive 13.2 million media impressions were achieved in fiscal 2015 through 52 weeks of statewide radio ads for our "What's for Dinner Wednesday" featured recipe radio campaign, 12 weeks of NPR advertising, and 35 outdoor billboards placed in high-traffic areas around the state.

Some of the non-traditional ways we're reaching consumers is through advertising in airports and mass transit. Capitalizing on the idle time travelers spend at the airport, we installed airport advertising displays in the Boise and Idaho Falls airports reaching a captive audience of 2.9 million consumers annually with beef messaging. New in fiscal 2015 we encouraged Boise area consumers to put beef on their grill with the "Beef Bus". This eye catching mass transit bus wrapped with beef messaging not only attracted consumer's attention, but also complimented other advertising efforts thereby ensuring higher retention rates with our beef messaging.

Internet and social media platforms continue to gain ground as the primary way consumers, especially our millennial target audience, seek information and share opinions. Your beef checkoff reaches Idahoans online through IBC maintained social media sites to engage consumers and facilitate dialogue about beef, and by placing digital advertising on leading websites

targeting individuals as they search for recipes, beef information or cooking tips. In fiscal 2015 we invested checkoff dollars into a new online strategy that targeted consumers through their browsing history and keyword search behaviors on popular sites like Google and Bing and then delivered highly targetable beef advertising to them.

As the world's largest social network, Facebook, continues to be a key channel to communicate facts about beef, our industry, recipes, cooking information and more. We executed three Facebook campaigns to push readership and build beef fans this past year: Toss the Turkey - Eat Beef showcased beef's taste appeal and satisfaction (vs. turkey); the 12 Cuts of Christmas campaign helped keep beef top-of-mind for the holidays; and Beef's Guide to Summer provided grilling tips and ways to make your summer meals sizzle. These campaigns, along with our weekly fan communication, resulted in an 80% increase in followers and today the IBC Facebook page has over 15,000 followers.









- 1. Boise airport displays
- 2. Direct mail offer
- 3. City bus wrap
- 4. Beef's Guide to Summer Facebook campaign
- 5. Toss the Turkey Facebook campaign



From top left to bottom right: Boise State Football game sponsorship, Beef Night at the Idaho Falls Chukars, Team BEEF, Race for the Steaks Tri-Tip dinner, BBQ Boot Camp 2015.

PROMOTING BEEF PRODUCTS TO IDAHOANS

It was another busy year for checkoff-funded consumer education and outreach. The IBC took part in 51 consumer-focused programs around the state during fiscal 2015. Participating in consumer events not only allows us to promote beef, provide samples, recipes and nutrition information, it also gives us the opportunity to connect with consumers and address misperceptions on food safety, animal handling and beef farming practices. Close to 200,000 consumers were reached through food events, cooking demonstrations, health and fitness expos, fairs and large format events.

"Beef - It's What's For Dinner...and for Tailgating" was the message 38,000 consumers received at the 5th annual Beef Day at Boise State University. To continue enhancing beef's reputation and enticing consumers to purchase and eat beef, a unique program has been developed with BSU athletics for beef to be the game day sponsor of a BSU football game. Multiple consumer touch-points occurred, both inside the stadium as well as during the tailgating pre-game hours. Producer volunteers served over 5,000 samples of beef chili to football fans in the Beef VIP tent prior to the start of the game as a way to connect consumers to the men and women who raise beef. Beef messaging was witnessed all throughout the game via the stadium jumbotron, announcements, signage, on-field activities, media interviews, half-time contests and more.

BBQ Boot Camp kicked off the Summer Grilling season in June 2015. Close to 100 attendees spent an afternoon in the trenches and learned all things beef. Stations included Burgers, Steaks, Roasts, Rubs and Marinades, pairing beef with wine and more. From the basics about food safety and preparing beef, to the different types and grades of beef, Boot Camp participants honed their beef skills while tasting some amazing food. By increasing consumer confidence in selecting and cooking beef, this will result in long term loyalty and an increase in the number of times they consume beef. Since its inception, over 500 consumers have taken part in our annual BBQ Boot Camp and enhanced their knowledge of beef.

