



Family Business

Coborn's Inc. supermarkets provide a wholesome, valuable marketplace for Certified Hereford Beef.

by Sara Gugelmeyer

Fifty million lb. of beef is a lot. On average that adds up to more than 70,000 beef carcasses. And Coborn's Inc., a fourth-generation family- and employee-owned supermarket chain in the upper Midwest, has easily sold more than 50 million lb. of Certified Hereford Beef (CHB®).

Humble beginnings

Coborn's, like CHB LLC, sprouted from humble beginnings and

has grown into an innovative, multidimensional food provider. In 1921 Chester Coborn started selling produce in a small market in Sauk Rapids, Minn. Dedication allowed him to expand and sell dry goods and other merchandise, and in 1936 he added meat sales.

The growth continued, and in 1972 Coborn's Inc. was the first grocery store in Minnesota to use scanners at checkout counters. Leading the way again, Coborn's

employees recognized a market for discount retailers, and Coborn's opened the first of many Cash Wise Foods stores in 1979. Convenience stores followed in 1986.

Now, Coborn's Inc., still owned by the family and company employees, has 38 supermarkets selling CHB — 10 of which are discount format Cash Wise stores and the remainder are conventional Coborn's supermarkets located in Minnesota, South Dakota and

North Dakota. Most have full-service meat, seafood and deli counters, and pharmacies.

Choosing CHB

In 1998 the CHB program was relatively new on the block, yet Mike Richter, also new to Coborn's then, took a chance on it. Richter, director of meat, deli and seafood for Coborn's, carefully researched several beef programs before choosing CHB. "I really felt that beef was the backbone to a solid meat department," Richter says. "So with that in mind, I searched for a program that would set us apart from the competition."

Brad Ellefson, now a CHB account manager, was a big part of the sale. Ellefson knew owner Chris Coborn from childhood and bent his ear about the pros of Hereford beef. Richter had been talking with representatives from many branded beef programs, including CHB and Certified Angus Beef.

"Brad had gotten my curiosity up enough about the CHB program that Chris (Coborn), Bob (Thueringer, Coborn's chief operating officer) and I toured several ranches in South Dakota, one being Vern Rausch's," Richter explains. "We became more acclimated with the various attributes of CHB cattle and the care they were provided, the feed and consistency of the animal, and its characteristics. After that, I had more conversations with other packers, producers and programs, but we decided that Hereford fit the Coborn's family tradition of being family-owned and working with local family farms in the Midwest. We worked out an exclusivity agreement, and it was a good solid fit for us."

Promises kept

Richter and Coborn's customers have not been disappointed. "The Hereford cattle have given us great value," Richter says. "It surprised us with the quality eating experience of great tasting beef. Over time, in essence, CHB has delivered a

promise to our customers. Our promise is simple; we guarantee your satisfaction or your money back. To this day, I can't remember ever getting complaints about our beef quality. Our product does what it says it's going to do, provide consistent quality time after time and at a great value."

Customers who walk in to Coborn's stores have a variety of Hereford beef to choose from. Coborn's meat markets offer everything from ground beef to pre-made hamburger patties, called wow-burgers, as well as steaks, roasts and other versatile cuts. Also, at the deli counter buyers can choose from several types of Hereford deli meats, which, Richter says, "...have performed outstanding and would cut against any top national brand in the country."

Richter adds that the beauty of the CHB program, for them, is they don't need to offer several different programs to please the customer. "We don't have a need to have a two-branded program to fit the needs of our consumers. The certified Hereford program provides our customers with a great restaurant steak that you would expect to get at any white-tablecloth restaurant."

Spreading the word

Customer education is key to the supermarket business, and Coborn's emphasizes that across the board. "I think our meat quality speaks for itself, but we worked at trying to educate the consumer on what Certified Hereford Beef was," Richter says. "I don't know that they get it completely to this day, but they do understand that we're the preferred choice when it comes to great grilling solutions, and we deliver on that promise and expectation, time after time."

