



CAB Corner on Quality (graphic file logo for heading available on request)

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Closer Ties

By John Stika, CAB Feeder-Packer Relations and Packing Division Director

When one year is much like the last one, it's easy to plan. Just haul out the previous budget and tweak a couple of lines. Rapid industry change combined with dramatic events in the world economy call for a focus on strategy, and strategic planning to grow and keep your operation competitive. Like you, Certified Angus Beef LLC (CAB) heard the call to strategize about how to keep growing *Certified Angus Beef*[®] brand awareness.

The result is a sales- and service-oriented CAB marketing plan that takes advantage of the strong industry-wide return on investment associated with the brand. We're working with licensees to leverage available dollars to grow *Certified Angus Beef*[®] product sales, triggering greater "pull-through" demand for high quality Angus cattle.

The only new money in the beef industry comes from consumers, and consumer satisfaction is a CAB hallmark. So it makes sense to focus greater attention on helping licensees sell more CAB product, building demand for still more CAB product.

To do that, CAB this year realigned some resources, mindful that trying times can be both challenging and beneficial. Adversity makes us see opportunities to streamline operations and improve the efficiency and effectiveness of our efforts.

One area of realignment is on the producer side, where the great need is for better communication and understanding between industry segments. To foster that, the CAB Feeder-Packer Relations and Packing Divisions have been brought under the same supervisory umbrella.

The Feeder-Packer Relations Division, with staff primarily located in the Manhattan, Kan., office, will continue to focus on producer and live animal, production-based initiatives, including the administration of the Feedlot Licensing Program (FLP). Information exchange among all industry segments will remain a key objective as our staff helps producers bring knowledge to bear on evaluating genetic and management decisions.

The CAB Packing Division, based in the CAB office in Wooster, Ohio, still serves as the program's primary contact with licensed packers and ground beef processors. The division focuses on issues related to the identification of eligible cattle, the certification of accepted carcasses and the maximum utilization of available *Certified Angus Beef*[®] brand product.

You may not notice a change, except that the brand will continue growing stronger, its influence in the industry greater, building an increasingly stable and lucrative target for producers. These things will come about partly because of the more direct working relationship between the Packing division and the Feedlot Licensing Program (FLP), and the stronger understanding of how the production and product sides of the business fit together.

This closer tie will be a huge benefit as we work to develop marketing systems that further differentiate value differences between Angus genetics and the general population of black-hided cattle. It will also prove valuable as we look to the future and the potential development of structured supply chain systems targeted at the CAB end point.

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