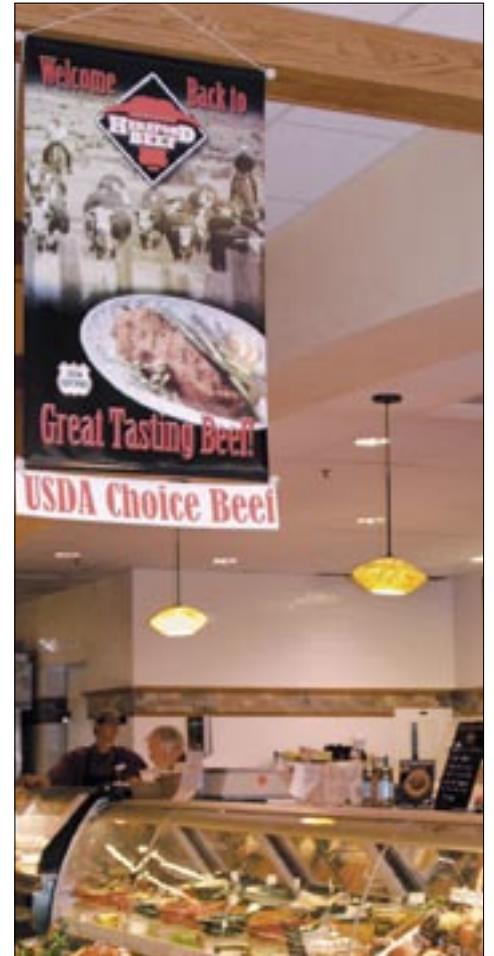
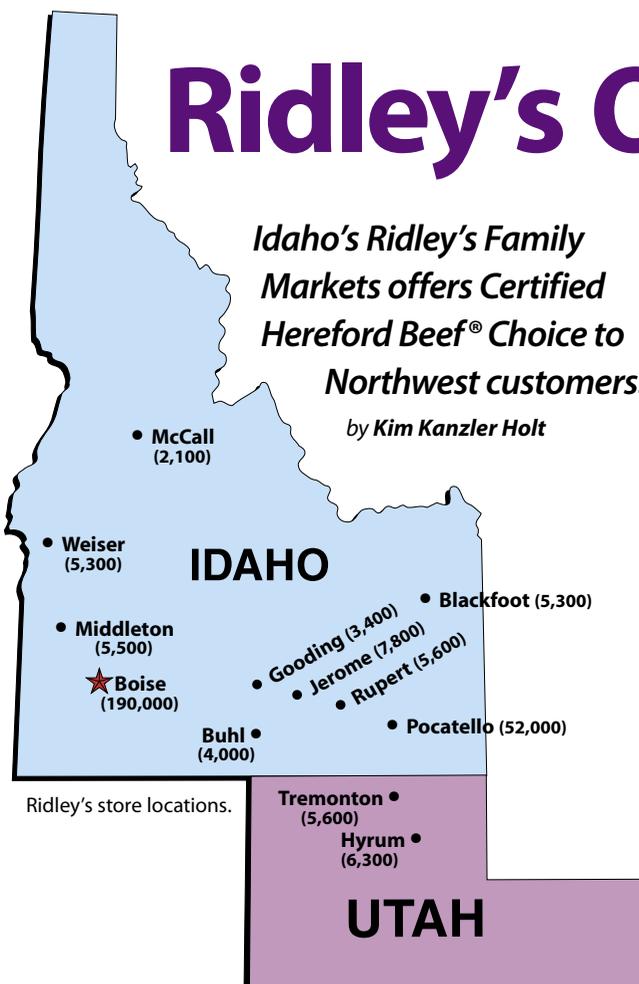


Ridley's Opens Up New Frontier

Idaho's Ridley's Family Markets offers Certified Hereford Beef® Choice to Northwest customers.

by Kim Kanzler Holt



Idaho agriculturists raise plenty of meat and potatoes, but now consumers in the Gem State have a new option when it comes to buying beef. They can find Certified Hereford Beef® (CHB) Choice product at Ridley's Family Markets. Ridley's, with the slogan "Small enough to serve you. Large enough to save you money.", is the newest retailer to add CHB to its fresh beef cases.

The family-owned and operated business was founded by Jerry and Connie Ridley more than 25 years ago in Payson, Utah. The Ridelys expanded their business into Idaho, and have since seen their company grow into a small chain of 13 stores with 11 locations in Idaho and two in northern Utah (see map).

Ridley's prides itself on being a hometown family grocer, and is especially proud of its superior customer service, high-quality food products and the fact it employs community members. The store began offering CHB Choice to its customers in March.

Meeting customer needs

Between its 13 locations, Ridley's employs about 600 people. Many of these employees are from rural

communities where the majority of Ridley's stores are located. Ridley's also operates a store in Boise, the only exception to Ridley's "family market" portrayal (see sidebar below).

The quality of beef Ridley's has offered its customers has evolved to today's choice of a branded, Choice product. Prior to CHB, Ridley's offered Select and then commodity Choice-quality beef.

