



# FY 2017 Marketing Plan



## **WBC VISION**

*The WBC will be the most respected and trusted beef marketing organization in Wyoming by ensuring responsible and effective allocation of checkoff funds to improve the marketing climate for beef and beef products.*

## **WBC MISSION**

**Increasing beef demand domestically and internationally for the benefit of Wyoming farmers and ranchers.**

## **FUNDING PHILOSOPHIES**

*Wyoming checkoff dollars have the greatest potential to affect a positive change in consumer behavior when pooled with dollars from other state beef councils and when used in high-population areas where beef is consumed rather than where it is raised.*

*The WBC is accountable to all Wyoming cattlemen and is responsible for ensuring that investors are aware of how their beef checkoff dollars are spent.*

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## Organization Information

### **Background**

The Wyoming Beef Council (WBC) was created in 1971 by Wyoming cattlemen and women to administer the self-financed state beef checkoff; a program to develop, maintain and expand markets for beef. In 1985 when the national Beef Promotion Research Act was passed as part of the 1985 Farm Bill, the WBC became Wyoming's official organization qualified to collect and administer the national beef checkoff. Upon implementation of the national beef checkoff, the WBC ceased in-state collections authorized through the state statute. Since October, 1986 WBC programs have been conducted with Wyoming funds collected under the national \$1-per-head beef checkoff.

According to the Beef Promotion Research Act and Order, it is mandatory that fifty cents of each dollar collected be sent to the Cattlemen's Beef Board. The expenditure of the remaining fifty cents is determined by cattlemen in the state who serve on the WBC. At the discretion of the WBC, additional revenue may be sent to the Federation of State Beef Councils and the U.S. Meat Export Federation to support national and international marketing efforts.

Through industry-wide effort, the beef industry has established a long-range plan to provide focus and to guide programs for the betterment of the industry. This plan is determined by grassroots beef producers in coordination with other industry partners. As the Qualified State Beef Council in Wyoming, the WBC supports the visions and priorities established in the Beef Industry Long-Range Plan 2016 through 2020 (appendix A).

All programs funded with Wyoming beef checkoff dollars must meet the criteria set forth in the Beef Promotion Research Act and Order.

### **Role of the Wyoming Beef Council**

The WBC is a state agency and functions under the laws of the State of Wyoming and the Beef Promotion and Research Act. Under these laws, the WBC is charged with:

- Collection of the beef checkoff.
- Monitoring compliance.

- Coordinating the checkoff program in Wyoming with the Cattlemen's Beef Board and national contracting organizations.
- Implementing state programs that support the vision and priorities of the Beef Industry Long-Range Plan.

All programs funded with Wyoming beef checkoff dollars must meet the criteria set forth in the Beef Promotion Research Act and Order.

## **Industry & Customer Analysis**

### **Cattle Numbers**

Beef cattle numbers in Wyoming have been declining since 2001 with slight increases of one to two percent occurring in 2014 and 2015. As reported by the Wyoming Agricultural Statistics Service, the January 1, 2016 inventory of all cattle and calves in Wyoming totaled 1.31 million head, up 1 percent from January 1, 2015. Beef cows, numbering 704,000 head, were up 10,000 head from the previous year while Wyoming's 2015 calf crop, at 670,000 head, was up 2 percent from 2014. Wyoming's largest head count of cattle and calves was established in 1975 at 1.69 million head.

### **Financial Trends**

As cattle numbers decline, beef checkoff revenue also declines. Minor fluctuations within the downward trend can be seen and are attributed to weather conditions, cattle prices, feed prices, available grazing land and other market conditions or industry trends that motivate ranchers to either retain or sell cattle.

In addition to revenue lost from reduced cattle numbers, the WBC has also been impacted by inflation. The WBC began collecting the \$1-per-head checkoff in 1986. By comparison, that would be equivalent to \$2.16 per-head today. That disparity increases when the shrinking cow herd and heavier carcass weights are factored in.

### **National Consumer Trends**

As of 2014, the United States' total population was 318.9 million with 82% of the population residing in cities and suburbs. The Millennial Generation, those born between 1980 and the early 2000, is the largest segment of the US population exceeding 80 million. Among the older half of millennials, those between ages 25-34, there are 10.8 million households with children. Further, with millennials accounting for 80% of the 4 million annual U.S. births, the number of new millennial parents stands to grow exponentially over the next decade.