The power of beef was witnessed by the 5,000+ athletes and spectators at the 2015 Boise Ironman Triathlon. Beef was visible at all pre- and race day activities including the sports expo, on-course race signage and the Beef Recovery Zone where athletes re-fueled themselves by dining on Beef Sliders post-race. At the Fit One race, one of the largest races in Idaho with over 10,000 participants, runners stopped by the IBC expo booth to learn about beef nutrition and sample 4-way slow cooker beef.

Team BEEF Idaho continues to educate and advocate on our behalf all year long, all across the globe. Team BEEF Idaho is a community of 150 runners and triathletes who recognize the nutritional benefits of beef and the vital role highquality protein plays in their training. As a member of the team, athletes must complete the online Beef MBA course and an annual team orientation with the IBC. Here they learn about Idaho's beef industry, the nutritional aspects of beef and how to talk to consumers about beef. From races in Idaho to Italy, team members have made close to 700 appearances in their beef jerseys. Not only does this group serve as moving billboards along the race course, and link beef to good health, these beef ambassadors engage in meaningful conversations about beef with fellow runners and help spread the good word about beef to family, friends and their community. In 2015 we added a new team requirement in which all members must complete at least one volunteer project annually. Team members have advocated on our behalf online and in their local communities by doing beef presentations to youth groups, helping out at IBC events, writing articles for blogs and social media postings, and much more.

For the past few years, one of our strategic priorities has been to engage in activities that strengthen the image of beef and build consumer confidence of it as a part of a healthy diet. As such, we've aligned beef with events like the Ironman Triathlon and developed the Team BEEF program. With close to 45 million participants, running is one of the fastest growing sports. In fiscal 2015 Idaho's beef checkoff took that foundation and built on it by developing our own race — Race for

the Steaks. A 5k and 15k evening run followed by a Tri Tip dinner. The event is all things beef. From the participant t-shirts, to the cowbell medals handed out to top finishers, to the post race steak dinner...beef owns this event. And, we've brought in some key partners to help offset some costs, such as the YMCA who helps with logistics and Agri Beef Co. who graciously donates the beef for the post-race steak dinner and finisher prizes. The Idaho Beef Council developed the concept, trademarked it, and oversees the entire event. In 2015 we had close to 500 participants. The buzz is building about Race for the Steaks in the running community and we easily envision it becoming one of the largest races in Idaho within a few years.

Other consumer outreach activities include:

- Beef Night at Idaho Falls Chukars and Les Bois Park horse track to celebrate Beef Month in July and Beef Night on the Ice at the Idaho Steelheads in January. In addition to generating a lot of sales on burgers and hot dogs during these nights, events like these build loyalty and shape positive consumer attitudes of beef and Idaho's beef industry with a captive audience.
- Partnership with the Univ. of Idaho extension to celebrate National Ag Week with a drive-thru breakfast and educational activities in Butte, Custer, and Lemhi County elementary schools to educate youth and adult consumers about the economic impact of the beef industry.
- Beef meal sponsorships at the 4 Summit Challenge in Cascade, Mountain Home Air Force Community BBQ, Lemhi County Businessmen's Appreciation BBQ, Tough Enough for Pink Dinner in Twin Falls, Beehive Community Picnic in Rexburg, and several more events around the state.
- Several seasonal consumer campaigns with radio stations such as Flat Iron Fridays and Beef-My Valentine to increase awareness of beef and highlight its versatility.
- And, participation in numerous health fairs and community expos around the state to educate and inform thousands of people about the many benefits of beef and build beef's position as the number one protein in consumers' minds.

