



FY 2019 ANNUAL REPORT



YOUR LAMB CHECKOFF

Mission: To increase the value of American Lamb for all segments contributing to the American Lamb Checkoff Program.

The American Lamb Board is your national checkoff, working to build demand for American Lamb, and your advocate for promotion, information and research.

All sectors are represented: producers, feeders, processors, and seedstock.

All activities are overseen by the USDA, and the board is appointed by the Secretary of Agriculture.

Programs are implemented by staff in Denver, Colorado.

American Lamb Board

Dale Thorne, Chairman (MI)

Greg Ahart (CA)

Brad Anderson (CO)

Peter John Camino (WY)

Tom Colyer (ME)

Greg Deakin (IL)

Elizabeth Dressler (CO)

Gwendolyn Kitzan (SD)

Diane Peavey (ID)

Jim Percival (OH)

David Quam (TX)

Rob Rule (IA)

Sally Scholle (PA)

YOUR ALB CHAIRMAN—DALE THORNE

Over the last six years I have served the sheep industry as a member of the American Lamb Board and as chairman for the last year. I have learned so much. How does a sheep producer from Michigan get here? I guess it's thanks to my love of sheep and the producers who grow them. I'm grateful for the opportunity.

I have had the opportunity to see sheep production in other parts of the world, and I can say with confidence that we have some work to do. We are not doing a lot of things wrong, but we could do a lot of things so much better, enabling us to compete in a global marketplace.

Lamb consumption is up in the US, and I believe it will continue to grow. The ALB has been investing a lot of your dollars in social media, and it appears to be paying off. Millennials are not influenced the way previous generations were, so outside-the-box thinking is required. Your American Lamb Board is doing a good job of getting our message out.

Are you as passionate about the sheep industry as I am? Let your leaders know and get involved—we need people like you to keep this industry going. Feel free to reach out to me to learn about ways you can help.

Keep up the good work. Let's produce more lamb more efficiently and show the world we can compete.

2019 FINANCIALS

Your Lamb Checkoff is focused on building awareness and expanding demand for American Lamb and strengthening American Lamb's position in the marketplace, thereby increasing the potential long-range economic growth of all industry sectors. Increasing demand, market share and profitability requires not only building awareness through marketing and promotions, but also delivering consistency and quality, increasing production efficiencies and working together on common goals to meet consumer needs.



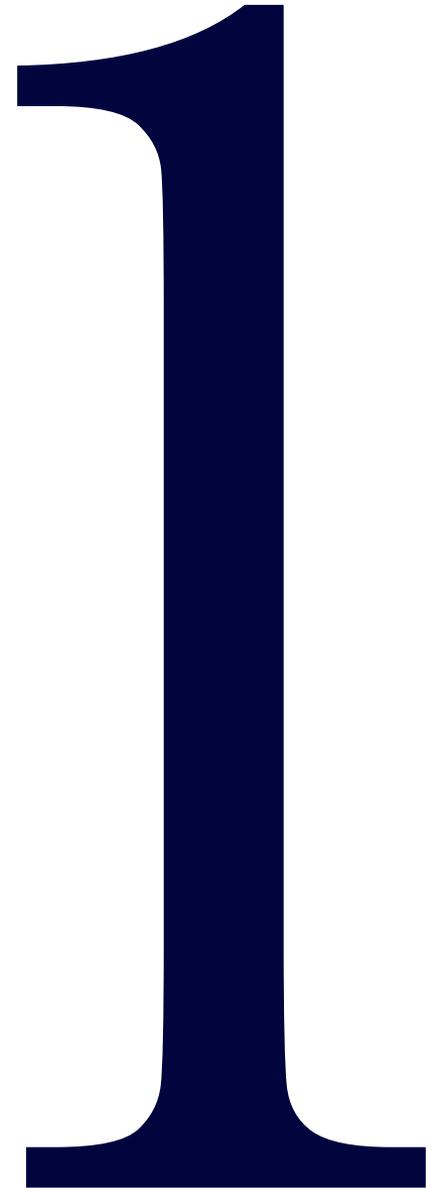
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With limited resources it is important that the
ALB identify strategic targets:
Markets / Consumers / Tactics

