

LAMB COUNCIL UPDATE



FY 2024 BUDGET AND PROGRAMS

- The auction collection change has generated over \$800,000 in additional income annually
- FY 2024 Budget = \$3 million
 - 70% Promotion
 - 30% Industry Programs and Research





INDUSTRY EDUCATION PROGRAMS



CAMREN MAIERLE NEW POSITION

- Supporting industry educational opportunities to expand domestic sheep production and increase productivity and competitiveness
- Developing and managing the American Lamb Board's targeted grazing education program
 - 2024 educational grazing workshops to educate producers how to navigate grazing contracts: TX, NC and CA



EMERGING SHEEP PRODUCERS

- Pilot workshop at the University of Kentucky Oct 2023
 - Educate new and aspiring producers about sheep production systems in the SE (designed to expand domestic production)
 - Template program for other states/regions
 - Funding is now available for states/extension to host virtual and live educational programs



LAMB SUMMIT 2024



- Third Lamb Summit: Educational conference addressing critical strategies to improve our industry's competitiveness
 - Management practices that increase productivity and lamb quality and consistency
 - July 24-26, 2024
 - University of Idaho





RESEARCH PROGRAMS



ENTERPRISE BENCHMARKING STUDY

- For the U.S. sheep industry to grow and stay competitive, producers need to measure/monitor their operational performance to increase productivity.
- Establishing industry baselines (cost of production/management practices) in Wyoming and South Dakota to allow producers to compare their enterprise health to sheep operations of comparable size and geographic origin.
- Expansion opportunities coming for other regions to use project template/survey to collect data



Extension
Sheep Program



SOUTH DAKOTA
STATE UNIVERSITY



SECOND LAMB QUALITY AUDIT

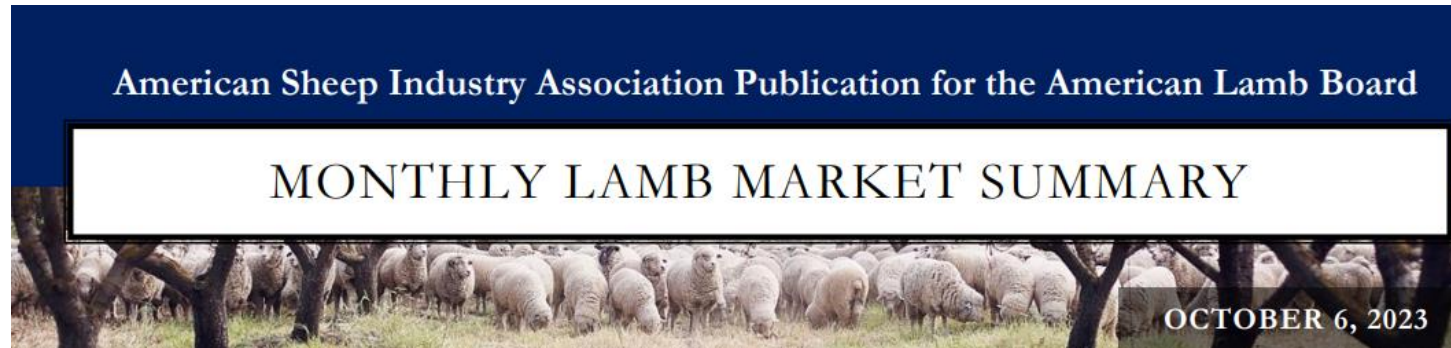
Colorado State University and University of Idaho

- In Plant Audits
 - Assessed carcass quality characteristics
- Customer Surveys/Interviews – Retailers and Foodservice Operators
 - Quantify and benchmark perceptions regarding American Lamb quality
 - Identify how retail and foodservices customers define and prioritize quality attributes and estimate their willingness to pay a premium for those attributes
 - Eating satisfaction, origin, sheep raising practices, product appearance and composition, product form, weight/size and nutrition/wholesomeness
 - Once again, eating satisfact
 - Identify areas of improvement regarding lamb products