RETAIL PROGRAMS TO DRIVE SALES

Grocery retailers represent the primary interface with consumers buying beef, so the IBC makes it a priority to develop impactful programs with this segment of the industry. IBC worked with retailers across Idaho to develop campaigns reminding consumers to choose beef for various meal occasions such as the holidays and summer grilling. Checkoff-funded Holiday Roast and Summer Grilling point-of purchase merchandising kits were distributed to 173 retailers to grab consumer attention in the meat case and encourage beef purchases during these key periods. IBC also provided 64,100 recipe and informational brochures to Idaho retailers to hand out to their customers along with in-store posters and marketing materials.

A number of retail programs were conducted to stimulate beef sales during fiscal 2015 including:

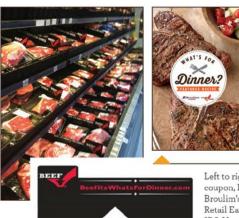
Winco: In an effort to drive sales of beef during the holidays, the IBC coordinated a multi-state promotion with Idaho, Oregon, Washington, Utah, Texas and Arizona Winco locations to offer consumers a \$5 instant rebate coupon on rib roasts during the holidays. The on-pack coupon included a QR code that drove consumers to the Beefitswhatsfordinner.com website for great holiday roast recipes and other cost-cutting tips. The IBC worked alongside Winco and the checkoff shared in the cost to place custom Beef – It's What's for Dinner meat case dividers in 76 Winco locations across the Northwest. These units not only help better organize the meat case, and make beef stand-out from the competition, they also highlight the beefitswhatsfordinner.com website for consumers.

Broulim's: New in 2015 the IBC test-piloted a weekly meal-featuring program with Broulim's. In an effort to aide time-strapped consumers in cooking a nice beef meal throughout the week, we developed a campaign to promote a new beef meal via local radio stations each week. Then inside Broulim's grocery store complete displays were built featuring the recipe including the beef, all ingredients, some side items and recipe card instructions. Placed at the front of the store, consumers could walk in, grab everything in one place and get on their way home. A very successful

campaign, sales on the featured beef cuts ranged from 22% to 6,500% (yes, that says 6,500) increase in sales versus the previous year's figures. And, to increase beef sales during the difficult holiday season, the IBC partnered with Broulim's to offer their loyalty club customers a \$10.00 off coupon for a holiday roast during November. Good toward a Rib or New York roast, this coupon saw a notable 17% redemption and resulted in a 3,700 pound increase on sales of the two items versus the same time period prior year.

Other retail campaigns conducted throughout the year included a Cowboy Cookout beef sales blitz and consumer event at Albertsons in the Treasure Valley, a Tri Tip promotion in the Spring with 140 Fred Meyer locations, an Easter promotion with 30 retailers, Holiday Roast Pop-Up Timer campaign with 33 Idaho retailers, an Albertson meat manager incentive program during July's Idaho beef month, and over 20,000 in-store posters and brochures were provided to 100 Winco stores in six states for a spring promotion.







Left to right: Winco instant rebate coupon, BIWFD meat case dividers, Broulim's Recipe of the Week promotion, Retail Easter promotion and "Herbie" the IBC Hamburger mascot.



FOODSERVICE MARKETING AND OUTREACH

With consumers spending close to 50% of their food dollar on meals prepared away from home, marketing beef to foodservice professionals is a necessity for the industry. The IBC reaches influencers in the foodservice channel through checkoff-funded promotions and education programs.

The Idaho Beef Checkoff partnered with Sysco Foodservice, the largest foodservice distributor in Idaho, for a six-week sales promotion for their sales reps focused on increasing sales of beef in the foodservice channel. The promotion kicked off with a sales rep training on beef and resulted in an outstanding 16.7% increase in beef sales versus the prior year.

With more food and wine tastings and food-inspired events popping up around the state the IBC offered "beef dollars" in FY15 to chefs participating in culinary events like Savor Idaho (attended by 900 consumers), Sippin' in the City (attended by 250 consumers), Taste208 (attended by 300 consumers) and the Culinary Walkabout (attended by 650 consumers). Chefs

feature beef as their main dish at the event and can be reimbursed for a portion of the beef used in the recipe. This is a great way to ensure beef is present at these types of events, as well as showcase the great taste and menu versatility of beef.