Core Strategies

- 1** Grow awareness and increase usage of American Lamb among chefs and consumers
- 2** Promote and strengthen American Lamb's value proposition in today's food environment
- 3** Improve the quality and consistency of American Lamb and support efforts to increase production efficiencies
- 4** Collaborate with industry partners and stakeholders to expand our efforts to address strategies 1 through 3
- 5** Measure the effectiveness of our programs

Grow awareness
and increase usage
of American Lamb
among chefs and
consumers



PROMOTE THE UNIQUE ATTRIBUTES OF AMERICAN LAMB and increase awareness in foreign markets working with the US Meat Export Federation (USMEF).

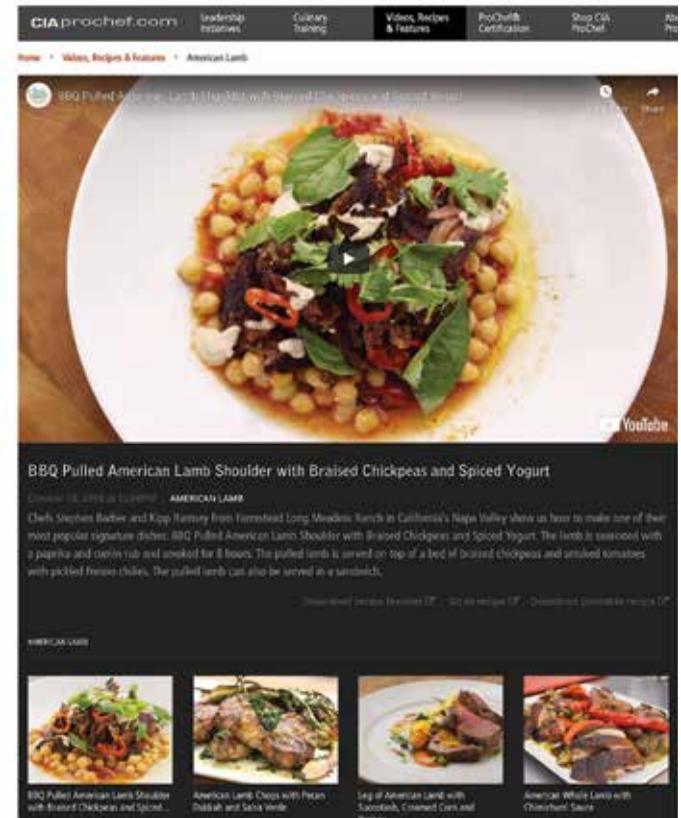
New for 2019—In FY 2019, the American Lamb Board worked with USMEF to reintroduce American Lamb into the Japan market. The ALB worked with the USMEF to develop new educational point-of-sale materials targeting high-end chefs and hotel purveyors. The USMEF also hosted trade teams made up of renowned Japanese chefs and Japanese foodservice media representatives to interact with American Lamb suppliers.

FOODSERVICE PROGRAMS

The ALB participated in a number of educational programs and conferences targeting culinary students and teachers, and foodservice distributors.

Recipes and videos were created to inspire chefs with new ways to incorporate more lamb on menus:

- **New Global Flavors Booklet**—a new recipe booklet featuring seven new globally inspired recipes from chefs in American Lamb Board target markets was developed.
- **New Culinary Institute of America (CIA) Videos**—American Lamb live fire-cooking videos were distributed by the Culinary Institute of America and resulted in more than 21,000 views. The videos will continue to be on the American Lamb page of the CIA ProChef site in FY 2020: www.ciaprochef.com/americanlamb.





DIGITAL/SOCIAL MEDIA—Keep American Lamb top of mind year-round and inspire consumer usage of lamb beyond the traditional holidays.

Social media and seasonal contests—The American Lamb Board embraces social media as a cost-effective way to educate and inspire consumers to use more American Lamb year-round. Seasonal social media contests also expand the ALB’s consumer reach through new social media followers and e-mail contacts for newsletters and events. In 2019, the ALB recruited home chefs throughout the country to host dinner parties for their friends and families featuring American Lamb and share photos across their social channels. Different consumers were selected for each of the ALB’s three seasonal campaigns—*Lamb Lovers Month*, *Galentine Celebrations*, *Summer Lambventures*, and *Fall Sunday Funday*. There were a total of 27 lamb celebrations throughout 2019!

