



# **Winning Differences**

"CHB Bites" is a column designed to keep you in-the-know about the Certified Hereford Beef® (CHB) program. To get involved with CHB on social media, search *Certified Hereford Beef* on Facebook and Pinterest, or @certifiedherefordbeef on Instagram.

Brands make a promise to consumers. Successful brands consistently deliver on that promise. For Certified Hereford Beef® (CHB) the promise is premium quality from a producer-owned organization backed by Herefords' unique story.

"In 2017-18, when the American Hereford Association made the decision for CHB to be exclusively Choice and premium Choice grade (upper two-thirds of Choice) and higher, it was a bold move," says Craig Bacon, Certified Hereford Beef chair. "It meant CHB could compete with any premium branded beef program."

Spun differently, the move meant CHB consumers were much more likely to have an exceptional eating experience.

Bacon points to seminal research conducted by Daryl Tatum, Colorado State University professor emeritus, a noted meat animal scientist. In taste testing loin steaks, his research says premium Choice yields a positive eating experience 93% of the time, versus 82% for low Choice and 66% for Select.

Along with competitive quality, Bacon says a primary CHB advantage is that it's not an Angusbranded beef program. He explains many Angusbranded programs were developed in the wake of Certified Angus Beef® (CAB), including many without quality specifications. If a retailer or food service has a branded program today it's likely to be an Angus program, so CHB stands out.

At the same time, CHB's carcass quality can run with anyone and beat most. In fact, if you pit CHB against CAB in a blind cutting test, odds say to bet on CHB. In simple terms, a cutting test determines the percentage yield of each cut. Values

are assigned to these percentages, which enables gross margin and profitability comparisons.

Craig Bacon

A restaurant with which Bacon was involved for several years switched from a non-branded program to CHB based on its cutting test performance. Similar stories are common once CHB gets a foot in the door.



Getting new CHB customers is a long game, in part because retailers typically reset their meat cases once each year and restaurants usually change menus twice each year.

"So, to get a retailer on board and carrying the product, you're usually a year out after they make the decision," Bacon says. "Plus, when they do, it's a fairly expensive process, changing out such things as signage, channel strips and case dividers."

Keep in mind, current CHB customers and prospects are smaller regional retail chains and independent stores or restaurants — folks who still have meat cutters in-house.

That's because CHB is distributed as sub-primals rather than case-ready products.

Bacon explains customer regionality offers the advantage of employing the gate-to-plate concept. Stores and restaurants can make the local connection for their customers by working with CHB to put the name and story of

a local producer with the product. That's another point of differentiation.

"Customers are looking for a point of differentiation, and I believe Hereford cattle and CHB offer them that point of differentiation," Bacon says. "We have a lot of confidence in the quality, and you're likely offering a product your customer does not already have. Plus, CHB is a distant second to CAB in terms of volume.

Our opportunity to grow the brand is exponential compared to our competition." **H**W

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### **Craig Bacon Q&A**

Craig Bacon was appointed to the Certified Hereford Beef® (CHB) board four years ago and was named CHB chair three years ago. He is a meat industry veteran and lifelong Hereford breeder. He is currently the senior vice president of technical service for Simmons Foods, a multi-faceted vertically integrated poultry products company. Previously, Craig spent 27 years as the senior vice president of research and development for Tyson Foods.

Craig is also an adjunct professor at both the University of Tennessee and the University of Arkansas.

Craig and his wife, Debbie, are the proud parents of three children and five grandchildren. They reside on a cattle and sheep farm in Northwest Arkansas, where they raise Hereford seedstock and commercial cattle. They also produce show lambs which are exhibited at many state, regional and national shows.

### Why are you willing to invest the time to serve CHB?

"It's just a passion. I've spent 36 years in the meat industry, and I want to give something back to CHB and see it flourish in a way that has yet to be accomplished.

"I want to give back to the breed that has given so much to my children. All of them were on the NJHA (National Junior Hereford Association) board of directors and two of them were National Hereford Queens. The Association has given me more than I can give back, but I hope to give back in my area of expertise and passion."

## What have been the primary CHB accomplishments the past few years?

"We're growing brand loyalty and CHB's quality offering, and we're gaining a lot of new customers. And I believe we're getting close to being able to describe CHB's sustainability difference."

#### What are key challenges?

"Growing market share in the face of a shrinking beef supply and unprecedented prices at retail and food service. Beef will have challenges at the current price point. As a producer, I love to see where prices are, but it will slow beef demand."

### How can individual Hereford breeders help CHB succeed?

"Personal contacts are usually one of the best ways to get a product placed in the market. Don't underestimate the relationship you have with an influencer connected to a retailer or food service. Let us know who they are, and we can work to set up a meeting.

"Also, beef is often the centerpiece of breeder production sales. Visit with your AHA (American Hereford Association) field representatives. They can help you source CHB for your event so you're sure that you're serving the best beef possible while making a signature statement for the brand."

"Finally, please give careful consideration to the importance of being asked to be the Hereford family for a retailer or restaurant in your region or to work at a food show booth."