

Packing the Pounds

CAB closes the 2022 fiscal year on a high note.

by Lindsay Graber Runft, Certified Angus Beef



With ranchers continuing to produce high-quality beef at notable levels and consumer demand staying strong, Certified Angus Beef (CAB) closed its books on the second-highest sales year of record.

The brand's success reflects an entire community committed to providing premium beef, starting with steady supply.

"Angus cattlemen and women remain committed to meeting the demand for the best-tasting and best-sourced beef," says John Stika, CAB president. "Our diverse, global and growing customer base recognizes the brand's commitment to quality from the ranch to the plate."

Licensees sold 1.234 billion pounds (lb.) of *Certified Angus Beef*® (CAB®)-brand product in 54 countries during the 2022 fiscal year. Up 1.6%, or 19 million lb., from fiscal 2021, the brand celebrates its seventh year reaching more than 1 billion lb. sold and a monthly sales record of 113.8 million lb. set in March 2022.

Supported by supply

The second-largest supply in the brand's history, 5.78 million carcasses met CAB's 10 beef quality specifications. The year also marked a record 16.38 million Angus-influenced cattle being evaluated for the brand, a 1.7% increase from the previous year.

The commitment of cattlemen and women to increasing high-quality beef supply continues to be rewarded through grid premiums.

As reported in March, premiums paid by packers to producers for brand-qualifying cattle totaled \$182 million annually, or \$3.5 million per week.

"While we celebrate the success of the 2022 fiscal year, we are looking ahead to 2023 with a sense of optimism — driven by strong demand for the brand and a sense of realism.

We know the challenges facing producers, and ultimately the cattle supply, over the next few years," Stika says. "Moving forward, we will remain focused on what is within our control — growing demand and supporting ranchers as they push forward in targeting the brand to supply customers the high-quality beef they desire."

Sales stay strong

Consumer spending patterns encouraged a more typical distribution of beef sales for foodservice, retail and international businesses this year.

Restaurant dining elevated foodservice to the brand's second-best year at 405 million lb., mirroring the previous year's double-digit gain.

Following two consecutive years at more than 600 million lb., grocery store meat departments across the United States sold 548.5 million lb. of the CAB brand in fiscal 2022.

While U.S. retail dipped slightly, beef sales by global partners grew.

Partners outside of the United States increased sales to 178.5 million lb. for the year, with three of the top five markets — Canada, Mexico and Taiwan — growing by more than 24%. To complement international growth in these markets, the Middle East, Central America, Dominican Republic and Qatar each experienced their

best year with the brand.

Limits on labor in restaurants and grocery stores, coupled with shoppers seeking prepared and ready-to-cook items, led value-added products to a new

annual record. The 40.7 million lb. sold marked a 6.3% increase, with gains in 15 of 23 product categories.

These same partners identified opportunities for ground beef, a versatile and less costly item for menus and retail shoppers. Ground beef sales reached a record 261.7 million lb., 10.7% above 2021.

CAB Natural grew by 7% year over year to 4.7 million lb.

"The success of the last 44 years hasn't come by luck or chance for this brand," says Stika. "It's been achieved through ranchers' determination to produce a high-quality product, combined with our partners' hard work and intentionality to continue to plan, prepare and position themselves and our consumers to be successful." **ABB**

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