AMERICAN Lamb

IN FY 2019, THE ALB REDESIGNED THE CONSUMER-FACING WEBSITE AND REFRESHED THEIR BRANDING to align with today's food trends. The new website has been designed to educate consumers about American Lamb from pasture to plate with an emphasis on seasonal, approachable recipes, cooking tips, nutrition and our production story. The design is modern and clean with beautiful photography telling the lamb story.





We're all about adventuring through taste, making memories around great food, and embracing fun experiences in the kitchen—no chef skills needed.

IN FY 2019, THE ALB CREATED A “FESTIVAL FLOCK” to engage chefs to promote and sample American Lamb at food festivals in target markets without having to pay high event sponsorship fees.

NEW FOR 2019—DENVER / As Denver was a new market in FY 2019, the ALB identified several strategic partnerships to build awareness about American Lamb in Denver. The American Lamb Board hosts and sponsors consumer events in target markets to expose consumers to the versatility of American Lamb.

The ALB partnered with EatDenver, a nonprofit restaurant network working to support and strengthen the Denver dining community. The partnership included ALB participation in:

- ***Eat Colorado Food Show***—Colorado’s diverse and innovative food and beverage producers are brought together with buyers from restaurants, caterers, and retailers.
- ***The Big Eat***—Eat Denver’s signature consumer culinary party featuring bites from 75 different local restaurants. The ALB partnered with two local restaurants to serve American Lamb at the event and staffed an information booth with recipes and giveaways.

- ***Harvest Week***—a five-night pop-up dinner series and fundraiser bringing together 30 of the top Denver chefs for exclusive dinners celebrating local food. American Lamb was featured as the entrée at two of the five dinners.
 - ***ED Talks***—the ALB had the opportunity to attend and network at this educational conference for Denver chefs and influencers.
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The ALB partnered with Two Parts, a Denver-based events producer and promoter, to create American Lamb promotions across their social channels and their e-newsletter that is distributed to more than 20,000 Denver consumers. The ALB also sponsored their summer Passport Program, a “passport” booklet consumers buy with two-for-one craft cocktail specials at restaurants throughout Denver. The passport partnership included an American Lamb ad featured in the 10,000 passports sold and participation at a local dining experience for passport holders where American Lamb dishes were featured. The 65 attendees each took home a pound of ground lamb.

The ALB partnered with the Mushroom Council and StarChefs in their first ever Blended Burger Dinner Series in Denver during September 2019. The following chefs/restaurants used American Lamb during the promotion:

- **TROY GUARD & JOREL PIERCE | *Guard and Grace***
Blended Lamb Burger, Butter-Griddled Bun, Provolone, Goat Cheese, Roasted Pepper, Cowboy Onions
- **JUSTIN BRUNSON | *Old Major***
Blended Lamb-Crimini Burger, Martin's Potato Roll, Tzatziki, Harissa
- **CHRIS STARKUS | *Urban Farmer***
UF Blended Lamb Burger, Purple Praire Barley Kaiser Bun, Chicory, Peach Dressing, Roasted Garlic-Onion Aioli, Crispy Mushroom
- **ALEX SEIDEL & MATT VAWTER | *Mercantile Dining & Provision***
Blended Lamb-Mushroom Burger, Hawaiian Bun, Roasted Eggplant, Harissa-Tomato Jam, Fruition Farms Sheep's Milk Feta



Troy Guard

Justin Brunson

Chris Starkus

Matt Vawter





Feed your adventurous side.



LAMB JAM TOUR



The American Lamb Board continues to host Lamb Jam events in target markets to expose consumers to the great taste and versatility of American Lamb. New for 2019: the ALB added Denver as a new target market and Lamb Jam tour stop, adding more than 500 consumers and 16 new chefs to the Lamb Jam tour. In FY 2019, the finale was hosted in partnership with *Saveur Magazine* in NYC. The event gave the ALB the opportunity to invite New York-based food media and influencers to attend and judge, and *Saveur* shared the event on their social channels, reaching 1.3 million consumers! Liz Barwick of Sarma in Somerville, Massachusetts, was crowned the winner at the event for her Turkish Roasted Lamb Shoulder with Feta and Lamb Fat Borek and Spicy Corn Ezme.