Kenn Fultz, Ridley's perishable director, explains they actually learned about the CHB program three years ago from visits to Washington state-based Yoke's Fresh Markets, a successful CHB classic vendor.

"After the trip I made some contact with the Hereford people. I was very impressed with the

point of sale material, etc., the program had to offer. At that time I could not find a supplier for the product," he says. "In the meantime, I went with a full Choice program — a great move and a big commitment.

"All the time we were on Choice, we did not miss a beat on sales and gross. We continued to show increases, but I wanted to take the beef program to the next level. I searched high and low for a branded program that would fit our group of stores. I was adamant about 100% Choice, knowing that the Choice we were using was marginal. All the premium Choice was being put into other programs or the best was being creamed off," he says.

Although Choice product wouldn't let Ridley's hit some price

points on the loin meats, Fultz says, it still worked. "I needed a branded program that was all Choice, but retailers needed to stay within the parameters of our market in rural Idaho," he explains. He also wanted the program to be a full-case set in order to fill an entire meat case — not just part of it — with the same brand.

Fultz learned about CHB for a second time while working with National Beef Packing Co. LLC to locate a branded program. "We negotiated a price overage over Choice and were able to get 14 slots in our distribution center in Salt Lake City."

He reports, "The beef category itself is up about 16%. And some of our stores tell the story better than others." The program has done

Promoting beef in hometown style

At the Ridley's in Weiser, Idaho, "We're always promoting," says Moses Claudio, meat department manager. At this store, Claudio basically runs a "two-man shop" but that doesn't hold him back from promoting Certified Hereford Beef® (CHB®) through the CHB cookouts he stages about every other month.



PHOTOS COURTESY OF MOSES CLAUDIO

The food he offers is "almost complimentary," he says. "We don't charge very much. We just try to cover our costs. For a fresh, grilled hamburger, people are usually willing

to pay a buck." And it gives them a chance to win a CHB hat.

Claudio, who was nominated for meat manager of the year by Ridley's distributor, Associated Food Stores, has featured hamburgers, BBQ beef sandwiches and kabobs "to see if customers can taste the difference." He also makes available CHB recipe cards from point-of-sale packaging.

"For the most part, Ridley's lets me run wild a little bit, and that's to my favor," Claudio says. For example, when he cooked hamburgers, he had the



Moses Claudio

bakery make special jalapeno and cheese, onion and cheese, and plain rolls. "So I cross-promoted the bakery and Hereford beef," he explains.

"I'd say we do about \$300 more business per day that we have a cookout, regardless of what cut is promoted. There is always an increase of about \$1,000 that week," Claudio says.

The cookout in mid-September coincided with Mexico's Independence Day, and featured CHB chuck steak in tacos. Claudio says his recipes aren't fancy; they just taste good and are easy to prepare.

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very well in McCall, a mountain resort town north of Boise, in rural Buhl and also in Middleton, a smaller town fast becoming a Boise bedroom community.

"We are still competitive in our market with stores that are on Choice, and have taken the beef category to a new level," Fultz says. "CHB is very unique and it's a perfect fit for us. The good thing about CHB is it's a branded program without the exuberant prices."

CHB performs and competes

Harvey Taylor, the Ridley's store manager in Buhl, says his meat department receives favorable feedback on CHB. "I personally like it myself," he says. "I tell everybody. I think it is very good — it's tender and tasty."

Taylor reports, "We're still showing increases in the meat department." Veteran meat cutter Ron Borodenko of the same store shares, "I've been cutting meat for 53 years and this is an excellent product."

Chad Bako, Boise's meat department manager, reports he was getting along well with the Choice product Ridley's offered prior to CHB. But it wasn't consistent — he never knew what he was going to get. "CHB is more consistent than the Choice program. I'd say consistency is the best thing with this program. Quality is too. The taste is really good."

"The people who have tried the Hereford keep coming back for it," he reports. And it certainly doesn't hurt that CHB is exclusive in Boise to Ridley's; as Bako notes, Boise has a lot of grocery shopping options.

Moses Claudio, Ridley's meat department manager in Weiser, population 5,300, is also complimentary of the product, citing its high quality and consistent size and uniformity as definite positives. Claudio is serious about promoting the beef in his fresh case.

As a way for his community to try and buy CHB, he stages a cookout in front of his Ridley's store every other month where he cross-promotes CHB with, for example, beverages or specially prepared bakery products. "I try to use something that we have advertised for that week in order to cross-promote what we're selling in the store." That way, if customers like what they try, they're able to buy the item and make it at home for themselves.

Claudio's store was one of the first to take on CHB; he reports they've seen about an 8% increase in meat department sales since it was brought in.

"I don't know if it's because we've been doing the extra promotions or because customers have truly noticed it. From the customers I've talked to, it seems

as if they're getting on board with it," he says.

Making a name in the West

Making its way West, CHB is no longer a fledgling, let's-see-if-we-can-make-it-or-not business. "It is really beginning to take off," points out Craig Huffhines, executive vice president of the American Hereford Association (AHA).

