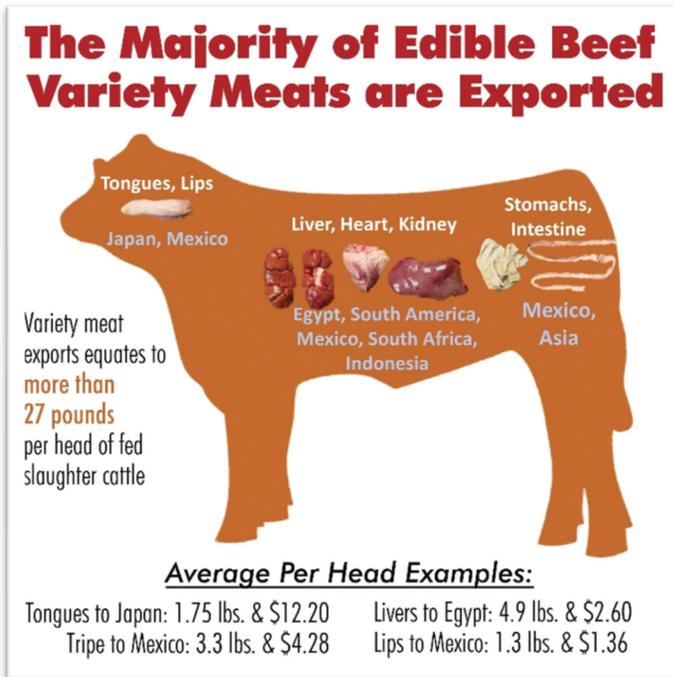


Finding Value in Variety Meats

We know we can sell popular, high-value beef cuts to our consumers, but what about those cuts that don't fit into the typical taste preferences of consumers in the U.S. – what happens to them?

There's very minimal demand for beef variety meats like tongue, lips, liver, heart, kidney, stomach and intestine here in the U.S. Still, across the world, international consumers are eager to get their hands on these U.S. beef products – and they're willing to pay a premium for them.



Receiving Top Dollar

To get those premium prices, the U.S. Meat Export Federation (USMEF), a contractor to the Beef Checkoff, creates and shares innovative ways to serve and eat U.S. variety meats, then markets those meats to the proper audiences across the world. Because of their efforts, the U.S. is the world's largest exporter of edible beef variety meat.

USMEF works to capitalize on international taste preferences and add value back per head for the U.S. producer. For example, beef tripe, the lining of a cow's stomach, while not particularly popular in the U.S., is commonly used to flavor soups like

Menudo in Mexico. U.S. tripe exports to Mexico equated to \$4.28 per head of fed cattle slaughter in 2019 and reached more than \$111.7 million in revenue. This was up 30 percent from 2018 [1].

In Japan, the dominant destination for U.S. beef tongue, a major beef bowl restaurant chain, Yoshinoya, recently launched its first-ever dish featuring U.S. beef tongue at a price of about \$8. Growing demand for this product in Japan contributed to 2019 exports of U.S. beef tongue, equating to \$12.20 per head of fed slaughter [2].

USMEF also works to expand these products into a wider range of markets. In recent years, U.S. beef liver exports have become more diversified. Egypt has long been the leading destination for U.S. beef livers, but liver exports have relied less on Egypt as demand for the product in Sub-Saharan Africa, Latin America and Asia has grown. USMEF executes campaigns that help elevate the growing popularity of this product in these markets.

All of these specialized campaigns, are funded by the Beef Checkoff and executed by USMEF staff members worldwide. At USMEF's 16 international offices, local staff, who live their day-to-day lives in these specific countries, are already integrated into the national culture and help

strategize and execute campaigns that fit their country's needs and preferences. By understanding the language, food preferences and shopping habits, these local team members allow a "boots-on-the-ground" approach. This helps USMEF be relevant and efficient when marketing U.S. variety meats to global consumers.

Adding Value Back to Producers

These efforts to promote U.S. variety meats ultimately do contribute to producer success here at home. The Beef Checkoff meets the desires of consumers across the world by providing them with the beef cuts and products they most want to purchase. In turn, global competition for these cuts contributes to producers getting the best prices possible and boosts demand for cattle. In 2019, U.S. variety meat exports contributed to more than 27 pounds per head of fed slaughter. This resulted in a per-fed-head value of \$37.27 [3].

COLORADO BEEF COUNCIL CURRENTLY FUNDS US BEEF PROMOTION PROGRAMS IN JAPAN, CHINA, SOUTH KOREA AND CENTRAL AMERICA—JUST TO NAME A FEW.

With strong, effective programs and other efforts in place to grow worldwide U.S. variety meat demand, the Beef Checkoff is contributing to the advancement and strength of the industry, both here and abroad.

[1] Data compiled by the U.S. Meat Export Federation

[2] Data compiled by the U.S. Meat Export Federation

[3] USMEF 2019 estimates using NASS fed slaughter per head conversions.