Lamb Jam Tour Stats for 2019

65%

*attendees were new
to Lamb Jam in 2019*

55%

*more likely to ask for American Lamb
after attending Lamb Jam*

75%

*likely to attend
the event again in 2020*



EDUCATE AND ENGAGE INFLUENCERS

The ALB targets social media influencers (food bloggers and food Instagrammers) and other influencers such as butchers, chefs, nutrition professionals and media to amplify messages and information about American Lamb.

In FY 2019, the ALB worked with more than ***20 lambassador bloggers to curate 60 new recipes and photos*** that were shared with ALB messages across their social channels, ***reaching more than 1.7 million consumers.***



Ranch Retreats—In FY 2019, the ALB hosted two education ranch retreats to immerse influencers (media, chefs, nutrition professionals and food bloggers) in all things lamb. After experiencing a sheep operation firsthand and interacting with sheep producers, guests were more informed and motivated to share information about American Lamb. The influencers were encouraged to share their experience with their followers through their various media platforms, helping us educate consumers about the benefits of supporting local lamb. Those who attended the two FY 2019 retreats had a combined reach of well over 1 million consumers.

Hillingdon Ranch in Comfort, Texas

The ALB and Texas A&M AgriLife Extension hosted an influential group that included national TV show host Ali Khan of *Cheap Eats* at Hillingdon Ranch near Comfort, Texas. The guests interacted with local producers, sheep experts and the ALB team. The retreat included a ranch tour, butchery demonstration and lamb lunch and cook-off including grilled meatballs, Asian kabobs and a whole lamb on a spit.

Osguthorpe Family in Park City, Utah

The ALB partnered with the Osguthorpe family to host food influencers near their Park City, Utah, ranch. A group of food bloggers, media, Instagrammers, nutritionists, and freelance writers were hand-selected for a weekend retreat centered around American Lamb. Guests included Ellie Krieger, the host of *Ellie's Real Good Food* on PBS and the former host of *Healthy Appetite with Ellie Krieger* on Food Network.

The September retreat included a ranch tour where guests learned about the family's history, met their Peruvian shepherd and toured his sheep camp. Guests also learned about grazing, breeding and the importance of guard dogs as protection against predators. The day rounded out with an adventurous and breathtakingly beautiful ATV tour through the mountains where the sheep graze during the summer, followed by a five-course American Lamb dinner featuring a variety of cuts and cooking methods.



GLAMBurger events in Boston, Austin and Seattle

In FY 2019, project GLAMBurger returned for its second year, popping up at Black's Original BBQ in Austin, Texas, and The Shambles in Seattle, Washington. In each city, a local chef hosts a collaborative workshop for a dozen social media influencers who are tasked with helping the chef concept an American Lamb burger worthy of appearing on the restaurant menu.

Ahead of the event, influencers are gifted a pound of ground lamb to create burger recipes, sharing the process with their followers. Their feedback is collected and passed on to the chef for inspiration. The day of the workshop, the chef creates three versions of an American Lamb burger and solicits real-time feedback from the influencers to choose the burger that will ultimately land on the menu as a special.



The final burgers selected in 2019:

