

TRUST AND TRANSPARENCY- WHAT COMES FIRST?

*HOW TO COMMUNICATE
WHAT WE DO AND WHO WE ARE*



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20 Years of Change

- Stamps....fax....email...tweets...
- Specialized to general reporters...
- Daily deadlines to instant deadlines...
- 30 minutes of nightly news to 24/7
- 60 Minutes to 600 minutes of tabloid news shows...
- Talking to texting...
- Private dignity to letting it all hang out...
- *E. coli* what?
- “British Invasion”
- PETA proliferation...
- Undercover everything...

Cultural Trends

- Math and science weak relative to other nations
- Seeking easy answers
- Twitter: 140 characters
- Conditioning ourselves toward shorter attention spans
- Young people taking the big idea over the details

Declining Trust

- Do you believe most Americans can be trusted or you can't be too careful in dealing with people?
- 1960: 60 percent trust most people
- 1970s: below 50 percent
- 1990: 40 percent trust most people
- 2006: just 32 percent trust most people

Source: *True Enough*, by Farhad Manjoo

Why do people trust each other less?

- ❑ Interact less with one another
- ❑ Watch TV more and reality is distorted
- ❑ Many feel that those in whom they've placed trust – corporations, churches and government – have proved unworthy
- ❑ Shifting from generalized trust (trust of people broadly) to particularized trust (where we only trust people like ourselves. Particularized destroys generalized.

Source: *True Enough*, by Farhad Manjoo

Americans and Food

- Less connected to ag
 - ▣ Fewer than five percent on farms
 - ▣ Separated by generations
- Have basic knowledge void that many will readily admit
 - ▣ Some of our biggest challenges are educated adults who “think” they know...
 - ▣ I was where they are 20 years ago!
- Knowledge void is an opportunity for industry – and activists

Don't Just Tell Me – Show Me

- Gaming, YouTube means visually focused
- Speak in visual terms
- More skeptical receivers need to see it to believe it

WHAT'S THE REAL SIGNIFICANCE OF THESE TRENDS?

*"A lie gets halfway around the world
before the truth has a chance
to get its pants on."*

-- Winston Churchill

Oprah Show Featuring Cargill



Today's environment provides many challenges to consumers' trust and confidence in food



“The most important factors to the overall reputation of a company are ‘trust’ and honest and transparent business practices.”

***--2nd Annual Edelman Business Trust Survey,
February 2011***

What have we learned?

Consumer Confidence Monitor and Dairy Issues

Key Take Aways

- Starting from a good place
 - Confidence not requiring rebuild
 - Key is to sustain current levels, protecting against potential threats
 - Health benefits of dairy acknowledged and appreciated

- Biggest threat: consumer concerns about the ways unintended outcomes might emerge from efforts to produce efficiently

- Environmental issues are important to the environmentally savvy, but for most they remain “out of sight out of mind”
 - The exception is welfare of dairy cows—a matter of concern

- Remaining issues are off the radar, but of interest to small niche groups

Dairy is strongest when it links to **rational** as well as **emotional** benefits



Twenty-eight dairy issues were explored with consumers

- Health benefits to health uncertainties
- Niche dairy products to non-dairy
- On-farm practices to food safety



