



TO: Senate Agricultural Affairs Committee
FROM: T.K. Kuwahara
DATE: March 20, 2019
SUBJECT: FY18 (July 2017 – June 2018) Audited Financial Summary

REVENUE:

Checkoff Assessments	\$	2,480,265
Less Remittance to Beef Board		(834,346)
Net Assessments		1,645,919
Interest Income		403
Net In-State Revenue		1,646,322

EXPENSES:

National Programs		106,920
International Marketing Programs		139,828
Promotion Programs		394,220
Consumer Information Programs		116,754
Research Programs		20,969
Industry Information		28,469
Producer Communications		33,655
Collection Fee Paid to State Brand Dept.		123,264
Administration		227,025
Depreciation		0

Total Expenses		1,191,104
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Increase in Net Assets		455,218
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NET ASSETS:

Beginning of Year		376,855
Prior Period Adjustment		(10,126)
End of Year		821,947

**Idaho Beef Council Strategic Planning**

The Idaho Beef Council (IBC) engaged in a strategic planning process in Fiscal Year 2018 (July '17 – June '18) to identify the most important actionable strategies to achieve specific outcomes that will advance the Idaho beef industry. These strategies will guide IBC's budgeting and program investment decisions. The resulting IBC long range plan was created to deliver meaningful results to Idaho beef producers while also advancing the national beef long range plan priorities.

National Beef Long Range Plan (2016-2020)

The national long-range planning task force agreed the single most important strategic objective the industry should pursue is increasing beef demand and established a specific objective to **“increase the wholesale beef demand index by 2 percent annually over the next five years.”** Achieving that objective will require resources be committed and actions taken on four core strategies:

- **Drive growth in beef exports**
- **Protect and enhance the business climate for beef**
- **Grow consumer trust in beef and beef production**
- **Promote and strengthen beef's value proposition**

While many other strategies and initiatives could be added to this list, the task force fully recognized the limited resource base within the beef industry and recommends that industry organizations focus those limited resources on making measurable progress on the most impactful initiatives.

IBC Strategic Planning Results**Vision:**

To enhance the profitability of the Idaho beef industry through investments in strategic initiatives.

Mission:

To expand global and domestic consumer demand for beef.

Strategic Objectives:

- Communicate beef's value proposition and overcome misperceptions
- Communicate the heritage and commitment to sustainability of Idaho's multi-generational family farms and ranches
- Grow consumers' trust in beef and beef production
- Develop the next generation of beef industry stakeholders
- Promote the attributes of Pacific Northwest beef in key export markets



Core Strategies and Strategic Initiatives

Communicate beef's value proposition and overcome misperceptions

- Connect directly with consumers
- Focus on Boise, Portland and Seattle as "local" large markets, where growth and change is occurring, to maximize the reach and impact of IBC's messages with a young urban audience of importance to the industry's future
- Utilize foodservice, retail, health and nutrition and other initiatives to engage consumers

Communicate the heritage and commitment to sustainability of Idaho's multi-generational family farms and ranches

- Tell the story of Idaho beef producers
- Engage the Idaho beef community
- Feature the rich heritage and iconic imagery of Idaho ranching

Grow consumers trust in beef and beef production

- Increase consumers knowledge of how beef is raised in Idaho
- Capitalize on the desire to know where food comes from and how it is produced
- Highlight the commitment of Idaho beef producer families and their connection to what they produce

Develop the next generation of beef industry stakeholders

- Inspire the next generation of beef industry stakeholders

Promote the attributes of Pacific Northwest beef in key export markets

- Target key export markets where Pacific Northwest beef has upside potential and desirable in-country opportunities
- Partner with Pacific Northwest and Idaho beef companies that are active exporters
- Partner with Pacific Northwest State Beef Councils, and USMEF where appropriate

IBC Guiding Principle:

The Idaho Beef Council strives to be a respected and trusted beef marketing organization accountable to all Idaho beef producers and responsible for ensuring effective and efficient use of checkoff funds.