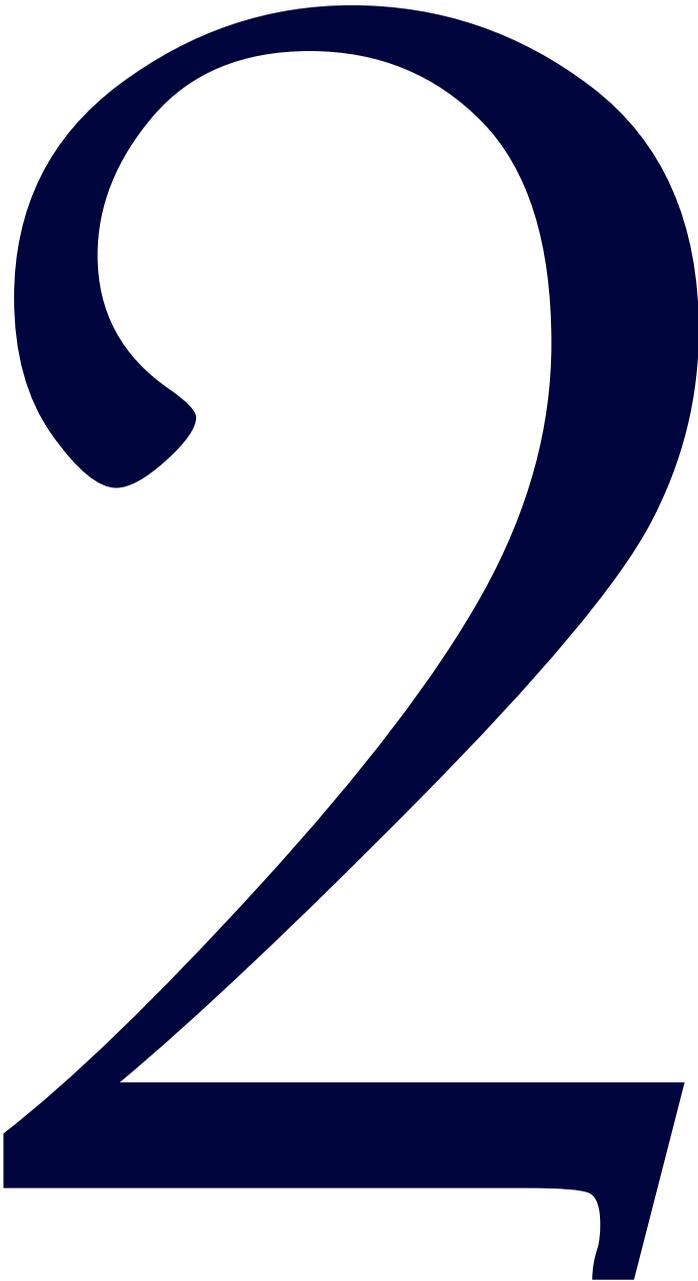
BLACK'S BBQ, Chef Barrett Black

Black's All-American Smoked Lamb Burger made with a Smoked American Lamb patty with havarti, grilled onions, jalapeño bacon jam, and topped with arugula and cherry tomatoes tossed in a habanero BBQ sauce vinaigrette

THE SHAMBLES, Chef Seamus Platt

Salumi Burger made with an Anderson Ranch whole lamb patty, crispy fig jam, aged manchego cheese on a brioche bun



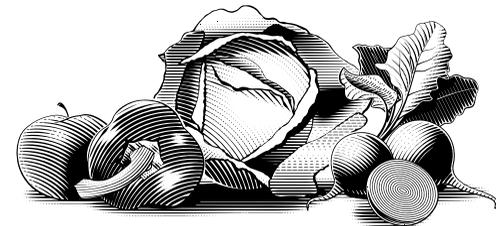


Promote and
strengthen
American Lamb's
value proposition
in today's food
environment



THERE IS NOT ONLY INCREASED INTEREST IN WHERE FOOD COMES FROM AND HOW IT IS RAISED but there are also growing concerns about the environmental impacts of raising livestock. More and more consumers are embracing a plant-based diet—eating more fruits and vegetables and less meat. There is now growing demand for plant-based proteins and hype for “fake meats.”

