

## Dairy producers are beef producers, too

Dairy producers' primary business is producing milk, but they also produce beef from market cows and bull calves. In fact, about 20 percent of the beef produced in the United States comes from dairy animals. Producers who helped write the Beef Act wanted to be certain that all producers who would benefit from increased beef demand share in the cost of funding the program. So dairy producers pay the beef checkoff, too, and are represented on state beef council boards and on the 103-member Beef Board, which currently includes about 20 dairy producers.

## Key accomplishments of your Beef Checkoff Program

The Beef Checkoff Program increases profit opportunities for producers by keeping beef top-of-mind with consumers, restaurants and retailers. It also reaches out to educators, dietitians, and medical personnel and influencers. In short, it is always working to ensure a consistently wholesome, quality beef-eating experience.

Efforts include:

- Promoting high-quality U.S. beef domestically and in more than 80 other countries.
- Working to build demand for beef and maintain strong consumer confidence in the U.S. beef supply.
- Investing millions of dollars annually in product-enhancement and beef-safety research to maintain a high-quality, safe product.
- Delivering beef-enjoyment messages to consumers through a national, multifaceted "Beef. It's What's for Dinner." advertising and promotion campaign.
- Identifying and teaching effective management practices to producers through Dairy Beef Quality Assurance (DBQA) to provide accountability to consumers and ensure them access to safe, nutritious beef and beef products.
- Serving as a catalyst for introduction of new beef products — including more than 3,000 new products since 1998 — and addressing consumer preferences for taste, convenience, nutrition and safety.

## Where are your checkoff dollars invested?

- ▶ **Promotion**  
Includes advertising, merchandising, and new-product development, as well as training and promotional partnerships with restaurants and supermarkets that stimulate sales of beef and veal products.
- ▶ **Research**  
Provides the foundation for virtually all checkoff-funded information and promotion projects by providing the science related to beef nutrition, beef safety and pathogen resistance. The checkoff also invests in quality enhancement and new-product opportunities, as well as analysis of consumer trends, perceptions, and concerns about beef and the beef ranching and farming community.
- ▶ **Consumer Information**  
Helps enhance beef's image by sharing nutritional data and other positive messages with targeted news media, food editors, dietitians, physicians and other individuals and groups who influence consumers' food knowledge and choices.
- ▶ **Industry Information**  
Strives for an accurate understanding of the beef industry and helps maintain a positive cattle-marketing climate. Also provides factual information to correct misleading or inaccurate publicity about beef safety and environmental and animal-welfare issues.
- ▶ **Foreign Marketing**  
Identifies and develops international markets for U.S. beef and beef variety meats through programs aimed at expanding market penetration, gaining new market access, improving global consumer perceptions and building trust in U.S. beef.
- ▶ **Producer Communications**  
Informs producers and importers about how their checkoff dollars are invested and communicates specific program results. This includes an annual report, informational advertising, coordination with beef and dairy industry media, direct communication with producers and a survey of producers about what they want and expect from their checkoff.

## Questions and answers about your checkoff

- ▶ **What can the checkoff do?**  
The mission of the Beef Checkoff Program focuses on "improving producer profitability, expanding consumer demand for beef and strengthening beef's position in the marketplace." To accomplish this, the checkoff acts as a catalyst for change and is designed to stimulate beef sales and consumption through a combination of initiatives, including consumer advertising, research, public relations and new-product development.
- ▶ **What can't the checkoff do?**  
By law, checkoff funds cannot be used to influence government policy or action, including lobbying. The checkoff doesn't own cattle, packing plants or retail outlets. It can't control prices or single-handedly turn around a bad market.
- ▶ **Do packers pay?**  
Any packer who owns cattle for more than 10 days prior to harvest must pay the dollar-per-head checkoff on each animal. There are, however, no packer seats on the Beef Board.
- ▶ **Do importers pay?**  
Importers pay the \$1-per-head checkoff or the equivalent on imported cattle, beef and beef products, amounting to several million dollars each year.
- ▶ **Do contractors make money from the checkoff?**  
No. The Beef Board and USDA must approve all checkoff budgets and programs before any contractors are reimbursed for program costs on a cost-recovery basis. Contractors pay program costs from their own organizational budgets and then are reimbursed only for substantiated direct costs incurred in implementing approved checkoff programs.



