The Role of Traceability in Branded Beef

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NON-PROFIT

arm of the American Angus Association

17,000+
licensed packers, processors, distributors, retailers and restaurants in

50 COUNTRIES

OVER 1 BILLION
pounds sold annually

5 MILLION
head certified annually

$75 MILLION
paid to cattlemen each year
The Backdrop

“69% of consumers want more information about a company’s social, economic, animal welfare and environmental practices.”

Hartman Group, 2017

<table>
<thead>
<tr>
<th>Fresh meat only (retail)</th>
<th>Dollar size</th>
<th>Dollar growth</th>
<th>Volume growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total fresh meat</td>
<td>$34.2B</td>
<td>+0.3%</td>
<td>+0.3%</td>
</tr>
<tr>
<td>Conventional</td>
<td>$32.0B</td>
<td>-0.1%</td>
<td>+0.1%</td>
</tr>
<tr>
<td>Natural</td>
<td>$2.0B</td>
<td>+2.7%</td>
<td>+3.9%</td>
</tr>
<tr>
<td>Antibiotic-free</td>
<td>$1.0B</td>
<td>+9.9%</td>
<td>+8.5%</td>
</tr>
<tr>
<td>Vegetarian fed</td>
<td>$682.0M</td>
<td>-0.4%</td>
<td>+0.0%</td>
</tr>
<tr>
<td>Organic</td>
<td>$524.0M</td>
<td>+10.0%</td>
<td>+12.4%</td>
</tr>
<tr>
<td>Grass-fed</td>
<td>$337.5M</td>
<td>+6.3%</td>
<td>+11.1%</td>
</tr>
<tr>
<td>Free-range/vegetarian-fed</td>
<td>$190.6M</td>
<td>+4.9%</td>
<td>+1.4%</td>
</tr>
</tbody>
</table>

Source: Nielsen, FCA, 52 Weeks Ending 11/25/2017
Role of Traceability
(A brand’s perspective)

✓ Production claim assurance
Role of Traceability
(A brand’s perspective)

✓ Regionally-source claim assurance
Role of Traceability
(A brand’s perspective)

✓ Market access
Role of Traceability
(A brand’s perspective)

✓ Brand and trademark integrity
Future Role of Traceability

(A brand’s perspective)

✔ Animal care and handling
✔ Environmental impact
✔ Employee care
✔ Sustainability metrics
Consumer Messaging of Traceability?

OR