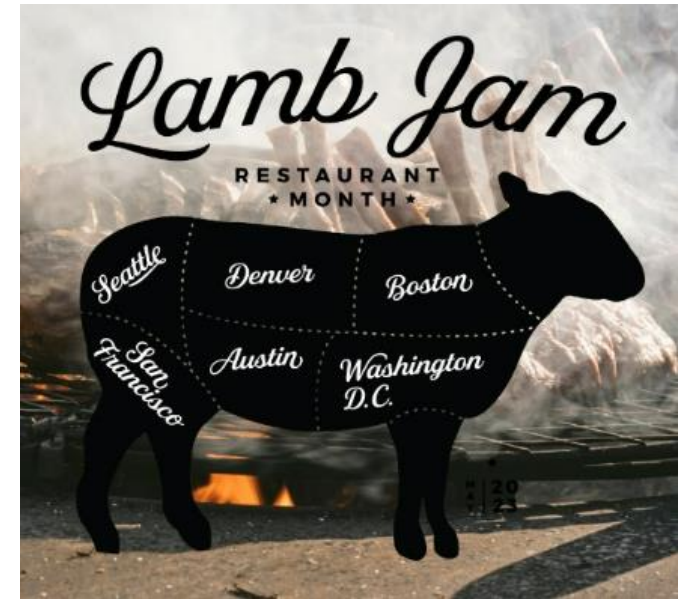
MARKET REPORTS

- Monthly Summaries
 - Supplies, Trade, Prices, Retail Trends, Outlook
- Sheep Industry Annual Review



RETURN ON INVESTMENT STUDY

- Required every 5 years to evaluate the effectiveness of the lamb checkoff
 - 2024 Spring Report
 - 2019 study reported that the return from ALB promotion in terms of additional industry profit ranged from \$14.2 to \$33.4 per promotion dollar.



RETAIL SALES DATA & DEMAND TRACKER



- Quarterly retail scanner data
 - Sales by pounds, dollars, cuts, markets
 - Average prices by cut
 - ALL lamb sales
 - 2024 – separating American Lamb retailers to help track sales and demand specifically for our products
 - Demand Tracker Update



MSU ENVIRONMENTAL FOOTPRINT STUDY

- Phase 1
 - Identified best methodology to estimate a sheep operation's total GHG emissions (incorporated metrics which capture the diversity of how sheep are raised and marketed in the US)
 - Examined emissions from different sheep production systems
 - Identified production factors contributing to GHG emissions in US sheep production
 - Created mitigation strategies to reduce emissions in each production system
- Phase 2
 - Develop, test and promote a user friendly emissions calculator as a tool for producers to monitor and measure their emissions impact



USDA CLIMATE SMART GRANT

Research

- 4 pilot sites
- Quantifying impacts of prescribed sheep grazing
 - Soil quality
 - Carbon sequestration
 - Biodiversity
 - Emissions (MSU calculator)

Producer Enrollment

- Pay 150 producers to work with a technical assistance provider to implement climate smart practices and measure emissions
- Priority given to underserved producers

Marketing Pilot

- Testing climate smart lamb messages through a marketing campaign in Texas
- Partnership with Capra