To encourage consumers to act on their burger cravings, in May we teamed up with Big Jud's restaurant to celebrate and spread the word about National Hamburger Day. A media blitz was done with four Southern Idaho radio stations where fun facts about burgers and information about Idaho's beef industry were shared over the air with listeners. During lunch Big Jud's Boise passed out free burgers and Herbie the Hamburger, the IBC mascot, was on hand to greet consumers and poise for photos. Publicity events like this help keep beef top-of-mind with consumers and foster relationships with restaurants as well as media partners.

To equip chefs and culinary professionals with the knowledge they need to build their menus and protect their beef business, the IBC, in partnership with the Washington Beef Council, held a two-day Pasture-to-Plate Tour for 45 chefs. The tour provided chefs a behind-thescenes look into cattle ranching and modern beef production practices and included visiting a cow/calf and feedlot operation, beef processing plant and comprehensive overview of culinary trends, new products and cutting demonstrations. Lastly, the IBC partnered with the California Beef Council on a phone app, "BEEFlexible", geared toward foodservice and retail professionals. This easy to use app features beef cuts, videos, and downloadable resources.



PROTECTING & ENHANCING THE BUSINESS CLIMATE FOR BEEF

PROMOTING BEEF'S NUTRITIONAL ADVANTAGE

With heart disease, cancer and other chronic diseases on the rise, the clamor to change American eating habits has led to confusion about the role of beef in the diet. Many consumers have the misperception that beef must be eliminated or reduced from their diet. It's imperative we keep health professionals and nutrition gatekeepers armed with the most recent scientific information on dietary recommendations, the nutritional value of beef and how it fits into a balanced, healthy diet.

The IBC maintained a high level of visibility and distributed educational resources at conferences held by the Id. Dietetic Assoc., Id. Medical Assoc., Id. Academy of Family Physicians, Id. Nurses Assoc., and Id. Academy of Physician Assistants and more than 23,000 health professionals across Idaho were reached with the latest research findings about beef and how it can be part of a healthy diet.

More than 200 registered dietitians attended the annual Idaho Academy of Nutrition & Dietetic Association convention where the IBC's exhibit booth shared the latest beef nutrition science. In addition, the beef checkoff provided Dr. Doug Paddon-Jones of the Univ. of Texas Medical Center as the keynote speaker for the convention. A leading muscle metabolism and protein synthesis expert, his presentation, "The role of protein in protecting and improving muscle

health" was the highest attended session of the entire conference and speaks to this audience's desire to learn more about beef protein.

Partnering with reputable health organizations helps reach thousands of consumers and creates a positive correlation between beef and good health. The beef checkoff was a top-tier sponsor for the American Heart Association's Go Red Week. Beef was dined on at the Go Red for Women Luncheon and their VIP awards gala, cooking demonstrations were done on Stroke Education Day with medical professionals from across the state, the IBC was featured in their TV commercials and all event pre- and postmarketing generating over one million media impressions, and Georgia Kostas, a registered dietitian and founder of the prestigious Cooper Clinic for Nutrition, was provided as the keynote speaker at the Go Red for Women Luncheon on behalf of the beef checkoff. Her presentation, "Everyday tips to take care of your sweet heart" broke down the myths surrounding beef and heart disease and showcased beef's role in optimal health to the 400+ audience. This relationship with the American Heart Association is very important to the beef industry because it helps enhance the image of beef as part of a heart-healthy lifestyle.

Other checkoff-funded partnerships this past year included St. Lukes Hospital, Humphrey's

Diabetes Center, St. Alphonsus Hospital, Stampede for the Cure, and various other community health and wellness groups.



Above: Healthy For Life Flyer. Inset right: Keynote Speaker Dr. Doug Paddon-Jones





EDUCATING THE NEXT GENERATION OF CONSUMERS

Today's youth represent our future beef shoppers so the checkoff is focused on educating our youth both in and outside the classroom. Nearly 24,000 pieces of beef nutrition, cooking information and curriculum materials were distributed to educators and youth across the state during fiscal 2015.