He says that's good news for Hereford breeders because roughly 25,000 bulls are needed to produce the supply for today's CHB program. It's also good news for those producers who want to raise baldies because Hereford and English baldie (Hereford crossed with Angus, Red Angus or Shorthorn) steers and heifers are candidates for CHB.

Ridley's uses the equivalent of 1,000 head of CHB Choice cattle per month in its stores. "That's 12,000 head per year. So quickly a rural chain can drive demand on 12,000 head of feeder cattle a year," Huffhines says.

"The good thing about CHB is it's a branded program without the exuberant prices."

— Kenn Fultz

"That's the power of unconventional pull demand. You saw it work in the Angus business; it's now beginning to work in the Hereford business."

Idaho Hereford breeders are pleased to see their brand of beef represented in the state. "It's nice to see a somewhat smaller chain of stores in a more rural setting carry the product. It makes CHB visible

to people out in cow country," remarks Guy Colyer of Colyer Herefords, Bruneau.

"You hear about the program and what it's doing nationwide on a bigger scale in some of the bigger, urban areas. But when you do have it in rural chains, it does show that it's having an impact on the retail side," he says.

Greg Shaw of Shaw Cattle Co., Caldwell, comments, "The Certified Hereford Beef program is growing and coming West, which is what a lot of the breeders in the West hoped for. It does help the image of our breed in this area; when the consumer goes into that store, seeing Certified Hereford Beef definitely makes the name more recognizable."

Shaw has heard favorable comments about CHB from customers shopping his closest Ridley's location in Middleton. "I know that CHB can be very competitive in the grocery store, which makes it more attractive," he says. And, just like in the bull business, repeat customers are important.

"If people do buy CHB and it was really good, they will remember and go back for more," Shaw says. "That's why meat sales go up when CHB is put in. They get repeat customers."

Buhl, Idaho, Hereford breeder Frank Rodgers & Sons is fortunate enough to have a Ridley's as his hometown grocer. But still, "I'd like to see CHB in every state in the union," he says. People have commented to Rodgers on how good the Ridley's beef is. "It really is out of this world. And they have a super display on it," he says. Rodgers says he was surprised to see CHB in a rural hometown chain store, but affirms, "Ridley's does have nice stores down in this valley."

Distribution is key

While CHB has been offered in Ridley's Family Markets for about eight months, getting it into the stores took about one year. "Typically, it takes about a year to put everything together and to get everything instituted," says Doug Miller, CHB LLC's vice president of sales. One big piece of the puzzle is distribution — getting enough tonnage to make it pay for a distributor to slot, stock and transport the product.

Fultz says their food distributor, Associated Food Services, gave up 14 slots in their warehouse for CHB. "We really had to sell this program to Associated to get them to slot it," he confirms. In order to get Associated to carry the product for them, Ridley's had to order at least 10,000 lb. of product per week. Fultz says Ridley's is using 22,000 lb. per week.

"In comparison to what we're doing in terms of beef tonnage, we're certainly doing well for an independent market," he says.

Rob Ames, CHB LLC executive vice president, explains, "Distribution is such an underestimated value. It's very difficult to ship small quantities of anything, especially with fuel prices what they are. To establish distribution means we can add more and more pounds to a region more easily."

"Ridley's opens up a new frontier for us," he continues. "Because they



Seeking to further differentiate their hometown stores, Ridley's Family Markets began offering CHB Choice in March. Idaho Hereford producers supported Ridley's during the bull sale season, displaying this banner at production sales. The CHB sirloins that Colyer Herefords served at their late February sale, pictured here, were part of some of the first shipments to the Ridley's stores.



Fresh meat makes up about 60% of the meat case in the Ridley's Family Market in Weiser, Idaho, with CHB accounting for about one-third of that percent. Being able to fill the case with one brand of Choice beef was important to Ridley's, as was price. Many stores, like the Weiser location, are located in rural areas. "I wanted something that was a full-case set most people can afford," explains Kenn Fultz, Ridley's perishable director.

are a small-town based retailer, I think it's a great opportunity for the breeders in Idaho to showcase their breed and also for them to support CHB." **HW**

Hereford breeders, too, can support and promote CHB

As a Hereford breeder, you have customers who buy bulls; others buy females. Through Certified Hereford Beef (CHB) LLC, your customers are also the retailers who feature CHB in their fresh meat cases. Hereford breeder support and promotion of the brand is more than welcomed at the retail level, and CHB LLC's Executive Vice President Rob Ames offers these suggestions:

- Call your local store, ask for the meat department and introduce yourself.
- Stop by the store. Duck your head into the meat department, and say "Hello, I'm a Hereford breeder and I appreciate you doing this."
- Buy the product and let people around you know where they can buy CHB.
- Volunteer to help with a demonstration, be in a store on a Saturday or hand out recipes. "Whatever you can do in the store to be visible will be helpful," Ames says. Breeders are naturally enthusiastic about endorsing CHB. "We can't hire people who have that kind of enthusiasm," he says.
- Call CHB LLC at (816) 842-3757 and ask how you can help. "If there are people who really want to step forward and help out, by all means, we can use them," Ames assures. **HW**