



▲ The Canada Beef Export Federation's 2009 Semi-Annual Meeting saw Federation Officers and Directors report on activities completed in the last fiscal year. Key speaker at the meeting was Richard Brown from the GIRA Meat Club who presented the interim results of the Federation's Middle East Study.

## 2009 SEMI-ANNUAL MEETING THE NEW CANADIAN OPPORTUNITY

*The Canada Beef Export Federation's Semi-Annual Meeting, held March 17, 2009 in Ottawa, Ontario, attracted close to 50 members and interested parties to hear about the Federations activities in the past fiscal year – and its plans for the next.*



▲ Gib Drury, Federation Board Chair, told the meeting that the Canadian cattle and beef industry now has a new opportunity.

**G**ib Drury, the Federation's Board Chair, told the gathering that almost six years after the door to world beef exports slammed shut to Canada, the Canadian cattle and beef industry now has a new opportunity.

"Canada has adopted a new approach to trade policy and the relationship of industry and government has finally gelled

into a solid cooperative partnership," he said. "The new trade policy approach is an end to Canada's 'all-or-nothing' stance; now we negotiate for incremental, commercially viable access.

"And it works," he said. "Hong Kong is a fine example, where we agreed to a staged approach with a predetermined time table to normalize trade in beef and

veal. We believe that this agreement will create a domino effect in our Asian markets and we will now be able to regain lost market share in this lucrative region."

Drury told the meeting that there is new opportunity in Canada as well.

"Unprecedentedly, industry is working with government, and the results are spectacular. Industry has seen its recommendations adopted

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▲ The Federation's international Directors exhibited samples of the promotional materials generated in each of their markets of Japan, Korea, Taiwan, China and Mexico. The materials were distributed to members and guests following the Semi-Annual Meeting.

by government both for a new trade policy and as well as a new Market Access Secretariat which will see the inclusion of industry in market access policy making and decisions.

"CBEF has played a critical role all along, providing ongoing market intelligence and participating at several levels in industry advisory groups," he said.

#### FEDERATION STRATEGY FOR EXPORT SUCCESS

The Federation's 2009-2010 Strategic Business Plan was ratified by its membership at the Semi-Annual Meeting.

"Our Strategic Business Plan for the 2009-2010 fiscal year delves

deeper into our strategic and tactical intent in each market," says Chenier La Salle, Vice President of International Programs. "The plan is activity-focussed and provides information on how our promotions and activities are tailored to each market – even in some cases extending to who the promotion is planned with and why.

"Depending upon the market, promotions are planned to specifically target retail, food service, government and consumers with the overall objectives of increasing brand awareness, market access, market share and carcass optimization options for Canadian beef," he says.

"Each promotion will be conducted with very different and specific goals for each market," he says. "In Japan, for instance, where we are

still in a rebuilding phase, promotions are a way to acquire new clients and build our base for Canadian beef – whereas in a market like Hong Kong where consolidating our recent gains is more important, the emphasis is on providing support to existing clients and balancing brand-building with volume-building promotions with established partners.

"Also new in this plan is a focus on Russia, the EU and the Middle East," says La Salle. "Based on evolving market priorities as determined through consultation with our members, the plan takes our programs into these new and emerging markets. For example, we will participate in a major food show in each of these markets in the coming year.

"As well, we will conduct incoming VIP Beef Awareness Missions of key meat industry executives to Canada from Russia and the Philippines to develop and grow demand for the Canadian beef business in these markets.