SUSPENDED FRESH TECHNOLOGY

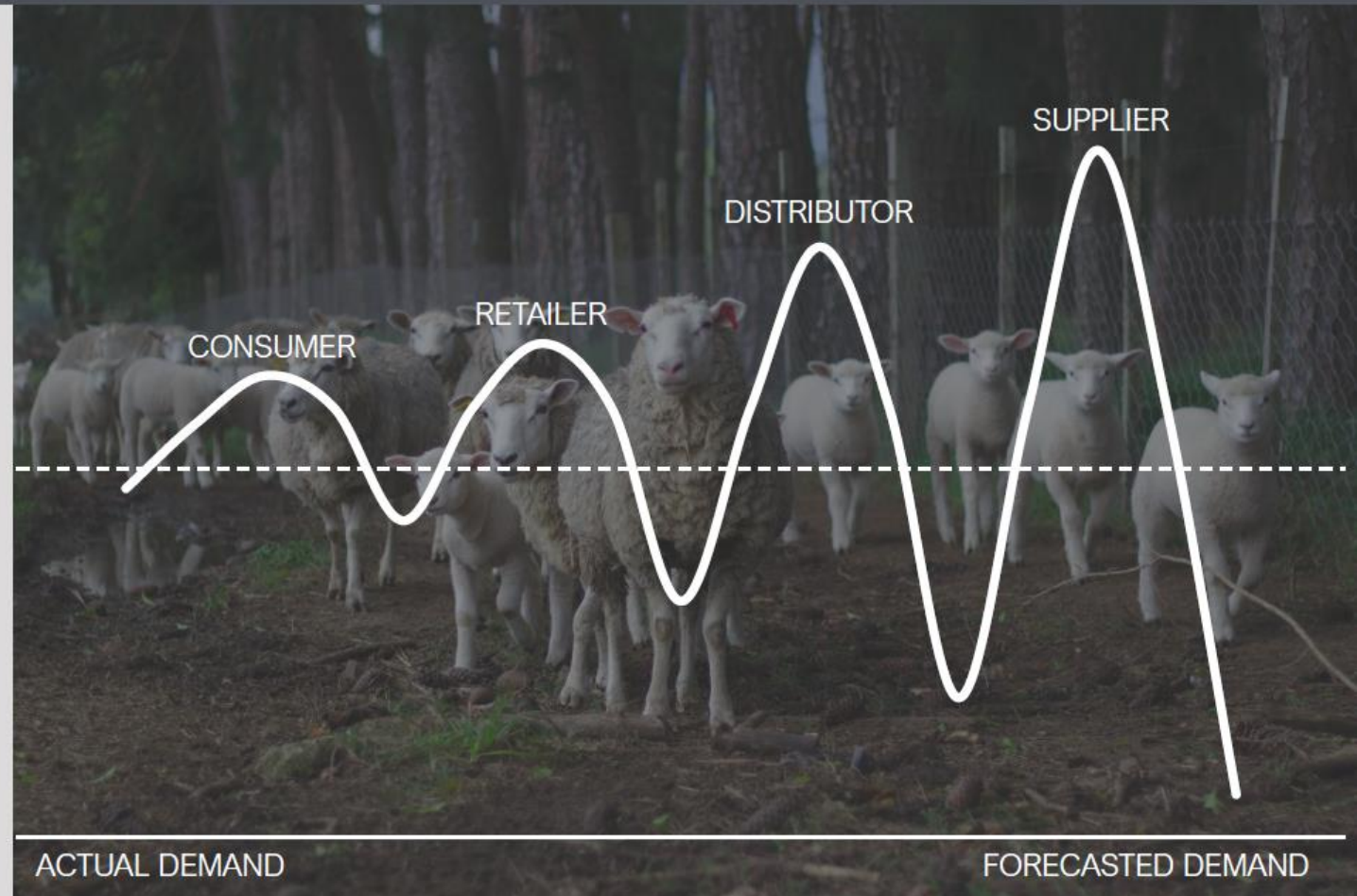


SEASONALITY & SUPPLY/DEMAND

REDUCING THE BULLWHIP EFFECT



Investments in technological infrastructure & improvements to forecasting methods have moved the supply chain in the right direction to mitigate these effects however, for participants in the fresh food industry, the laws of nature assert a constraining factor in perishability that allow this effect to persist.



CONSISTENCY, CONSUMER DEMAND & VALUE



UNIVERSITY OF MINNESOTA
EXTENSION



WHAT IS SUSPENDED FRESH?

Patented perishable food storage technology process that **creates many benefits** while **adhering to food safety standards**.



Maximize Tenderness



Improve Meat Yields



Extend Shelf-life

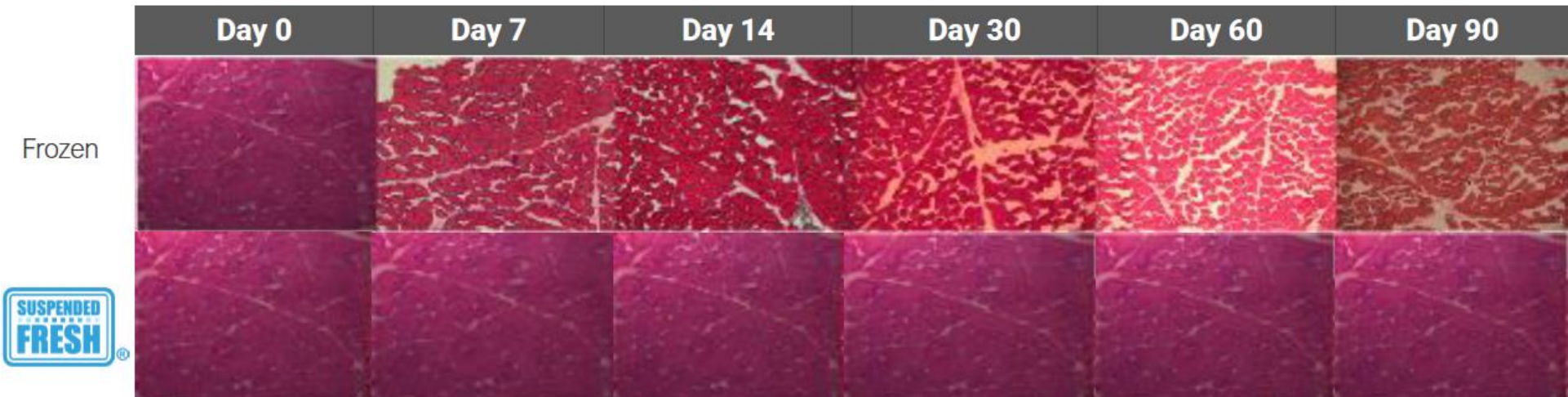
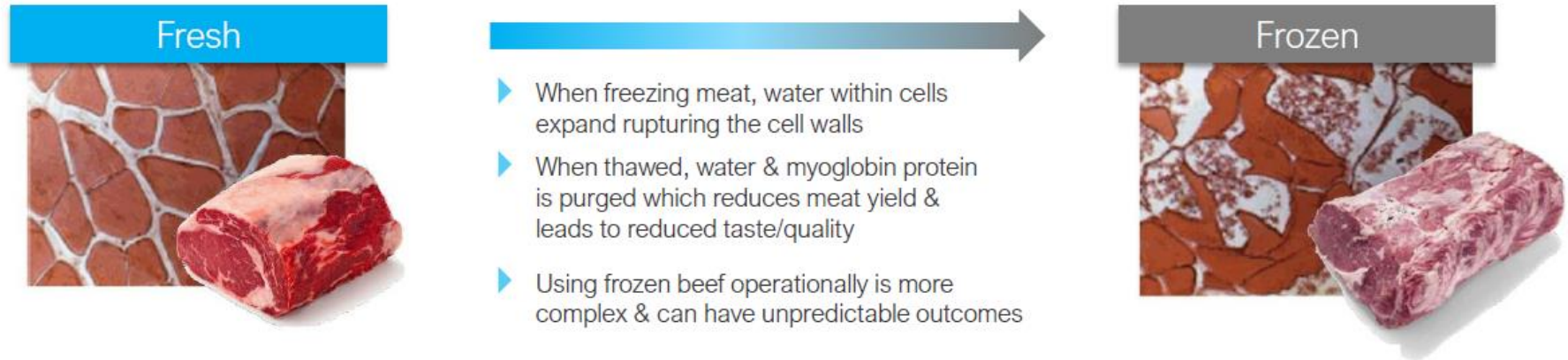


