



FOR IMMEDIATE RELEASE

Retailers Discover it's COOL to Sell Canadian Beef

Calgary, AB January 25, 2010 – Not only is Canadian beef COOL, it's also profitable as retailers capitalize on new opportunities to build sales with branded programs. Now that country-of-origin labeling (COOL) has become a reality, retailers are leveraging the label requirements to build unique and differentiated store brands using Canadian beef.

For the past five years, Canada's Beef Information Centre's (BIC) dedicated team of market development professionals have worked with U.S. clients to build branded programs designed to meet the unique demands of individual retailers and their customers. COOL has proven to be an opportunity for Canadian beef rather than an issue.

"Retailers and distributors recognize that the development of private label and branded beef programs are critical components to profitability" says Marty Carpenter, Senior Director US Marketing for BIC. "Canadian beef can deliver on the consistency and quality attributes required for a successful branded program, with these brands meeting the requirements for Country of Origin Labeling".

Colorado Boxed Beef Company (CBBC), headquartered in Florida, is a major distributor providing beef products to grocery retailers throughout the Southwestern United States. CBBC was looking for a way to differentiate itself from competitors and create a unique value proposition. They approached BIC for assistance and after months of development and sourcing, a Canadian branded beef program was created using Angus beef with precise physical attributes including color, grade, white fat level and box size. The program, which launches this month, is called High River Canadian Angus.

Another example of a Canadian beef partnership involved Stauffers of Kissel Hill (SKH), an innovative retailer with eight stores in the Lancaster, Pennsylvania region. SKH wished to develop a brand which would be widely recognized and accepted in its market area, with attributes that could not be easily matched by the competition. The resulting program paired SKH with an Ontario packer to source a certified corn-fed, AAA grade Canadian beef program. This program is labeled "Stauffer's Choice Beef" and the on-pack labels identify the beef as Product of Canada.

The program has been extremely successful, with SKH reporting a strong double digit increase in meat department sales over the past two years. According to John Gerlach, SKH meat manager, Canadian beef has answered their needs for the beef case.

Canada is the largest supplier of grain fed beef to the US with more than 300,000 tonnes exported each year. That preference demonstrates that Canadian beef has always met the demands of the U.S. market and enjoys

a favorable reputation with American consumers. In a recently-completed study of U.S. consumers¹, Canadian beef is judged acceptable by significantly more American beef buyers than beef from any other listed country.

The same study shows that country-of-origin labeling is NOT an important purchase motivator for the American consumer. Country-of-origin is 10th on the list, well behind freshness, price, leanness, color, tenderness, flavor and safety - all important attributes that Canadian beef can consistently deliver.

The Canadian Beef Advantage can help retailers build branded programs that increase customer satisfaction and maximize profitability. Canada takes a world class systems based approach to beef production from genetics, on-farm food safety programs, mandatory cattle ID system, and grain finishing in a pristine, uniquely Canadian environment to modern USDA-approved processing facilities with mandatory HACCP programs and quality grading systems.

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¹ COOL *Quantitative US Consumer Study*, Ipsos i-Say USA, 2009

Marty Carpenter is Senior Director of U.S. Market Development for Canada's Beef Information Centre (BIC), the market development division of the Canadian Cattlemen's Association. BIC's U.S. market development team is committed to building strategic partnerships which maximize the value of Canadian beef for our U.S. clients.

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