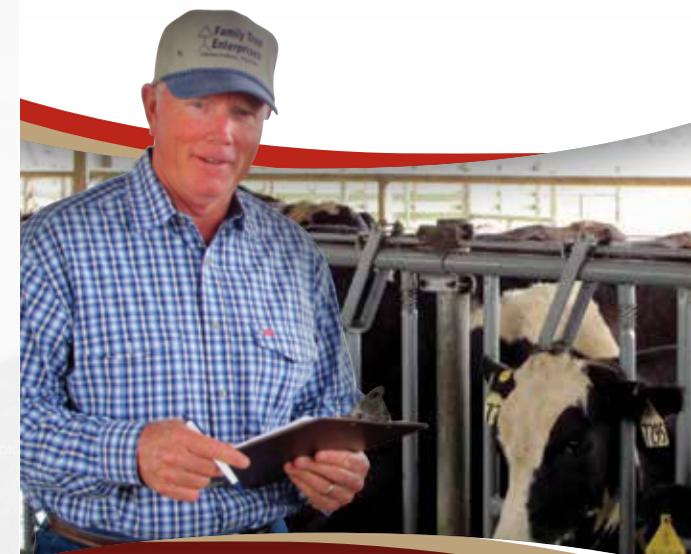
Get to know your checkoff — visit [mybeefcheckoff.com](http://mybeefcheckoff.com), contact your state beef council or write:



**CATTLEMEN'S BEEF BOARD**  
9000 E. Nichols Ave., Suite 215  
Centennial, CO 80112  
Phone: (303) 220-9890  
Fax: (303) 220-9280



Funded by the Beef Checkoff.



Woody Larson  
Family Tree Enterprises LLLP  
Okeechobee, Fla.

Your Beef Checkoff Investment — adding value to your dairy herd

[www.mybeefcheckoff.com](http://www.mybeefcheckoff.com)



## History of the checkoff

Congress created the Beef Promotion and Research Act, the “Beef Checkoff Program,” with passage of the 1985 Farm Bill. Collections began on Oct. 1, 1986; producers approved making the Beef Checkoff Program mandatory in 1988, with 79 percent voting in favor of it.

Producers asked that the checkoff program be built on these tenets:

- All producers and importers pay the equivalent of \$1 per head every time a beef animal is sold throughout its lifetime.
- State beef councils collect the dollar per head and must submit at least half of those assessments — 50 cents of every dollar — to the Cattlemen’s Beef Board for investment in the national checkoff program. Each state beef council determines how to invest the remaining 50 cents per head in approved state or national checkoff programs.
- All national checkoff-funded programs are budgeted and evaluated by the Cattlemen’s Beef Board, a stand-alone organization of checkoff-paying producer volunteers that administers the Beef Checkoff Program.
- Cattlemen’s Beef Board producer members — beef, dairy and veal producers and importers — are nominated by producer organizations in their states and appointed by the U.S. Secretary of Agriculture.

## Representation for your checkoff is more local than you might think

Did you know that the volunteers responsible for making decisions about your checkoff dollars at both the state and national levels are checkoff-paying cattle farmers, ranchers and importers? By law, this structure is designed to make sure that producers like you are responsible for directing, reviewing and approving expenditure of all checkoff dollars.

### It starts in your state

Your **Qualified State Beef Council** collects \$1 on each head of cattle every time it’s sold. Fifty cents of that dollar goes directly to the Cattlemen’s Beef Board for national programs, and up to 50 cents is retained by your state beef council. *(In the five states without state councils, assessments go directly to the Beef Board.)*

Producers sitting on your state beef council board determine how to invest the remaining 50 cents per head in approved state, regional, national or international checkoff programs. States may opt to invest a portion of their 50 cents in national programs through participation in the Federation of State Beef Councils, made up of producers chosen by individual state beef councils.

