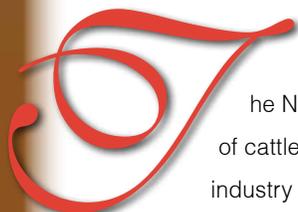


The National Beef Quality Audit — 2011

“What Are the Perceived Strengths, Weaknesses and Potential Threats to the U.S. Beef Industry”



The National Beef Quality Audit - 2011 evaluated the quality and consistency of cattle, carcasses, and products produced by the current U.S. fed-beef industry and compared the results to those of previous Audit years to determine progress. The rationale that prompted the research and continual study of beef industry practices was simply that the U.S. beef industry could not expect increases in prices for its products/byproducts when “quality” did not warrant such increases. The National Beef Quality Audits (NBQA) in 1991, 1995, 2000, and 2005 were conducted to determine goals and objectives for producers to improve the quality, consistency, value, and competitiveness of beef. The industry cannot manage its quality problems until it can measure them. Face-to-face interviews were conducted over an 11-month period (February to December 2011) with representatives of the following beef market sectors: Government and Allied Industries; Feeders; Packers; Food Service, and Retailers. The universities involved in collecting this information were Colorado State University, Oklahoma State University, and Texas A&M University. Three questions were asked- “What are the top three strengths of the U.S. beef industry?” “What are the top three weaknesses of the U.S. beef industry?” and, “What are the potential threats to the U.S. beef industry?”

The results indicate that the consistent strength of the U.S. Beef Industry is food safety efforts followed by a quality product which emphasizes taste, eating satisfaction and nutrition.



Top Five Strengths of the U.S. Beef Industry by Sector

Retailers	Foodservice	Packers	Feeders	Government and Allied Industry
<i>Food Safety</i>	Product Quality	Premium Product	Quality Product; wholesome experience	Consumer demand for a safe eating
Product quality	<i>Food safety</i>	Taste	Taste and eating satisfaction	Research, technology innovation
Promoting the industry and the image of our industry	Marketing programs	People-how they care for their animals and land	<i>Food safety</i>	<i>Food safety</i>
Consistency	Diversity of supply	<i>Food Safety</i>	Nutrition and health of beef	Efficient, economical process resulting in an easily available nutritious product
Taste	Availability	Diversity of production	Promotion and marketing of beef	Family-owned operations producing a nutritious product

Fifth in a series of NBQA fact sheets.



What about perceived weaknesses of the Beef Industry?

Top Five Weaknesses of the U.S. Beef Industry by Sector

Retailers	Foodservice	Packers	Feeders	Government and Allied Industry
Not telling our story	Cost	Variability	Not telling our story	Too fragmented
More concerned with exports than keeping product domestic	Marketing	Food safety	Consumer selection	Not telling our story to improve our image
Food safety	Too fragmented	Too fragmented/ Not transparent (tie)	Too fragmented	Lack of education and knowledge about our industry
Resistant to change	Food safety		Cost	Independence
Government regulation	Resistant to change	Cost	Activist groups	Poor marketing

The top issues considered weaknesses of the U.S. beef industry are that we do a poor job of telling our story to the consumer and the industry is still too fragmented. Interestingly, food safety was also considered to be a potential weakness by the retail and food service segments.

What were perceived as the potential threats to the beef industry?

Top Five Potential Threats to the U.S. Beef Industry by Sector

Retailers	Foodservice	Packers	Feeders	Government and Allied Industry
Food safety	Cost	Food safety	Activist groups	Activists groups
Cost	Activist groups	Government regulations	Government regulations	Not telling our story to improve our image
Shortage of supply	Food safety	Commodity prices	Cost	Cost
Corn prices	Animal disease	Activist groups	Food safety	Government regulations
Activist groups	Bioterrorism	Supply	Environmental pressures	Bioterrorism

Across the different segments, food safety and activist groups were consistently identified as potential threats to the U.S. beef industry.

The results suggest that the various segments view food safety

issues as a strength, a weakness, and finally as a potential threat to continued success. The industry has made great strides in optimizing strengths while weaknesses and potential threats are becoming the focus for improvement.

For more information, contact:

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