Last year, Coborn's ramped up its advertising campaign as competitors Wal-Mart and Sam's Club opened new locations in the St. Cloud, Minn., market. Coborn's Vice President of Advertising Sue Wendt says Coborn's developed a

COBORN'S

We believe you want your beef *Fresh* and without additives!

That's why our beef is cut right in our stores and is **100% Guaranteed!**

You won't see an ingredient label on our beef because that's all that's in there, BEEF.

At Coborn's, we're all about Fresh! You can't get fresher than homegrown. That's why Coborn's partners with local farmers like Mark & Mary Kay Fredrickson who have been raising Certified Hereford Beef in MN for more than 60 years. Coborn's brings you the freshest meats from our local communities!

Mark & Mary Kay Fredrickson, Starbuck Hill Certified Hereford Beef Farmer

HEREFORD BEEF

Pumped with up to 12% marinade

Beef Attributes	COBORN'S	Walmart
All Natural (minimally processed)	✓	
Cut fresh in the store	✓	
No Solutions added	✓	
Sodium chloride (table salt) per 4 oz. raw serving	65 mg	200 mg
Ingredients	Beef	Beef, Beef Broth, Potassium Lactate, Potassium & Sodium Phosphate, Salt, Natural Flavor & Ascorbic Acid

Certified Hereford Beef is always USDA Certified, 100% Product of U.S. Making it a consumer's high quality product. Certified Hereford Beef is fed a vegetarian corn diet in the American Midwest that produces excellent flavor and tenderness with every bite. Therefore not requiring any solution enhancement or artificial ingredients. Certified Hereford Beef is Pure Beef. No Solutions Added, unlike beef sold at Walmart. Certified Hereford Beef is just naturally better beef!

At Coborn's You Pay For Only 100% Beef...Not Salt & Water.

Launched in September 2010, this print ad earned a National Grocer's Association Creative Choice Award and was part of a comprehensive print, radio and social media campaign to tell Coborn's story of buying from local producers.

strategy to educate customers about many of its products including CHB, as well as the chicken and pork Coborn's offers.

"We featured local ranchers and talked about our attributes versus Wal-Mart's," she explains. "We stressed our products being all-natural, cut fresh in-store, no solutions added. We listed sodium levels and what the ingredients were for the meats and actually took pictures of our package versus their package with noticeable difference between the two.

"We wanted to stress the local family farmers who raise the beef we sell in our stores," Wendt continues. "We did a multimedia

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campaign on the localness of a lot of products in our stores, including Hereford beef. We made it a complete campaign. We did



Coborn's offers a wide variety of CHB products.

interviews with the ranchers that actually supply beef to our stores and had little clips of their quotes in radio ads and video clips on social media sites like YouTube and Facebook. The campaign used print, radio, social media and posters in the store."

Although it's difficult to numerically measure the benefits of these types of image campaigns, Wendt and Richter believe the campaigns helped. "Going into that heavy competitive period, we were able to curb our sales losses by telling our story," Wendt says.

Richter adds, "When we have competitors come in, we retain our market share with very little setback, if any. It's a result of our proactive advertising but also our products speaking for themselves. Our customers are confident in what we provide; they can go and tour a new competitor, but they always come back."

Coborn's has a history rich in honesty and customer service,

one that has grown a mutually beneficial relationship with CHB LLC. Coborn's employs more than 6,000 people in the Midwest and has been recognized for its outstanding commitment to the communities it serves. The company donates more than \$2 million and plenty of volunteer hours toward improving local communities. Coborn's "golden rule" is to "Treat all with dignity and respect."

It seems that's a motto which has served the Coborn family and Coborn's employees well for nearly a century. Richter says the company looks forward to continuing to grow by adding a couple new stores each year. "Our goal is to grow in the right markets and keep our stores in more rural-type Minnesota, South Dakota and North Dakota communities."

The CHB LLC staff looks forward to aiding and supporting Coborn's growth and providing another 50 million lb. of quality, tasty Hereford beef. **HW**