The role of the Cattlemen’s Beef Board is to budget for and evaluate all national programs. Ten of these board members, along with 10 producers from the Federation of State Beef Councils, are elected by their peers to serve on the Beef Promotion Operating Committee, which is responsible for approving specific checkoff programs and contracting with national industry-governed organizations to implement them.

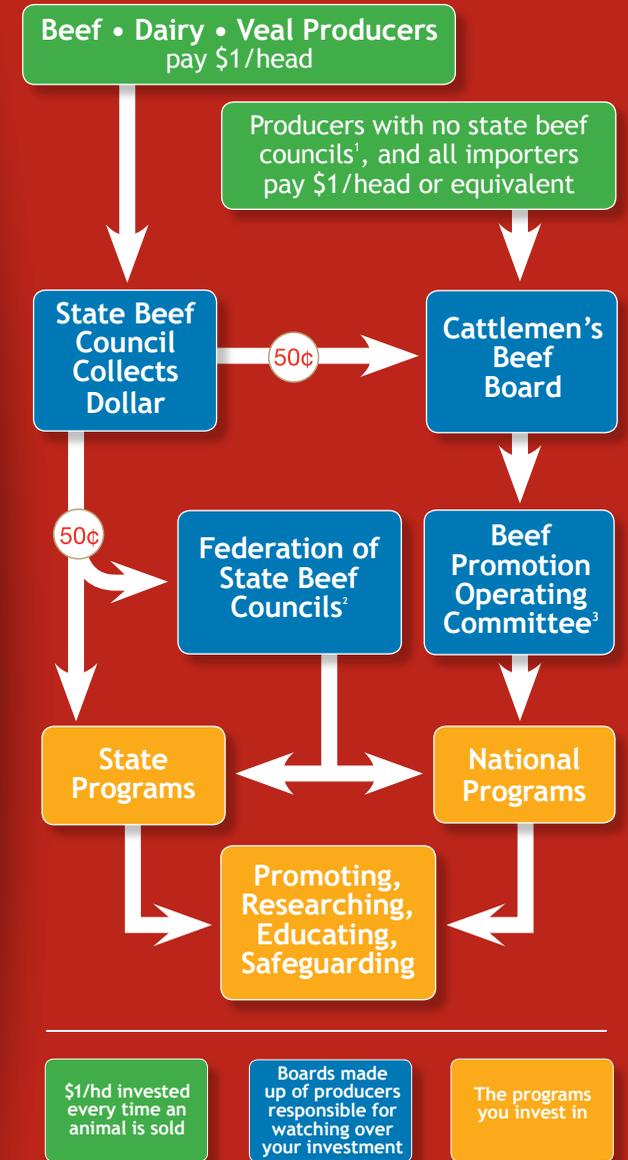
### The bottom line

All checkoff oversight boards are made up of producer and importer volunteers and, in all cases, include state representation. Their collective role as responsible stewards of your beef checkoff investment is to:

- Invest checkoff dollars as if they were their own and only as allowed by law
- Enact programs that are based on producer-driven consensus
- Follow legislated guidelines to collect \$1 per head consistently and fairly
- Maintain an open-door policy, encouraging feedback and ideas from all producers and importers
- Coordinate efficiently to get the most from every dollar



## Your Beef Checkoff Dollar – From Investment to Results



- \$1/hd invested every time an animal is sold
- Boards made up of producers responsible for watching over your investment
- The programs you invest in

<sup>1</sup>Producers in the five states with no beef councils — Alaska, Connecticut, Massachusetts, New Hampshire and Rhode Island — and all importers.  
<sup>2</sup>States may invest a portion of their 50 cents in national programs through the Federation of State Beef Councils.  
<sup>3</sup>The Beef Promotion Operating Committee has 10 members from the Cattlemen’s Beef Board and 10 members from Qualified State Beef Councils. By law, the Operating Committee must contract with national industry-governed organizations to administer checkoff programs. Some of the primary contractors include National Cattlemen’s Beef Association (NCBA), American National CattleWomen (ANCW), the U.S. Meat Export Federation (USMEF), National Livestock Producers Association (NLPA) and the Meat Importers Council of America (MICA).