

# CHB Continues to Advance

*The program has endured many changes but Certified Hereford Beef® remains a strong brand for the Hereford breed.*

by **Tosha Powell**

**2007** was a transitional year for Certified Hereford Beef (CHB) LLC — the American Hereford Association's (AHA) flagship commercial marketing arm. CHB LLC staff is taking on big changes and new tasks to ensure growth for the program through a variety of strategies, new business relations and new marketing approaches. Administrative changes, additional staff and a new approach have boosted energy while new projects have rejuvenated the brand.



Certified Hereford Beef LLC staff pictured (front row, l to r) are: Arden Gremmert, interim general manager; Connie Couch, business information specialist; and Shonda Anderson, account manager. Back row (l to r) are: Mick Welch, director of food service; Jared Long, account manager; and Jim Williams, vice president of supply. Not pictured: Brad Ellefson, account manager.

## New management

Since January the CHB LLC board has been searching for an executive director to replace Rob Ames. As the search continues, an interim general manager has been appointed, a national director of food service sales was hired and CHB established a relationship with a number of sales representatives with several distribution companies boosting the number of promoters of the CHB program exponentially.

Meanwhile, National Beef Packing Co. LLC, CHB LLC's largest licensed packer, employed a brand manager

specifically focused on Certified Hereford Beef® to give greater corporate focus to the brand. According to Craig Huffhines, AHA executive vice president, each new hire has strengthened the CHB program's foundation.

"We lost a 10-year veteran in Rob Ames, but a large growth initiative that should reap rewards in years 2007 and 2008 was led by Arden Gremmert, interim CHB general manager," Huffhines says.

Gremmert, a native of Washington state, has worked as a full-time CHB LLC account manager for 12 years. Huffhines says Gremmert was instrumental in the early start-up stages of program development and has been a part of the primary growth period of CHB LLC.

"Arden brings strong communication skills to CHB and true knowledge and understanding of what CHB is all about," Huffhines says. "He was appointed as interim general manager as the CHB board continues to evaluate candidates with a menu of experiences and credentials. During this transition, we have been extremely pleased with Arden's leadership from his Washington state office."

New to the CHB LLC team, Mick Welch, director of food service, is a sales veteran with more than 25 years of experience in the restaurant and foodservice trade. While working at Kansas City's Boyd's Corned Beef Co. and L&C Meat Co., he worked his way through employment ranks, beginning as a meat packer and ending as a sales manager.

"Mick's work as director of food service for CHB has generated immediate dividends for the brand creating product awareness on menus across the country," Huffhines says. "Mick's focus and leadership has given us major strides in foodservice distribution with the addition of two new large distribution centers both of which have provided us with a broad range of restaurant distribution capabilities from the Midwest to the East Coast."

## Extending the brand

"The addition of two new distribution centers is a definite highlight of the CHB program this year," Huffhines says.

"Reinhart Food Service based in Minneapolis, Minn., and Wolverine Packing Co., Detroit, Mich., are two large centers that give great hope for a rise in numbers of CHB sales."

Reinhart Foods is the fifth largest foodservice distribution company in the nation, and its current Certified Hereford Beef marketing focus is the Omaha, Neb., and the Kansas City markets.

"Under the Reinhart agreement, CHB has negotiated the hiring of a full-time CHB representative, employed by Reinhart, to call on restaurant accounts up and down the I-29 corridor surrounding Kansas City and Omaha," Welch says. "This gives us a much stronger sales penetration in the market that will create exponentially more awareness of the brand."

The addition of Reinhart has already boosted foodservice sales of Certified Hereford Beef since its initial start-up in July. "Within that short period of time they have gone from zero to 13,000 lb. of CHB beef per week. That's huge," Welch says. Numbers such as these give CHB LLC staff confidence that Reinhart could eventually distribute more than 1.5 million lb. of product annually along the I-29 market corridor alone.

"Wolverine Packing Co. is one of the largest 'center-of-the-plate' distribution companies in the country," Huffhines says. "It is licensed to take on chain restaurant businesses as well as to service smaller distributors in the Eastern U.S. Wolverine brings to the program a whole new level of expertise and distribution bandwidth to the program with their steak cutting operations, state-of-the-art ground beef facility and long-range distribution capabilities."

## Business focus

Developing new business, maintaining existing business relationships and balancing carcass sales have been the major priorities for CHB LLC staff this year. Although new business is necessary in meeting the objective of the AHA, CHB LLC must remain loyal and true to existing customers.

Gremmert emphasizes the importance of maintaining business and customer relations. "More than 12 years of work has made CHB a successful brand," he says. "However, it is the continued customer relations that CHB employees have with our existing retailers and distributors that add to the success. CHB has all the marketing quality a business needs. It is great-tasting, tender, juicy beef that gives customers a restaurant quality experience at home. It really sells itself. However,

customers have an enormous selection of branded programs to choose from out there, and once we get our foot in the door it is critical that the companies we do business with remain comfortable that the program is delivering what they need. A level of trust must be established."

Account managers Jared Long, Shonda Anderson and Brad Ellefson work each day to promote the brand and to continue the great customer relations that keep CHB LLC growing. They travel to stores and conduct cookouts and product information sessions to keep interested consumers in the know about Certified Hereford Beef.

"Grillouts, beef blitzes and in-store demonstrations are just a few things we, as account managers, are responsible for," says Long, CHB LLC retail account manager. "My major responsibility as an account manager is to establish and execute marketing plans for our retail customers, troubleshoot problems, and develop and sustain a strong trusting relationship with the meat directors and operational people within our respective accounts."

Gremmert adds, "The account managers really have their boots on the ground, running with projects and customer relations. They are the voice of CHB. I am so proud of the whole crew and the sacrifices they endure to keep CHB successful."

## Creating balance

"One of the core goals of the CHB program is to create a balance of sales between the high-priced middle meat cuts produced from the rib and loin and the value cuts from the chuck and round," Gremmert says. "It is easy to sell tenderloins to just about anybody at a premium, but that's only about 10 lb. from nearly 300 lb. that we wish to merchandise. We have worked hard to coordinate with our packer partners to develop relationships with new distributors and retailers that can give us that balance and add more value to the carcass. As a result, we definitely have many irons in the fire for many new launches that we believe will move more Hereford cattle through the pipe-line and sell more pounds per animal at a premium."

"Transition is sometimes good for any business," Huffhines says. "It can force a company to get out of its comfort zone and get more creative. Transition can inject new people, new thought and new energy into an old concept — energy necessary to compete in a tough environment."

"CHB LLC has experienced one of those transitional years, and it's the new thought, people and energy that will take it to new levels." **HW**