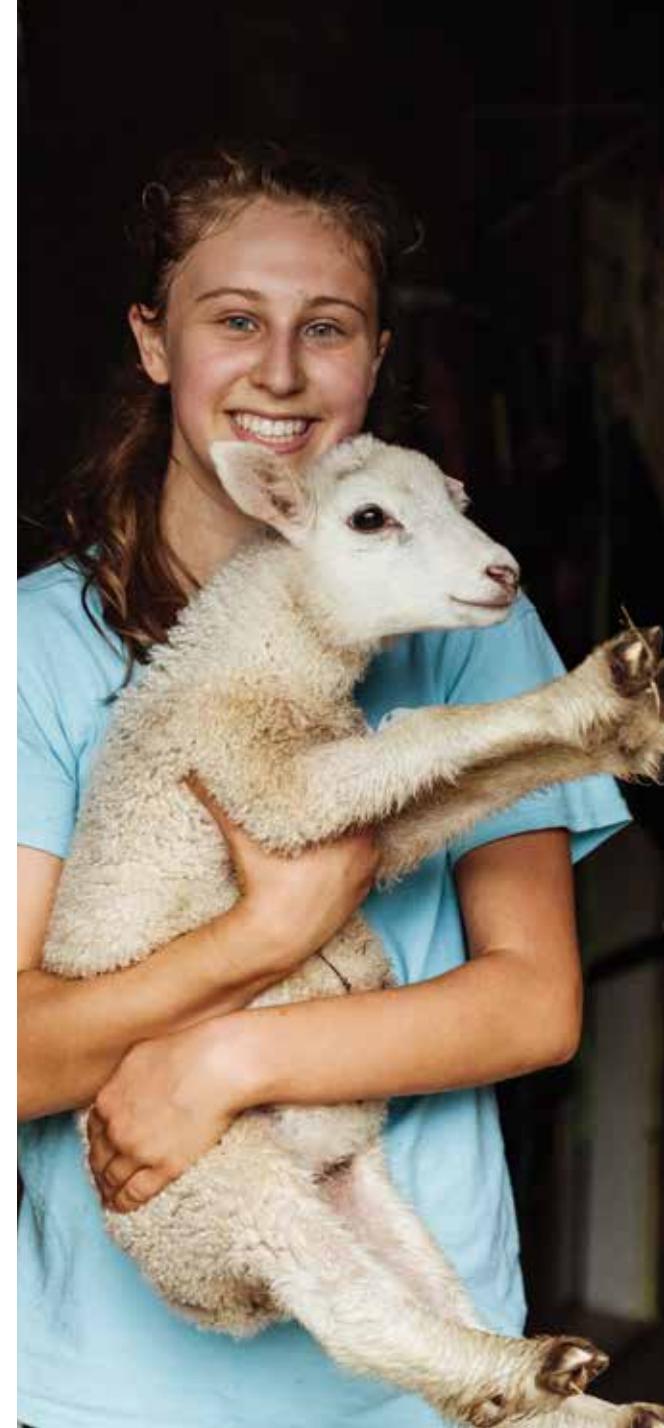
The ALB is embracing these trends and finding ways for American Lamb to fit into the conversation as a high-quality choice for conscientious meat eaters.



- 1 In FY 2019, the ALB developed a series of new plant-forward recipes and photography designed for chefs.
- 2 These trends also drove the ALB to create new storytelling tools, including video, that focus on why consumers can feel good about eating American Lamb. These new tools highlight sheep and lamb production throughout history, emphasize how sheep and lamb are intrinsic to our existence, and explain the unique relationship among sheep, humans and other animals.

While a nine-minute video will serve as the central storytelling tool, the ALB has developed a suite of materials, including a two-minute version of the video, six shorter-form social media clips, photography, and a beautiful magazine-style print piece that will anchor the digital content. The long-form video will be shown at key events throughout 2020, where the print piece will also be shared. The shorter-form videos will be used in social media to amplify the message about American Lamb, and the print piece will also be distributed to key influencers and media to support the overall positioning of American Lamb.

- 3 In FY 2019, the ALB continued to communicate the value of lamb's nutrition and health benefits to nutrition influencers. The Nourish with Lamb program, a collaboration between the ALB, Beef and Lamb New Zealand (BLNZ) and Meat and Livestock Australia (MLA), hosted three lamb workshops for nutrition influencers in partnership with Tulane University's Culinary Medicine program in New Orleans. The workshops included hands-on cooking, interaction with nutrition experts and sheep producers, and learning about the value of lamb as part of a healthy diet.



3

Improve the
quality and
consistency of
American Lamb
and support
efforts to increase
production
efficiencies

GLOBAL EDUCATION AND EXPERIENCES

The ALB continues to learn from other sheep-producing countries to identify opportunities for the US to improve its competitiveness in the market.