The Beef Checkoff continues to conduct extensive research to understand the spending habits, beef knowledge and cooking comfort of this population segment. Some of the key findings of this research include:

- More than any other generation, Millennials wish they could eat home-cooked meals more often but say they just don't have the time.
- The vast majority want easy beef recipes that take 30 minutes or less to make.

- Millennials look to social media as a source for tips about preparing beef, much more so than other consumer segments.
- 80% of millennial shoppers look for easy beef recipes, but are also looking for new cuisines, flavors and dishes with “wow” factor.
- Millennial parents want to make the best food choices for their families and are willing to learn.
- Millennials are interested in food processing, food production and its effects on the environment.
- Millennials are knowledge seekers. Seventy five percent want information about steaks and how to prepare and cook them and 55 percent want information on preparing and serving beef to their children.

Getting the news out about healthy beef benefits and convenience is critical in fully convincing this generation to feel comfortable and confident in choosing beef. In particular, special attention should be focused on millennial parents, who tend to be more concerned about the healthfulness of beef than those without children. Children raised on less beef are likely to be less beef focused in their own dietary choices later in life.

### **Wyoming Consumer Trends**

According to the U.S. Census Bureau, Wyoming’s population was estimated at 563,626 in 2015, making it the least populous state of the United States. Wyoming is home to approximately 125,000 millennials with 75,000 of those falling into the primary household purchaser age range.<sup>1</sup>

Compared to the Wyoming cattle inventory, there are approximately 2.23 cattle to every person, leading to the logical assumption that the majority of beef produced in Wyoming is actually purchased and eaten by consumers outside of the state. It is also important to recognize that while domestic demand for beef has remained relatively consistent in recent years, global demand for premium protein is expected to increase 68% by 2018.

### **Investor Trends**

Wyoming is home to approximately 5,600 beef ranchers who are all required to pay the beef checkoff. The beef checkoff is a mandatory program and state beef councils have the responsibility of ensuring investors and constituents are aware of how their money is being spent. A survey of Wyoming cattlemen conducted January 2015 showed nearly eighty percent of Wyoming producers feel informed about the beef checkoff compared to 68 percent nationally. However, the survey also showed a five percent decrease in the number of Wyoming producers who approve of the beef checkoff when compared to 2012 survey results.

*The majority of beef produced in Wyoming is purchased and eaten by consumers outside of the state.*

<sup>1</sup> <https://suburbanstats.org/population/how-many-people-live-in-wyoming>

## **Results of Industry & Customer Analysis**

The current Wyoming Beef Council Strategic Plan was developed in 2016. While the plan has a five-year lifespan, the WBC reviews the plan annually and makes necessary adjustments based on changes in consumer demographics and industry trends. The core strategies and tactics that follow have been developed to specifically address the priorities in the Strategic Plan while following the requirements of the Beef Promotion Act and Order and coordinating with the Beef Industry Long Range Plan.

## **Strategic Priorities**

1. ***Support the mission and vision of the beef industry long range plan.***
  - A. Capitalize on Wyoming's ranching culture and heritage to improve the image of the beef community among millennial parents and key thought leaders.
  - B. Entice millennial parents to cook beef and share recipes by providing recipes that showcase Wyoming's culture and heritage.
  - C. Proactively educate influencers of and apprise producers about environmentally, socially and economically sustainable beef production practices.
  - D. Educate health and nutrition influencers about the nutritional benefits of beef.
  
2. ***Increase understanding of and support for the beef checkoff.***
  - E. Increase percentage of Wyoming beef producers who feel informed about the checkoff to 80% by January 2019.
  - F. Increase approval rating of the beef checkoff in Wyoming to 75% by January 2019.

## **Core Priorities, Tactics and Goals**

### ***I. Support the mission and vision of the beef industry long range plan.***

#### ***Priority A: Capitalize on Wyoming's ranching culture and heritage to improve the image of the beef community among millennial parents and key thought leaders.***

1. Reach 400,000 Japanese target consumers through a U.S. Red Meat Market Development Partnership with the U.S. Meat Export Federation.
2. Reach 130,000 consumers nationally with a full-color half-page ad in the Wyoming Traveler's Journal. The ad's call to action will be for readers to visit the WBC "Meet our ranchers" web page.
3. Utilize wybeef.com and social media to share Wyoming ranching stories with millennial parents and thought leaders across the globe. Increase website traffic by 15 percent.

#### ***Priority B: Entice millennial parents to cook beef and share recipes by providing recipes that showcase Wyoming's culture and heritage.***

3. Through financial investment in the Federation of State Beef Councils the WBC will support the industry in its effort to develop convenient beef recipes and share them with millennial parents through beefitswhatsfordinner.com and social media outlets.

