

WINNING IN THE COURT OF PUBLIC OPINION

A little-known benefit of the beef checkoff program unifies the industry under a consistent message whenever a crisis hits.

by Doug Perkins

It is a fickle public that sits in constant judgment over the practices and record of the American beef industry. Consumers have no concept of feeding, packing and processing. So they replace understanding of where food comes from with an emotional connection to food's importance to their health and their family.

If they hear news that threatens this connection, consumers may react quickly and adversely. The effects of this response can be lowered beef consumption that may depress the cattle market for varying lengths of time.

For examples, look to the Jack In The Box *E. coli* crisis that struck in 1993; the comment in 1996 by TV talk show host Oprah Winfrey about being stopped "cold from eating another hamburger;" and the March 2002 erroneous link between lesions and foot-and-mouth disease in Kansas auction cattle.

The first example involved an actual incident that included loss of lives; the last two examples were less concrete, involving primarily innuendo and rumor. All three cases, however, negatively impacted beef demand, lowered cattle prices and economically hurt beef producers.

Bad news has always traveled fast. Yet in today's information age it travels at the speed of light over fiber optics. Cell phones, Internet web sites, e-mail, talk radio and 24-hour cable news can spread a rumor, relay a careless comment, or confirm a beef industry crisis in the time it takes you to finish this paragraph.

Against those odds, producers might wonder how they can increase their chances of winning in the court of public opinion.

The answer is the \$1 beef checkoff. Consumers will react positively to the beef industry's story—its record on animal health; its research to reduce foodborne illnesses; its self-policing to enhance animal handling and environmental practices. The key is perfecting the process of communicating with the public so consumers have the facts to make up their minds.

Through a little-known aspect of the checkoff called issues management, beef producers have that communications vehicle.

Issues management gives the industry a voice that can defuse crises and refute rumors and malicious statements. It is a tool that allows the industry to respond rapidly so that perceptions aren't spun solely by the other side of the issue. And, finally, issues management gives the industry an opportunity to shape the story and take the offensive rather than simply respond to a story that has the industry on the defensive.

The power of the checkoff's issues management is its ability to unify all industry groups under one message. In this way, the beef industry presents a single front that delivers positive facts about the beef industry to counteract rumors or crises whenever or wherever they might occur.

In Texas, the checkoff's response unit is called the Texas Beef Issues Team (BIT). The core group includes representatives of the Texas Beef Council, Texas Cattle Feeders Association, the Texas Animal Health Commission, Texas and Southwestern Cattle Raisers Association, Independent Cattlemen's Association of Texas, Texas Farm Bureau and the Texas Department of Agriculture. Other organizations, such as the National Cattlemen's Beef Association, may be asked to assist with a particular issue. Compared with other checkoff programs like advertising, retail marketing or international market development, issues management receives little notice.

An analogy of its function might be a community's volunteer fire department. The volunteers become visible when the fire breaks out. But, behind the scenes, they must develop a uniform plan that can be adapted to fit a variety of dangerous events.

The firemen create a communications system that informs them of a fire. They run mock drills. And they work out bugs in their readiness system. All this practice allows them to respond quickly once they are needed.

The checkoff's BIT concept operates much the same way. It focuses on response to an issue. It emphasizes early notification, and implements a plan for communicating quickly within the team and with key audiences—producer leadership, industry partners and media.

Although each organization sets up its own communications system to respond to an issue, BIT helps that system deliver a uniform message that is designed to ease consumer concerns, defuse controversy and clear up misunderstanding as quickly as possible.

Sometimes, a simple response is all that is required and the issue ends quickly with no long-term repercussions. Yet in today's world, we know that major crises are not impossible. They can be accidental or they can be planned acts of terrorism designed to disrupt the food supply.

Should a breaking issue have national or international implications, the BIT will also call upon advisers and experts from other fields to help deliver the message that provides consumers with facts.

From beginning to end, this response process allows the industry to deliver its consistent, uniform response to an issue. Here's a recent example of how it works.

In January 2001, a Purina Mills plant in Gonzales accidentally mixed meat and bone meal from domestic ruminants in a cattle feed supplement. When Purina discovered the mistake, the feedyard stopped feeding, Purina recalled the feed and FDA took samples for analysis. The feedyard voluntarily held 1,222 cattle that Purina later purchased and removed from the human food chain. No government body ordered a quarantine. When the media first heard about the incident, they focused on cattle infected with BSE. Some media mistook the voluntary holding of the cattle for a forced quarantine.

Yet when reporters called any of the BIT member organizations, they heard the same points:

- There is no BSE in the United States.
- Domestic meat and bone meal cannot transmit BSE because the disease has never been found in this country.
- There was no quarantine; the cattle were voluntarily isolated pending lab tests as a commonsense precaution.
- The cattle never reached the human food chain.

When reporters can file news reports that build on differing viewpoints, then the issue has a longer life. If all the spokespersons provide the same points, the life span of the issue can be greatly shortened.

In this case, most reporters had no choice but to run only the uniform responses from a variety of sources. The incident that could have given the U.S. beef industry worldwide bad publicity for months was defused in a matter of days. There were no long-lasting effects.

Constant vigilance is vital to the issues management process, and that's where the checkoff provides a benefit for beef producers and their cattle organizations that did not exist prior to its existence.

The ability to continually collect information on global, national and regional levels, sort through that information, develop and disseminate a uniform and consistent message, and win back consumers saves producers and their cattle organizations time and money.

And, equally important, issues management ensures that the public fairly hears the beef message because it corrects faulty reporting and quells innuendo or rumor—all elements that have become so much a part of today's communication age.

Editor's Note—Doug Perkins is vice president of beef development for the Texas Beef Council.

—SIDEBAR—

Crisis Management

Past history shows that producers' pocket books are hit hardest by volatile issues involving beef.

Here is a list of some of the more notorious crises that have impacted the beef industry in the last 30 years along with an estimate of their economic impact:

The Consumer Boycotts: In 1973, TCFA sowed the seeds for the beef industry's modern issues management when consumer groups decided to take a holiday from buying beef. TCFA Executive Vice President Emeritus Charles E. Ball, writing in TCFA's history, "The Finishing Touch," reports that "the TCFA Executive Committee...asked each TCFA member to contribute \$1 for each animal on hand to an Emergency Fund to tell the cattlemen's story to the public."

The request garnered \$519,350 to fund communications between America's public and then-existing national cattle groups and TCFA. But the government still enacted a price freeze on beef at the retail level in response to the consumer outcry. TCFA estimated that the freeze cost the industry \$6 billion—equivalent to \$24.4 billion in 2003.

These actions showed the beef industry the compelling need to have emergency dollars on hand to handle a crisis—a need that has been fulfilled since 1987 by the beef checkoff program.

E. coli's impact: Jack In the Box estimated losses of \$20 million to \$30 million and the halt to some stores selling beef when the first *E. coli* problems appeared in 1993.

Oprah's Comment: Plaintiffs suing the production companies of Oprah Winfrey's show claimed Winfrey's on-air remarks led to plummeting cattle markets and cost them a combined \$12.6 million.

Fake Foot-and-Mouth: Cattle futures at the Chicago Mercantile Exchange dropped for nine days after rumors hit the floor in March 2002 about a possible outbreak of FMD in a Kansas auction market. The market rallied as the rumor was proved false.