In FY 2019, the ALB Chairman had the opportunity to tour the United Kingdom's lamb industry and interact with their industry leaders. The ALB also participated in the first annual Global Sheep Conference, which provided the opportunity to network with and learn from other sheep-producing countries.

In FY 2019, the ALB sponsored three sheep industry extension educators to participate in a Sheep Industry Ambassador Program in New Zealand. Hosted by Beef and Lamb New Zealand, ambassadors from the US, Australia and New Zealand learned about innovative farm management practices, extension and research programs. **Reid Redden**, PhD, Texas A&M, **Whit Stewart**, PhD, University of Wyoming, and **Laurie Johnson**, Pipestone Lamb and Wool Management Program, were the three US ambassadors.

The US ambassadors agreed that the program provided an amazing opportunity to increase their knowledge of sheep production on a global level and to identify tools to help US producers increase their productivity. Additional take aways from the program:

- The program inspired the US ambassadors to look at ways their extension efforts can be guided by outcomes (not just outputs) and to develop more programs focused on improving producers' bottom line.
- It's imperative for the US sheep industry to better understand our competitors' production systems and learn from what they're doing.
- Leadership development programs are important, and building the next generation of sheep producers should be a critical priority.
- As a result of attending the program, the ambassadors have a renewed appreciation for how special the US sheep industry is and are excited about the outstanding potential for American Lamb.

FLAVOR RESEARCH / The ALB has been working with university experts over the past several years, mainly from Colorado State University (CSU), on a series of research projects to help all segments of the industry provide the highest quality, best flavored lamb possible.

ALB Flavor Research Phase I (2016)

Fat and lean compositional differences can be measured using volatile flavor compound analysis, and researchers have been able to associate meat flavor attributes with these methods. The study identified 50 metabolites responsible for lamb flavor and which can be used to predict flavor to be mild or bold as well as have presence of off-flavors. This ALB project developed a proof of concept for using these analyses to differentiate lamb flavor and found methods to use them at plant production speeds to segregate lamb carcasses into expected eating quality groups.

ALB Flavor Research Phase II (2018)

With the results of Phase I making it feasible to continue, Phase II tested the capabilities of Rapid Evaporative Ionization Mass Spectrometry (REIMS) to characterize flavor profiles of various meat tissues and evaluated its ability to predict carcass characteristics. This study discovered that REIMS is uniquely able to capture high-resolution metabolic profiles faster than other approaches. By using predictive sensory models developed as part of this phase, off-flavors and carcass characteristics can be identified at a high accuracy. More importantly, REIMS is able to provide this information in real-time which makes it an option for being used in harvest facilities without sacrificing necessary line speed.

ALB Flavor Research Phase III (2019-2020)

Now the ALB is in the third phase of flavor research, building on the findings of Phases I and II. In the upcoming months, CSU researchers will determine if REIMS can identify and sort differences in sheep meat flavor based on specific and detailed consumer preferences, using data correlated to consumer panels. Differentiating lamb flavor into categories that are meaningful to consumers will help to increase the ability of private companies to market lamb, and therefore give them more information to understand the value of investing in REIMS technology.



SEASONALITY ANALYSIS /
With 85 percent of the US lambs born between January and May and year-round demand for fresh American Lamb, the ALB worked with Texas A&M in FY 2019 to analyze numerous scenerios for opportunities for producers who can shift their production timeline. The study indicates that success can happen through slight adjustments instead of drastic changes. Copies of the report are available.

THE ALB SUPPORTS GENETIC IMPROVEMENTS and provided funding to the the National Sheep Industry Improvement Program in FY 2019.

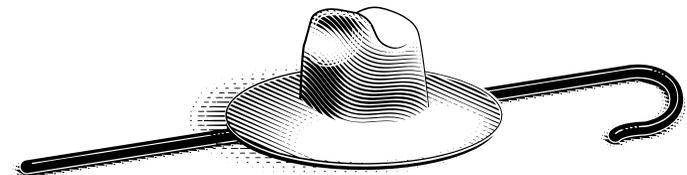
AMERICAN LAMB SUMMIT

This year, in partnership with Premier 1 Supplies, the American Lamb Board developed and hosted their first ever American Lamb Summit designed to instill relevant, meaningful knowledge that can be implemented to address lamb quality and production efficiencies. It also sought to inspire collaboration, networking and information sharing across all segments and geographic regions of the American Lamb industry. Sixty percent of the lamb consumed in the US market is imported from Australia and New Zealand. The goal of the American Lamb Summit is to address issues and strategies to improve the US lamb industry's competitiveness and regain market share from importers.