4. Through a beef-surplus state partnership coordinated by the Federation of State Beef Councils, the WBC will increase traffic to the “Beef. It’s What’s for Dinner” (BIWFD) website and BIWFD YouTube channel by purchasing search terms in markets of the top 5 most populated states in the US. (CA, FL, IL, NY and PA).
5. Utilize wybeef.com and social media to share recipes endorsed by Wyoming ranching families featured on the wybeef.com “Meet our ranchers” page. Increase wybeef.com website traffic and social media engagement by 15 percent.

**Priority C: *Proactively educate influencers and apprise beef producers about environmentally, socially and economically sustainable beef production practices.***

6. Through financial investment in the Federation of State Beef Councils, the WBC will support the industry in its effort to define, promote and educate consumers about environmentally, socially and economically sustainable beef production practices.
7. Through participation in Wyoming Agriculture in the Classroom’s University of Wyoming Seminar for education students, the WBC will share information with ten future educators on environmentally, socially and economically sustainable beef production practices.
8. Through collaboration among participants in the Wyoming Stewardship Project, WBC will ensure that 50 Wyoming educators will be armed with facts about environmentally socially and economically sustainable beef production practices to ensure fact and science based curriculum units available to Wyoming educators. Long term, use of these units developed through this project by Wyoming educators will support students’ ability to make informed decisions for the state of Wyoming as adults.
9. Reach 30 Wyoming educators who influence children in their classrooms through sponsorship of the Wyoming Ag in the Classroom Natural Resource Science Institute where beef production will be a key focus of the tour. Attendees will be surveyed about their beef industry knowledge before and after the session.

**Priority D: *Educate health and nutrition influencers about the nutritional benefits of beef.***

10. Through financial investment in the Federation of State Beef Councils, the WBC will support the industry in its effort to identify health influencers and share research and science based facts about the nutritional value of beef.
11. Reach 60 health professional influencers through partnership or interaction with the Wyoming Association of Nutrition and Food Service Professionals, Wyoming Academy of Nutrition and Dietetics, Wyoming Diabetes Management, Wyoming Department of Health, Wyoming School Nurses Association, Wyoming Department of Education, Women Infants and Children, UW County Extension Service and Wyoming Comprehensive Cancer Control Consortium.
12. Increase number of subscribers to the WBC nutrition e-newsletter to 125 and distribute two e-newsletters.

## **II. Increase understanding of and support for the beef checkoff.**

### **Priority E: Increase percentage of Wyoming beef producers who feel informed about the checkoff to 80% by January 2018.**

13. Produce an online annual checkoff report and call attention to it through contract advertising and media relations.
14. Produce and e-mail a minimum of six informational e-newsletters to inform cattlemen about checkoff programs.
15. Reach 5,400 cattlemen twelve times with information about the use of beef checkoff dollars through quarter-page, two-color ads in the Wyoming Livestock Roundup.
16. Reach cattlemen with information about the expenditure of beef checkoff dollars through 100 thirty-second locally produced radio aired on 20 Northern Broadcasting stations.

### **Priority F: Increase approval rating of the beef checkoff in Wyoming to 75% by January 2019.**

17. Through public relations and visible presence the WBC will strive to display transparency and accountability to checkoff investors.

#### **ADDITIONAL RESPONSIBILITIES—Collections Compliance**

18. Maintain an inter-agency agreement with Wyoming Livestock Board, brand division, to ensure continued beef checkoff collection.
19. Conduct a fiscal year audit with McGee, Hearne & Paiz, LLP according to CBB and State of Wyoming standards and requirements.
20. Provide all documentation and cooperation required by the Cattlemen's Beef Board during the fiscal year to fulfill the role of a qualified state beef council.
21. Process and return state of origin money to originating states.

#### **ADDITIONAL RESPONSIBILITIES—Administration**

22. WBC staff will provide administrative support services to all program areas and projects approved by the WBC members.
23. WBC staff will reimburse travel expenses for WBC members who travel to conduct Council business.
24. WBC Executive Director will conduct new member training and review fiduciary responsibility and liability of board members annually.
25. WBC will review strategic plan annually as required by the State of Wyoming.
26. WBC will evaluate all programs according to the goals set in the FY2017 Marketing Plan.

# Appendix A—Beef Industry Long Range Plan



## *Vision*

To responsibly produce the most trusted and preferred protein in the world.