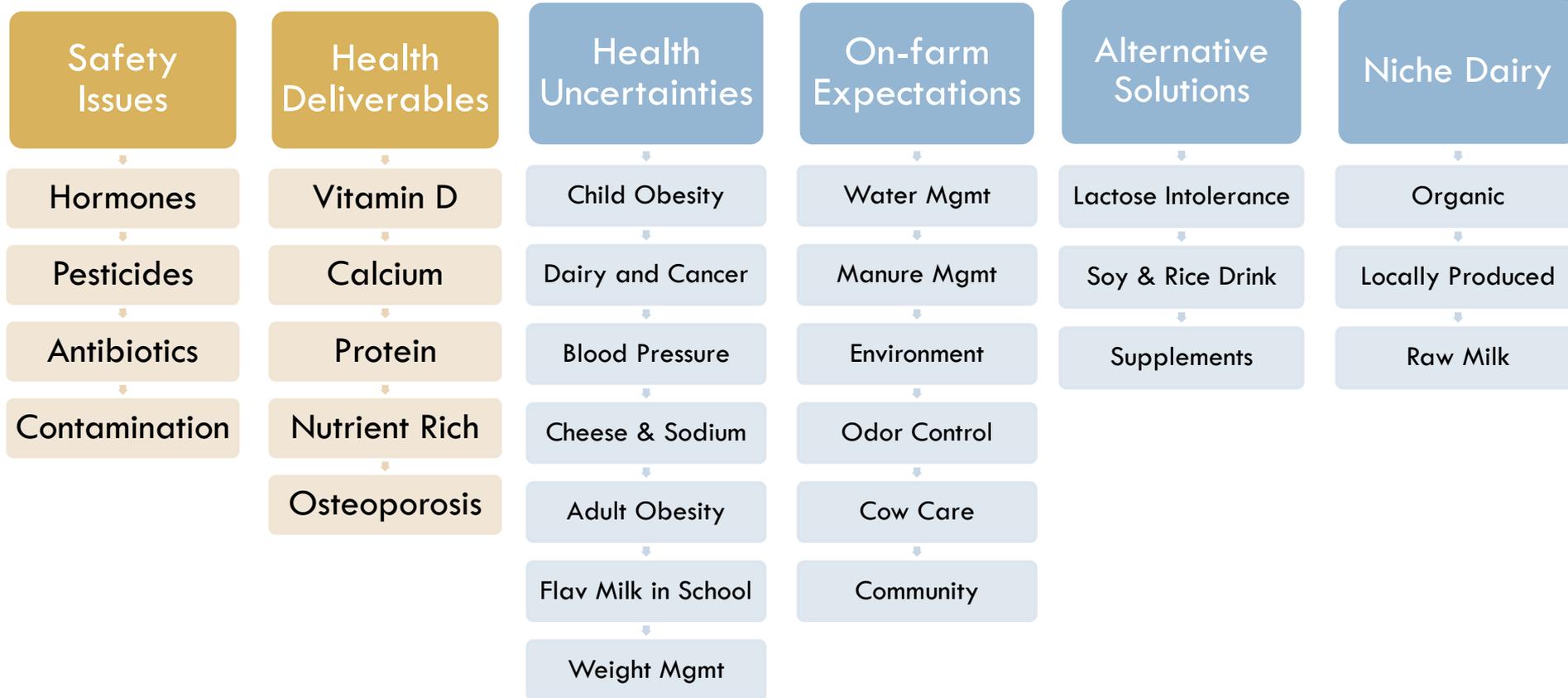
Most powerful beliefs have emotional or satisfaction piece

- Tastes good
- Healthy choice
- Part of my life/family – provides peace of mind

Consumers organize these issues into six broader themes

Greater Importance

Lesser Importance



Consumer Confidence Attitude Monitor
 Understanding the Consumer Mindset Toward Dairy Issues
 --- MDA Analysis

'Innovation' triggers **FEAR** of product alterations, however opportunity exists for consumer benefits

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Innovation



Consumers think...

Altered or genetically-based changes



Go against beliefs that milk and dairy is pure, natural and wholesome

Position innovation in a way that prompts benefits based on consumer needs rather than concerns regarding product change.

Environmental stewardship is a timely topic but still in its infancy in engaging the consumer

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Reduce, recycle, environmentally friendly



Consumers trying to do their part at home

AND

Expect dairy businesses to do the same

Environmental dairy issues are important to the environmentally savvy but

FOR MOST

Are “out of sight, out of mind”

Among those knowledgeable enough to judge, consumers hold generally positive perceptions of how dairy farmers and processors protect resources.

So, how does this apply to us?

- Messages about food are most effective when emotional *and* rational benefits are linked
- Food safety and health benefits still at top of consumer issues
- Innovation can trigger consumer fear if it is not linked to consumer benefits
- Environmental stewardship/sustainability still in the infancy of consumer issues, but not to be ignored