"All of our market development programs build upon the very real successes we've achieved in export market development – and are in direct response to the export intentions of our members," says LaSalle. ■

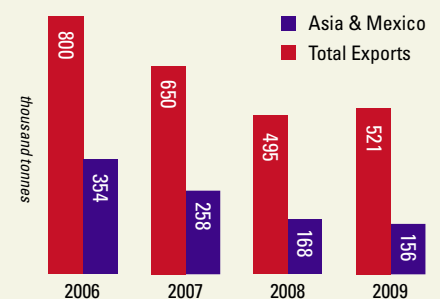
## EXPORT GOALS TELL THE STORY

The mood of the Canadian industry is reflected in the export goals set by the Federation's Export Members. In the last two years, that mood has been growing increasingly pessimistic. In 2006, our Export Members set the goal for the year 2015 of exporting 800,000 tonnes of Canadian beef with 354,000 tonnes going to Asia and Mexico. In 2007, those export

goals were lowered to 650,000 tonnes with 258,000 tonnes to Asia and Mexico. In 2008, those goals were further lowered to 495,000 tonnes with 168,000 tonnes going to Asia and Mexico.

In 2009, however, those goals have once again been raised – to 521,000 tonnes with 210,000 tonnes going outside of the USA.

2015 EXPORT GOAL FORECAST



# CBEF 2008-2009

## MESSAGE FROM THE BOARD CHAIR

*According to the Chinese calendar, it is the Year of the Ox. Hopefully it will be our turn to get on the commodity roller coaster ride and have the price for our fine Canadian beef to go through the roof. Politics dominated the events of 2008, and maybe that was to be expected in the Year of the Rat. But 2009 belongs to beef producers and processors. I foresee great things for our industry. Our Federal Minister of Agriculture is taking the new incremental market-access approach to world markets, and we are regaining former markets. With our new CBEF Director for China Stephanie Dai, we now have all the personnel in place to re-conquer the Asian markets. Despite the current world financial crisis, demand for our grain-fed high quality beef and veal remains strong worldwide. Our challenge as an industry is working cooperatively as a team through our Canada Beef Export Federation to deliver the goods.*



# BOARD O

**BEN THORLAKSON**  
*Past Board Chair*



“We are at long last seeing real progress. I believe 2009 will continue the way it has begun -- with further expanded access and increased exports to our key markets in Asia and Mexico.”

**BRETT CAMPBELL**  
*Vice Chair*



“XL sincerely appreciates the efforts of all the CBEF staff. Canada has the best beef cattle and beef products in the world. XL will continue to work along side CBEF to promote our high quality Canadian beef products in markets around the world.”

**ARTHUR BATISTA**  
*Vice Chair*



“As one of the Vice Chairs of the Canada Beef Export Federation, I’d like to thank all the CBEF staff and members for all the support and help that our company has received over the years in getting into the international markets and giving Canadian milk-fed veal international recognition.”

**JEFF CLINE**  
*Vice Chair*



“CBEF is an important part of Cargill’s international marketing efforts to grow demand for Canadian beef. Our overseas offices work together with CBEF representatives in developing end-user partners throughout the countries we serve.”



# F DIRECTORS

## **JEFF ROSGEN**

### *Vice Chair*

"I'm looking forward to another year of working with the CBEF team and furthering viable commercial market access for Canadian beef products."



## **ROLAND BAUMANN**

### *Promotion Committee Chair*

"Success in the export marketplace is dependent upon the strong efforts of everybody involved. I joined CBEF years ago as the representative of the BC Cattlemen's Association, determined to share the work load."



## **BRIAN READ**

### *Membership Committee Chair*



## **SCOTT WOODING**

### *Technical Committee Chair*

"I welcome the opportunity to chair the CBEF Technical Committee. There are still many issues surrounding market access and trade policies that must be addressed if Canada's beef industry is to regain its status as a major world exporter."



## **CHUCK MACLEAN**

### *Director Alberta*

"The challenges faced by the Federation seem formidable, from promoting product to getting access to Korea and other Asian nations along with the political forces that are threatening the Federation's actual survival. The board with our Chair Gib Drury and the staff are passionate and dedicated to reaching our goals."



## **BRIAN ROSS**

### *Director Saskatchewan*

"When you look at the amount of product this Canadian industry needs to export, compared to the amount we produce and consume, it is not hard to understand why we need organizations such as CBEF to market our high quality product worldwide."