The popular Beef in the Classroom program was once again offered to Idaho Family & Consumer Science Teachers to conduct a beef lesson plan during their school lab. Without this program, cooking beef in classes in almost non-existent due to the lack of funds in schools. This program enables Consumer Science Teachers to teach students about beef nutrition, cookery and food safety. Teachers must submit copies of the recipe and receipts for the product purchased in order

to receive reimbursement. Close to 100 teachers participated in the program this past year.

New in 2015 the Idaho Beef Council conducted a week long beef education and cooking workshop at the Boys & Girls Club. This handson experience equipped the youth participants with cooking skills, taught them about the various types and kinds of beef available, and educated them not only about beef, but the ranchers and farmers who raise their food.

Other youth programs the beef checkoff participated in include various ag field days, student health fairs at Boise State, University of Idaho and Idaho State University, the ag pavilions at the Western Idaho Fair and Twin Falls fair and many more.

RESEARCH FOR OUR FUTURE

success in the beef industry. The Idaho beef checkoff awards funding toward select projects that seek to improve the safety, nutritional attributes and/or quality and consistency of beef. The following research projects were funded in 2014-2015:

- Improving yield, shelf-life and palatability of beef top round (Matthew Doumit, PhD, Univ. of Idaho)
- Understanding changes in muscle cell growth with age and changing microenvironment (Gordon Murdoch, PhD, Univ. of Idaho)
- Computer aided design of novel antibiotics to treat bacterial infections in cattle (Dong Xu, PhD, Idaho State Univ.)



Greetings FELLOW BEEF PRODUCERS,

Let's all become marketers!

It is a great opportunity to serve on the Idaho Beef Council. The majority of my time has been spent serving on the production and finance side of the Beef Industry, however, the last few years I've gained a deeper understanding of how our Idaho checkoff dollars are used to promote and market Idaho beef products to consumers. A huge reason for the success of our marketing advancements here in Idaho is the work of the capable Idaho Beef Council staff. They are doing a fantastic job in developing education, marketing programs and events which help to promote increased beef demand not only in Idaho, but also nationally and internationally.

One project that illustrates how working together can bring about huge export sales happened when our Idaho Beef Council partnered with Washington and Oregon Beef Councils, and Northwest Packers and Feeders in supplying beef products to the Pacific Rim countries last year. With the help of the U.S. Meat Export Federation, we were able to meet with executives from major restaurant chains, grocery stores and other related industries, while sponsoring events showcasing U.S. beef, which resulted in substantial sales of exported U.S. beef.

As prices this year remained high, marketing our beef internationally is a crucial factor, directly benefiting our own Idaho ranchers, feedlots and packers, thus allowing them to remain, profitable. Watching our

industry grow over the years, I can say confidently, that Idaho produces the best quality beef in the world. We take pride in bringing quality beef products to the consumers. We need to continue to inform the consumers through educational programs, advertising, internet and events that help them to learn about the benefits of buying American beef. For example, the Idaho Beef Council sponsors various activities such as athletic events where beef is promoted as an important and healthy protein source. What a great way to reach consumers!

Our beef checkoff dollars help to promote the beef industry in a more effective way than an individual ever could. The Idaho Beef Council is working hard to educate, promote and market Idaho beef. I would like to thank the Beef Council Board of Directors and Staff for their dedicated service and efforts in working for all segments of the beef industry in Idaho.

As beef industry members, the job of keeping the prices for cattle high and profitable falls squarely on all our shoulders. We need to realize that as a cohesive group, we can be powerful promoters in marketing beef. As cattle numbers increase, we must get involved to keep markets profitable. Let's all become marketers!