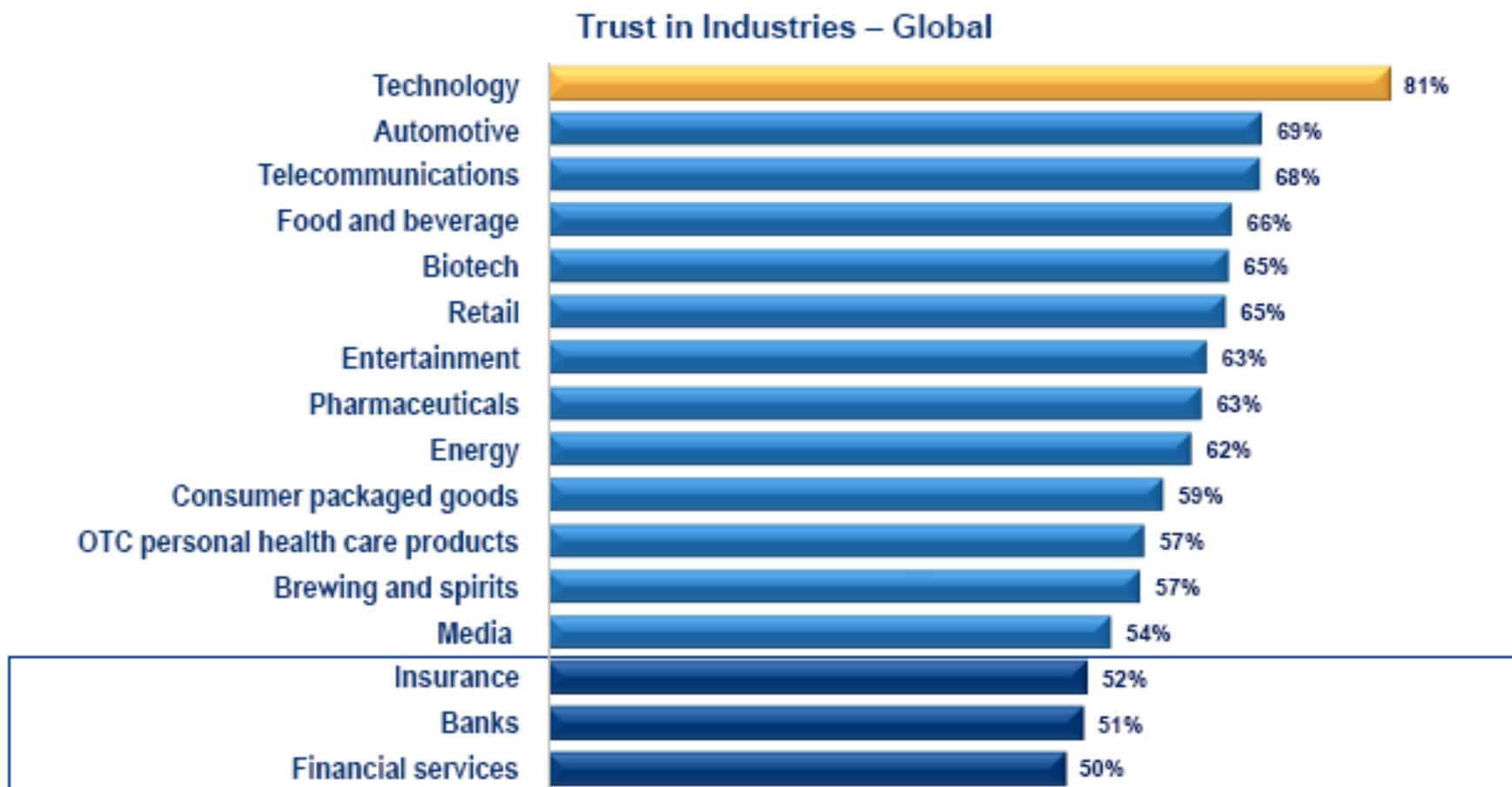
Consumer Confidence in Food Production

- According to Center for Food Integrity's 2010 consumer trust research:
 - “I am confident in the safety of the food I eat.”
 - 2009 mean: 6.31 2010 mean: 6.21
 - “U.S. meat is derived from humanely treated animals.”
 - 2009 mean: 5.50 2010 mean: 5.47
 - “I would support a law in my state to ensure the humane treatment of farm animals.”
 - 2009 mean: 6.81 2010 mean: 7.04

10-pt scale: 1=Do not agree, 10=Agree very much

Technology firmly on top; automotive rallies. Finance sector at bottom

How much do you trust the following industries to do what is right?



Responses 6-9 on 1-9 scale; 9=highest; Informed publics ages 25 to 64

Sources of Trust

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Food Safety

Most trusted:
Government sources (CDC, USDA, FDA, USHHS) although FDA, USHHS have mistrust issues

NDC trusted source

CSPI less well known, but more trusted than MDA nationally

Health & Wellness

Most trusted:
AHA, Center for Disease Control
Mayo Clinic

PCRM, CSPI not well known, not as trusted

FDA, well trusted but also larger distrust factor

NDC well trusted

Animal Care

Most trusted:
Am Society for Prevention of Cruelty to Animals, American Humane Society, Humane Society, and USDA