## *Mission*

A beef community dedicated to growing beef demand by producing and marketing the safest, healthiest, most delicious beef that satisfies the desires of an increasing global population while responsibly managing our livestock and natural resources.





# Core Strategies & Strategic Initiatives

## Drive Growth in Beef Exports

- ◆ Increase Market Access - Advocate for international trade and ultimately gain unfettered access to key export markets
- ◆ Adopt Animal ID Traceability Systems - Secure the broad adoption of individual animal ID traceability system(s) across the beef community to equip the industry to effectively manage a disease outbreak while enhancing both domestic and global trust in U.S. beef and ensuring greater access to export markets
- ◆ Promote Unique Attributes of U.S. Beef - Promote the unique attributes of U.S. beef in foreign markets (quality, safety, sustainability and nutritional value).

## Protect and Enhance the Business and Political Climate for Beef

- ◆ Manage the Political and Regulatory Environment - Protect the business climate for beef against legislative policies and/or agency regulations that have a negative impact on the economic health of the beef community while supporting public policy that can improve the overall business climate for the beef community.
- ◆ Ensure Beef's Inclusion in Dietary Recommendations - Develop a comprehensive strategy for effectively positioning beef as part of a healthy diet in future dietary guidelines.
- ◆ Motivate Producers and Stakeholders to engage in Policy Issues - Secure expertise to activate and energize beef, dairy, and veal producers and other industry stakeholders to become more engaged in beef industry policies and issues.
- ◆ Research and Innovate New Production Technologies - Assess the potential impact of a loss in key technologies and invest in necessary research to find new technologies which improve productivity, efficiency and animal well-being.
- ◆ Develop Crises Management Plans - Annually assess key vulnerabilities and update crises prevention and management plans for key risks and uncertainties facing the beef community.
- ◆ Attract, Develop and Enable the Next Generation - Identify key barriers to entry into the beef industry and develop strategies to attract, develop and enable the next generation into the beef business - particularly in the cow/calf sector.
- ◆ Support Global Food Security Message - Become more proactive in discussions and engaged with organizations and efforts focused on global food security.

## Grow Consumer Trust in Beef and Beef Production

- ◆ Ensure Antibiotic Stewardship - Aggressively invest in initiatives and research that ensure the responsible stewardship of antibiotics to safeguard human as well as animal health and well-being, while committing to the development and use of alternative technologies and practices.
- ◆ Certify and Verify Production Practices - Facilitate the creation of a standard to certify and verify beef production and management practices to address consumer concerns.
- ◆ Ensure Beef Safety - Increase industry investment in beef safety and production technology research and communicate the beef community's commitment to safe and healthy beef.
- ◆ Protect Beef's Image - Align and collaborate with a broader group of industry partners, and other organizations, to anticipate and combat attacks against beef, beef products and today's American agriculture that undermines consumer trust.
- ◆ Engage Beef Advocates - Engage the entire beef community (including beef, dairy and veal producers and industry partners) in building consumer trust. A critical component must be increasing opportunities for food industry influencers to get first-hand experiences with beef producers and beef production practices.

## Promote and Strengthen Beef's Value Proposition

- ◆ Revolutionize Beef Marketing and Merchandising - Invest in efforts to revolutionize and rapidly implement innovations in the presentation of beef as a convenient and essential staple of a healthy lifestyle (new products for domestic and global markets, packaging innovations, processing innovations, merchandising innovations, preparation methods, etc.).
- ◆ Research and Communicate Beef's Nutritional Benefits - Invest in credible research to assess, document and communicate the value of beef's nutrition and health benefits.
- ◆ Connect and Communicate Directly with Consumers - Capitalize on flexible new media technologies and innovative communication tactics to design and deliver memorable messages directly to consumers, regarding beef's quality, safety and nutritional value and the beef community's commitment to animal well-being and the sustainable use of natural resources.
- ◆ Measure and Improve Our Sustainability - Collaborate with beef industry stakeholders to conduct additional sustainability research, demonstrate continuous improvement and communicate beef's sustainability efforts and progress to key target audiences.
- ◆ Improve our Product and our Production Efficiency - Leverage industry resources and infrastructure to equip producers with the knowledge and tools needed to effectively respond to consumer-based market signals with production efficiencies and product improvements that positively impact beef's value proposition.

*This industry Long Range Plan was developed for the beef, dairy, beef and veal industries by a 16-member task force of industry thought-leaders representing all segments.*

*Photo courtesy of Kelli Brown.*