The summit brought together 200 sheep producers, feeders and packers from all over the country to Colorado State University (CSU) in Fort Collins, Colorado, August 27–28, 2019. Outcomes from the inaugural American Lamb Summit were clear: all segments of the industry need to further improve lamb quality to keep and attract new customers and become more efficient to recapture market share from imported lamb. Yet, it was just as clear that production technologies and product research make industry success within grasp.

The conference included in-depth, challenging discussions and hands-on demonstrations on topics such as consumer expectations, business management tools, realistic production practices to improve productivity and American Lamb quality and consistency, and assessing lamb carcasses. Sessions were carefully planned so that attendees would gain tools for immediate implementation.

The American Lamb Board and Premier 1 Supplies plan to host these education conferences every other year. The board is committed to having all segments of the industry work together to implement progressive production changes throughout the supply chain to regain market share from imported product and supply our country with more great-tasting American Lamb.





4

Collaborate with
industry partners
and stakeholders
to expand our
efforts to address
strategies 1–3

THE ALB HAS TWO FUNDING PROGRAMS available to industry partners to support local and branded promotions that help expand the ALB's efforts to build awareness and demand for American Lamb.

Supplier Cooperative Funding Program—The ALB partnered with five different lamb suppliers on a variety of promotional activities including in-store sampling, education events for foodservice distributors and point-of-sale materials.

Local Lamb Funding Program—The ALB supported 30 local lamb events throughout the US including food festivals, farmers' markets and farm tours.

ALB LEADERS PARTICIPATED IN THE NEW LAMB INDUSTRY ROUNDTABLE that included representatives from the American Sheep Industry Association, the National Lamb Feeders Association and the two largest packers. The goal of the roundtable is to provide a forum for leaders from all sectors and national industry organizations to:

- Discuss industry challenges and issues.
- Develop strategies to address the four Roadmap goals: product characteristics, demand creation, productivity improvement and industry collaboration.
- Work together to gain back market share from imported lamb.
- Strengthen our industry's competitive and long-term profitability.



5

Measure the
effectiveness of
our programs

RETURN ON INVESTMENT STUDY ANALYZES CONTRIBUTION OF THE AMERICAN LAMB CHECKOFF PROGRAM

In FY 2019, the ALB commissioned an extensive economic return on investment analysis. The study, done at least every five years, is designed to help the American Lamb Board evaluate the efficiency and effectiveness of the American Lamb Checkoff Program and ensure its promotional efforts deliver a good return on the industry's investment. It aimed to answer two main questions: (1) what have been the effects of the American Lamb Checkoff Program on US lamb markets, and (2) what have been the returns to the US lamb industry from its investment in the Checkoff Program (the ROI).

The American Lamb Checkoff Program has positively contributed to American Lamb demand and industry profits, according to the Texas A&M University 2019 report "Return on Investment in the American Lamb Checkoff Program" conducted by agricultural economists Gary Williams, PhD, and Dan Hanselka.

After extensive econometric modeling, researchers concluded that the American Lamb Checkoff Program added from 2.4 to 2.7 percent of the annual value of retail lamb. The new study indicated that this "lift" is the result of increased consumption of lamb and a more modest increase in retail price. The ALB promotion programs have helped increase the US production share of lamb consumption to "some extent over time."

Another measure of the American Lamb Checkoff Program contribution to the industry is the cost-to-benefit ratio. The Texas A&M study reported that the average return to industry stakeholders for every \$1 invested into the American Lamb Checkoff Program is approximately \$14.20.





AMERICAN LAMB BOARD

6300 EAST YALE AVENUE, SUITE 110, DENVER, COLORADO 80222

866.327.LAMB (5262)

WWW.AMERICANLAMB.COM