## **DANE GUIGNION**

### *Director Manitoba*

"CBEF works hard to link the Canadian cattle industry to foreign markets, which is very necessary to the prosperity of our industry."



## **PAUL SHARPE**

### *Director Ontario*

"CBEF is an important link to the prosperity of the Canadian beef industry. The Federation provides market promotion and critical market intelligence to its members to aid in the development of their export beef business."



## **KEVIN BOON**

### *Canadian Cattlemen's Association Representative*

"The importance of a strong export market to the sustainability and expansion of our Canadian beef industry is key. A strong marketing agency and programs – such as CBEF – is vital to making it successful."



## FEDERATION APPOINTS NEW DIRECTOR CHINA

On January 2, 2009, Stephanie Dai joined the Canada Beef Export Federation as Director China. In her position as Director China, Ms. Dai is responsible for the operation of both the Federation's Shanghai office in Mainland China and the Hong Kong office. Ms. Dai brings to the Federation an extensive background in marketing. Most recently, she held the position of Marketing Director for Lee Kum Kee (China) Trading Ltd., a leading sauce and condiment business located in Hong Kong with factories and sales operations in Mainland China and worldwide exports including to the US and the UK.



Ms. Dai holds a Bachelor of Business Administration (BBA) with a double major in Marketing and Communications from Simon Fraser University in Vancouver, B.C. The Federation welcomes Stephanie Dai to the CBEF team. ■

## WIDE-RANGING SCOPE OF SERVICES

Each year, the Canada Export Beef Federation completes hundreds of retail and food service promotions in export markets that are of key interest to Canada's cattle and beef industry. These promotions are undertaken to build demand and awareness for Canadian beef – and to support our Export Members in their branded promotions.

The Federation also does much more. It subscribes to research studies, develops technical materials, delivers market intelligence, undertakes trade advocacy activities and – based on our members' market intentions – undertakes initial activities in new and emerging markets.

Here are a few of these activities underway.

### TESTING THE OPPORTUNITIES AT FOOD SHOWS



In response to interest from our Export Members, the Federation participates in food shows in emerging and niche markets. In the last year, the Federation has had a presence at the SIAL Food Show in Paris, Gulfood in Dubai, and ProdExpo in Moscow.

Federation Vice President of International Programs Chenier La Salle says that, "while all these markets do not at this time hold promise for enough sales to justify a massive presence at these shows, there are opportunities for the smaller and more nimble elements of our membership. We will continue to support their efforts."

### MAKING AN IMPACT IN MEXICO



In Mexico, Arteli (pictured in the background) is a 27-store retail chain – and a loyal customer for Canadian beef. The CBEF Mexico office works with Arteli twice a year to hold Canadian beef promotions. Carnes Selectas (pictured in the foreground) is Arteli's distributor – yet another loyal customer for Canadian beef.

This level of market penetration in Mexico is made possible by the solid representation for Canadian beef by the CBEF Mexico office.

### IN SUPPORT OF GOVERNMENT TRADE POLICY



In January 2009, the Federation's President Ted Haney, Technical Committee Chair Scott Wooding and Technical Director Mauricio Aricla participated in a government trade mission to Panama. The main objective of the mission was to seek a joint, two-way understanding of the issues driving the Free Trade Agreement between the two countries – including agricultural interest.

The mission included a seminar with over 100 guests, which was hosted by the Panama Brahma Breeders' Association. Presentations related to cattle production systems and producer organizations, as well as herd identification and safety and quality assurance systems for the production of beef were given.

The Canadian delegation had additional meetings with important Panamanian cattlemen over two days to discuss the advantages and opportunities for their industries of the FTA.

### CANADIAN BEEF IN JAPAN'S RETAIL DISPLAY CASES



In the past year, the Federation's Japan office has supported 30 companies in the retail and food service sectors with Canadian beef promotions – fourteen of the companies new to Canadian

beef. One such company is Inageya, which started to feature Canadian beef on a trial basis in eight of its stores last March. In the following months, the Japan office supported Inageya with continued Canadian beef promotions – and today Canadian beef is featured in the display cases of 20 Inageya outlets.

