

Myth vs. Fact: The Beef Checkoff

MYTH: The Beef Checkoff is just a slush fund.

FACT: The Beef Checkoff is a marketing and research program created by cattle producers and voted on by cattle producers. Every time cattle are sold in the U.S., \$1 from the sale goes to the Cattlemen's Beef Board (CBB). The CBB consists of cattle producers appointed by the Secretary of Agriculture and the CBB determines how to invest those checkoff dollars to support the entire cattle industry. Checkoff-funded work builds beef demand through advertising, consumer engagement, research, and more.

MYTH: NCBA is the Beef Checkoff.

FACT: The National Cattlemen's Beef Association (NCBA) is a contractor to the Beef Checkoff. Every year, NCBA goes before the CBB members and competes to conduct work on a cost-recovery, non-profit basis that strengthens consumer demand for beef. If the cattle producers who lead the CBB like our ideas, they direct funding to conduct that work. If not, they can direct investments to other work or other contractors. Every dollar is closely monitored and NCBA provides regular updates to the CBB to show how our work is supporting the cattle industry.

MYTH: NCBA is the only Checkoff contractor.

FACT: NCBA is one of <u>12 contractors</u> to the Beef Checkoff. Other contractors include other agricultural groups, universities, research institutions, and even the U.S. Cattlemen's Association. Anyone can visit the Cattlemen's Beef Board website to see exactly how much money each contractor receives and how that money is being invested in programs that benefit all cattle farmers and ranchers.

MYTH: Producers receive no benefit from the Checkoff.

FACT: The Beef Checkoff provides an <u>\$11.91 return</u> for every dollar invested in the program. Additionally, the Checkoff has developed numerous <u>tools</u> to support consumer and producer education.

MYTH: Checkoff dollars are used for lobbying.

FACT: Federal law, the <u>Beef Promotion and Research Act</u>, prohibits any checkoff dollars from being used for lobbying. Additionally, NCBA has a robust firewall to ensure that checkoff dollars and policy dollars are kept separate. This firewall is verified through continual <u>financial audits</u>. Only money from voluntary NCBA membership dues and stakeholder investments are used for lobbying on behalf of NCBA's member-directed efforts.