

3 Billion \$\$\$ per year and 20+ Billion \$\$\$ to go!!

After losing market share for 18 years straight, the beef industry has now gained market share of \$3 billion per year for two years straight.

Record Beef Production + Record Retail Beef Prices = Increased Demand

For the cowman's 550-pound feeder steers, this translates into an increased value of \$40 per head per year for the last two years.



Are the new precooked products making the difference? Are case ready beef products making the difference? Is it because consumers can lose weight and still eat all the beef they want? Is it the steady economy that's making the difference? Is it the sorting of beef into brands that is making the difference? Is Certified Hereford Beef making the difference?

Beef supplies are projected to shrink and add even more upward price pressure in the coming three to four years. Pork and chicken supplies are already suffering price discounts because of their increased supplies.

When beef regains the market share that it once had, 550-pound feeder calves will bring \$850 per head just from the consumer demand alone. It is CHB's goal to return the beef industry to it's rightful market share.

Market Share of Consumer Meat Spending

%	1980	<u>1985</u>	<u>1990</u>	<u>1998</u>	<u>1999</u>	2000
Beef	54.0	50.0	45.0	39.0	40.0	41.0%
Pork	27.0	26.0	27.0	30.0	29.0	27.5%
Poultry	19.0	24.0	28.0	31.0	31.0	31.5%

US Consumer spending for Beef is projected to have reached \$53 Billion in 2000 – \$6.4 Billion more than 1998.

1980 – when Beef was King, and so were Herefords.

Tyson Foods has put poultry on the fast track in conquering market share by producing consumer friendly poultry products. Obviously, Tyson foods now sees the future is in the beef industry and is going to use IBP as their vehicle. This will open the door wider for CHB, as well.