

for immediate release

NEWS

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The Certified Angus Beef® brand marks 11th consecutive year of record sales

Farmers and ranchers respond like never before to growing consumer demand

WOOSTER, Ohio – Oct. 5, 2017 – Propelled by continuously growing consumer demand for high-quality beef, and the intentional efforts of family farmers and ranchers to hit that target, Certified Angus Beef LLC reported record sales of its signature *Certified Angus Beef®* brand: 1.121 billion pounds marketed in Fiscal 2017 (ending Sept. 30).

That's the 11th consecutive annual sales record, continuing a 13-year streak of year-over-year growth. Fiscal 2017 is the second year sales topped 1 billion pounds, and marked an increase of 10.4%, or 106 million pounds, over last year.

“Our partners, from the farm to the plate, all fit together in the effort to fulfill demand for high-quality beef,” said brand president John Stika. “We are all singularly focused on the same quality endpoint. The growth in sales this year was fueled by the dramatic and positive shift that we continue to see in the supply of high-quality cattle – the best we’ve ever seen.”

Focus on quality, from the start

Since the *Certified Angus Beef®* brand's start in 1978, as the brainchild of Angus cattlemen who wanted to give consumers a promise of consistent beef quality, family farmers and ranchers have been its foundation. By raising cattle that target the brand's 10 exacting standards for product quality, they enable processors, distributors, restaurateurs and retailers to meet ever-growing consumer demand for premium beef.

Responding to these strong economic signals over the past several years, family Angus ranchers have continued to grow the size and improve the quality of their herds through the best genetics and management practices. This collective improvement translated into 4.53 million cattle certified for the brand – an increase of 610,000 head, or 15.6%, over Fiscal 2016. In addition, the rate of cattle eligible to earn the brand name by meeting all 10 of its quality specifications rose to a record 29.7%, up from just 16% a decade ago.

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International, Retail, Foodservice and Value-added Products Divisions set sales records

Sales growth from a global network of more than 19,000 licensed partners reflected consumers' preference for the brand, as well as recognition of its quality on restaurant menus and in retail meat cases.

Sales of the *Certified Angus Beef*[®] brand exploded in 49 countries outside the United States, reaching 174.5 million pounds – a 26.4% increase over last year and the best year ever for international sales. This growth represented more than 30% of total brand growth for the year and was supported by a mix of business in new markets (including China, the Dominican Republic and Peru), as well as strong gains in the established markets of Japan, South Korea, Hong Kong, Mexico and Canada.

Supported by lower prices, which generated a greater flow of business and feature activity, particularly of end meats like roasts, retail sales grew nearly 5%. Representing more than 40% of total brand sales, the largest division set an all-time record of 456 million pounds. The brand's top 50 licensed retail partners saw an average of 6.6% growth and two-thirds of them increased same-store sales.

The Foodservice Division netted sales of 385 million pounds – an 8.5% increase. Licensed broadline distributors and specialty meat companies increased sales by more than 9% and sales to licensed restaurants increased more than 12%, demonstrating the value of the brand to chefs who prize its consistent quality and patrons who crave its flavor.

Sales of branded value-added products, meeting growing consumer demand for high-quality convenience meals in both retail and foodservice, rose more than 5% to 27.0 million pounds. Key items included marinated thin meats, fully cooked burgers and fresh corned beef.

Growth across product categories contributes to monthly sales records

Consumers crave steaks for special occasions and celebrations, and this traditional demand backed an 8.4% increase in sales of middle meats (premium steaks). Sales of roasts and other end meats that are the centerpiece of many family meals rose by 13.5%. Ground beef sales were up by 1.7 million pounds, reflecting the continued appeal of the “better burger” to consumers.

The most discerning customers pushed sales of the brand's Prime product extension up more than 35%. The increased availability of Prime product, although still exclusive, reflected increased focus on the farm and ranch on raising the very best beef possible.

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This balanced growth across divisions and product categories resulted in 12 monthly sales records, from the beginning to end of Fiscal 2017. That included seven out of the 10 best sales months in the brand's 39-year history. Grilling season, when high consumer demand is buoyed by partners' strong feature and promotional activity, set new records: sales of more than 100 million pounds in each of the year's last three months of July, August and September.

About the *Certified Angus Beef*[®] brand

World renowned for its exceptional quality and generous marbling, the *Certified Angus Beef*[®] brand is the original brand of premium beef, created in 1978 and still owned today by family ranchers. With only the best Angus beef making the cut, 10 exacting standards ensure superior taste and tenderness in every bite. For more information, visit CertifiedAngusBeef.com, or follow the brand on Facebook, Twitter, Instagram, Pinterest and LinkedIn.