Sincerely,



MORGAN EVANS Chair – Idaho Beef Council

IDAHO BEEF COUNCIL

Audited Financial Statements

for the Year Ending June 30, 2015

REVENUE:

Checkoff Assessments	\$2,474,656
Less Remittance to Beef Board	(826,711)
Net Assessments	1,647,945
Interest Income	201
Net In-State Revenue	1,648,146

EXPENSES:

National Programs	233,261
International Marketing Programs	137,814
Promotion Programs	539,715
Consumer Information Programs	244,933
Research Programs	165,202
Industry Information	28,242
Producer Communications	63,578
Collection Fee Paid to State Brand Dept.	149,911
Administration	114,016
Depreciation	8,004

Total	Expenses	1,684,676
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Increase in Net Assets	(36,530)
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NET ASSETS:

Beginning of Year	477,656
End of Year	441,126



CHECKOFF DOLLARS AT WORK OUTSIDE OF IDAHO

BEEF PROMOTION AND RESEARCH BOARD

By law, 50 cents of the \$1.50 collected in Idaho goes to the Cattlemen's Beef Board (CBB). These funds form the base for national beef promotion, education and research programs. For more information on how these funds are spent, contact the Idaho Beef Council or log onto www.mybeefcheckoff.com.

FEDERATION OF STATE BEEF COUNCILS

In addition to the 50 cents we send to CBB, the IBC contributes additional funds each year toward national promotion activities through the Federation of State Beef Councils. Last year

the IBC contributed \$164,000 and the IBC Board of Directors chose which national activities to fund based upon the IBC's strategic priorities.

In addition, Idaho contributed an extra \$50,000 to a special fund for states with high populations and few cattle, such as New York, Florida and California, to assist in consumer-driven beef promotion activities.

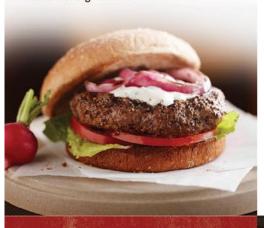
INTERNATIONAL MARKETING

Expanding the opportunity to sell beef around the globe, the IBC contributed \$104,000 to the U.S. Meat Export Federation (USMEF) for continued support of beef promotion in international markets. IBC Board Member Morgan Evans and Cevin Jones represent Idaho producer's interests as USMEF delegates.

The IBC contributed an additional \$25,000 in export dollars toward a Pacific Northwest beef promotion in Japan this past year. Together with the Washington and Oregon beef councils, a total of \$65,000 in checkoff funds were used, along with matching funds from targeted Japanese retailers and third party contributors, to introduce and promote Northwest beef to Japanese consumers, regional distributors, retail buyers and restaurant chains during fiscal 2015. The unique Pacific Northwest campaign funded a total of 21 retail and foodservice promotions that ultimately generated more than 6,600 metric tons valued at approximately \$60.7 million in U. S. beef sales.

What's inside:

- · A letter from our Chairman
- FY2015 Financials
- A recap of the year's marketing efforts



Our MISSION STATEMENT

To build global consumer

DEMAND FOR BEEF

thereby enhancing

PROFITABILITY

For
IDAHO PRODUCERS.



BOARD OF DIRECTORS

IDAHO BEEF COUNCIL BOARD OF DIRECTORS (2015 - 2016)

The board is comprised of eight appointed volunteers, representing various segments of the industry.

Morgan Evans

Chair (Downey) Cow/Calf Producer

Lou Murgoitio

Vice Chairman (Boise) Dairy

Judy Hinman

Secretary/Treasurer (Emmett) Cow/Calf Producer & CattleWomen

Scott McNeley

(Grand View)

Bruce Mulkey

Cow/Calf Producer (Salmon)

Jeff Johnson

Feeder (Parma)

Bruce Billington

Auction Market (Twin Falls)

Open Dairy

Cattlemen's Beef Board Representatives

Jared Brackett, Rogerson Lynn Keetch, Montpelier

Federation of State Beef Councils Representatives

Judy Hinman, Emmett Morgan Evans, Downey Lou Murgoitio, Boise Dan Hinman, Emmett (ex-officio)

USMEF Representatives

Morgan Evans, Downey Cevin Jones, Eden (ex-officio)

Idaho Beef Council Staff

Traci Bracco, Executive Director Janice McGehee, Program Manager Katlin Davis, Marketing Coordinator

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