### DEVELOPING NEW MATERIALS

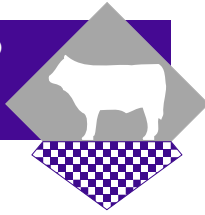


In the past two years, the Federation has been developing a series of technical materials to inform importers, distributors, retailers and end users about Canadian beef and the Canadian industry. These materials include Merchandising Charts illustrating Canadian beef cuts tailored to specific markets: the Asian market; the Mexico market; and other International markets.

The latest in this series is a Variety Meats Merchandising Chart. In January 2009, Federation Vice President of Export Services Cam Daniels organized a photo shoot in conjunction with Cargill Guelph to demonstrate offal products merchandized in ways suitable for these markets. The Federation's General Manager Mexico office Mauricio Ruiz and Marketing Manager Japan office Shoji Nomura were on hand to supervise cuts for the Asian and Mexico markets. ■



## MEMBERSHIP ROUND-UP



*CANADA BEEF has 54 members comprised of beef packers, processor and exporters, cattle industry associations and government agencies.*

### NEW MEMBERS

#### CENTENNIAL FOODSERVICE

Centennial Foodservice Worldsource Division specializes in producing portion-controlled, high-quality beef, pork and other meats for the manufacturing and food service trade in both the domestic and export markets. The company imports from around the world – and exports value-added and specialty products to a variety of countries.

#### CANADA GOLD BEEF

Located in Picture Butte, Alberta, Canada Gold Beef is a private company developing a beef value chain of participating agreements, strategic partnerships and customer relationships to deliver premium beef products to both international and domestic markets. The company's international focus is on the markets of Japan, Korea and Mexico.

#### PRAIRIE HERITAGE PRODUCERS

Prairie Heritage Producers was formed in 2004 as a value chain company with all participants dedicated to achieving a realistic return on investment based on low-cost production. Comprising seventeen ranches spread across Western Canada from British Columbia to Manitoba, the company produces a Branded Beef Product based on environmental stewardship,

traceability, no artificial growth promotants and sustainability build on a true value chain from the ranch gate through to the retailer. The company is focussing on supplying portion control products, whole muscle cuts and value-added products to markets in North America, the Middle East and Europe.

#### WEST COAST REDUCTIONS

Established in 1964, West Coast Reduction Ltd. is the largest independent renderer in Western Canada and the largest exporter of tallow in Canada. The HACCP-approved facility produces mainly tallow, meat and bone meal and blood meal. The company currently exports to the markets of Japan, Korea, Indonesia and Central America, and is looking to develop exports to China and Taiwan. ■

### UPCOMING EVENTS

2009

May 6 – 9	<b>**HOFEX</b>	Hong Kong
May 13 – 16	<b>Seoul Food and Hotel</b>	Seoul, Korea
May 24 – 31	<b>**Japan VIP Mission</b>	Canada
June 7 – 14	<b>**Russia VIP Mission</b>	Canada
June 21 – 28	<b>**Philippines VIP Mission</b>	Canada
July 19 – 26	<b>**Taiwan VIP Mission</b>	Canada
Aug. 23 – 30	<b>**China VIP Mission</b>	Canada
Sept. 17 – 18	<b>**CBEF AGM, International Marketing Seminar &amp; Strategy Conference</b>	Calgary, Canada
Sept. 27 – Oct. 4	<b>**Mexico VIP Mission</b>	Canada
Oct. 10 – 14	<b>**ANUGA Food Show</b>	Cologne, Germany

*\*\* CANADA BEEF is leading the way as a principal participant. You are strongly invited to attend and participate in these events. Your active contributions will make these events more successful and will directly benefit our industry.*

*If you would like more information on our activities, please call or write:*

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