Hedge Food Costs



SUSPENDED FRESH VS FROZEN

90 Day Holding Period



COLD SUPPLY CHAIN MANAGEMENT



Supply/Demand & Seasonality limit consistent marketability of American Lamb

Suspended Fresh may provide improvements in tenderness, purge loss, product availability, features/marketing/pricing assurance, while hopefully making it possible to achieve Exceptional Eating Satisfaction for consumers.



WHY???

- Ability to take positions ahead of seasonal demand windows
- Consistency in performance
- Maintain current box identity, dates product codes
- Product arrives “fresh” at desired location
- Set lead/order times to meet desired delivery dates
- Confidence in shelf life guarantees
- Flexibility in planning, protecting margin, and knowing your price

Supply Assurance / Order Fulfillment

- ▶ In the case of a buyer, especially an inelastic buyer, supply assurance risks potentially jeopardize lost sales and can impair brand perception.
- ▶ In the case of a supplier, being able to say “YES” to fulfilling all customer orders improves relationships while growing revenue.

Hedge Market Price Movements

- ▶ Perishability dynamics and seasonal weather are two prominent factors that drive price movements. The ability to take advantage of out-of-season price movements creates a new competitive advantage.

Margin Management

- ▶ Mechanisms to fix costs are limited which leads to uncertainty in planning margin. Price volatility can lead to last minute changes which can be costly.

Expand Market Access

- ▶ Geographical constraints limit options due to traveling time. Additionally, chilled product may be desired, but infeasibility leads to frozen usage which reduces product yields.



NDSU SUSPENDED FRESH RESEARCH

- Objective 1, Full Loin/Loin Chops:
 - American Suspended Fresh vs. Frozen with 80-day storage period
 - Consumer sensory panel: tenderness, juiciness, flavor & overall liking
 - Evaluate physiochemical data from proximate analysis, shear force, oxidation, protein degradation, drip loss, shelf-life, and lean meat color
- Objective 2, Retail-ready, Sirloin Roasts:
 - Commercially available American pre-packaged sirloin roasts will be evaluated on retail meat quality traits
 - Physiological characteristics comparing the Fresh, Suspended Fresh and Frozen cold storage treatments
- Objective 3, Ground Lamb:
 - Compare U.S. Fresh, U.S. Suspended Fresh, U.S. Frozen, Australian Chilled, New Zealand Chilled for lamb quality attributes
 - Evaluation of 1 lb. commercially available domestic and imported ground lamb held under different cold storage methods



Principal Investigator: Travis Hoffman, Ph.D.

CURRENT PROGRESS

- Shear Force: No difference
- Cook Loss: No difference
- Drip Loss: Significant Difference
- Retail Shelf Life: Treatment x Day interaction
- Lamb Consumer Panel: In analysis