PETA viewed with mixed trust, mostly distrust

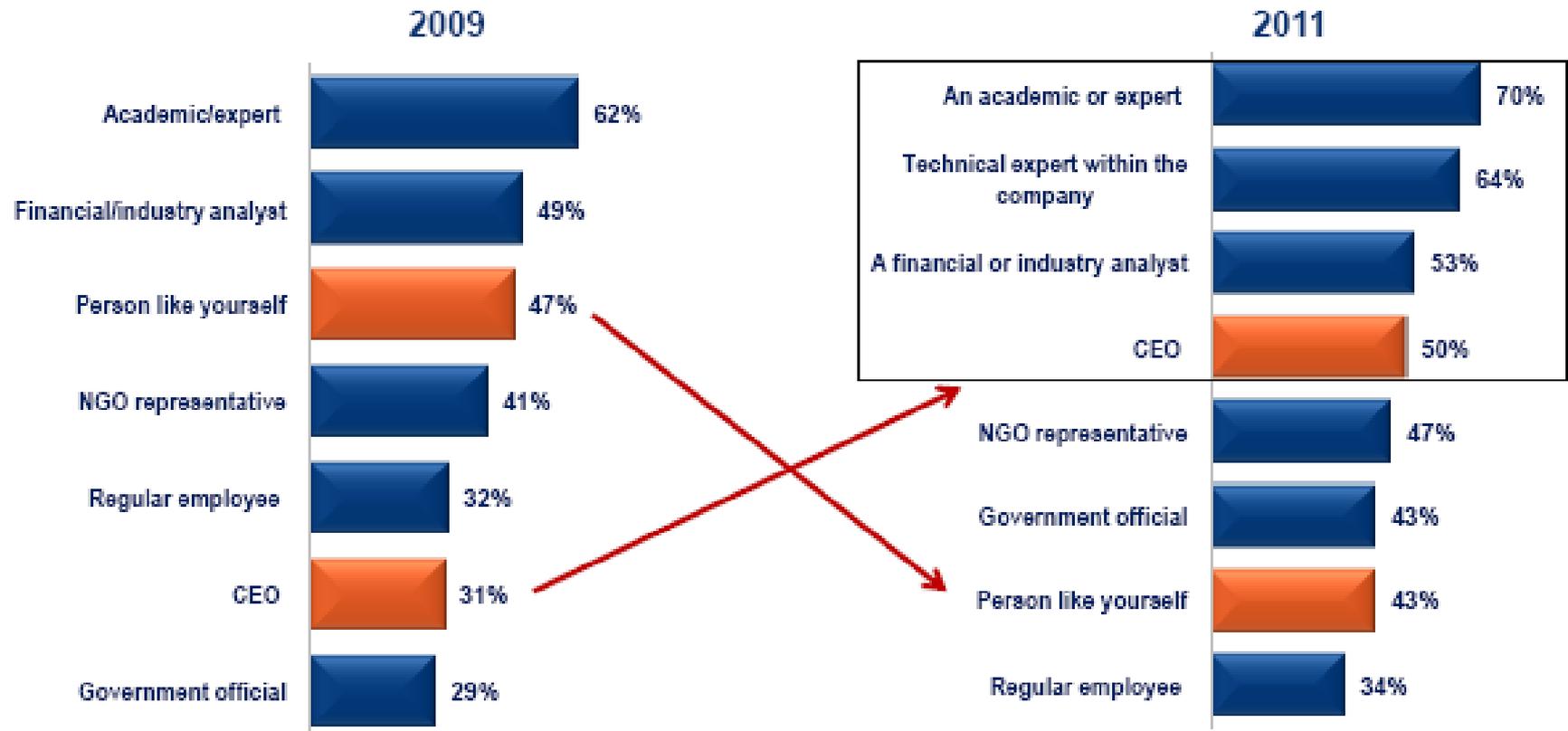
Am Vet Med Assoc less trusted than dairy orgs

Environmental

Most trusted:
Nat'l Geographic
EPA
World Wildlife Fund

CEOs lead rise in trust in authority, but “person like me” drops amid flight to credentialed spokespeople

If you heard information about a company from one of these people, how credible would that information be?



Responses “Extremely credible” and “very credible”; Informed publics ages 25 to 64

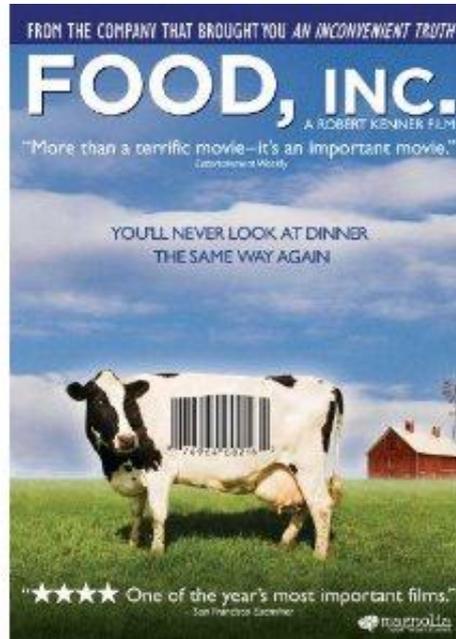
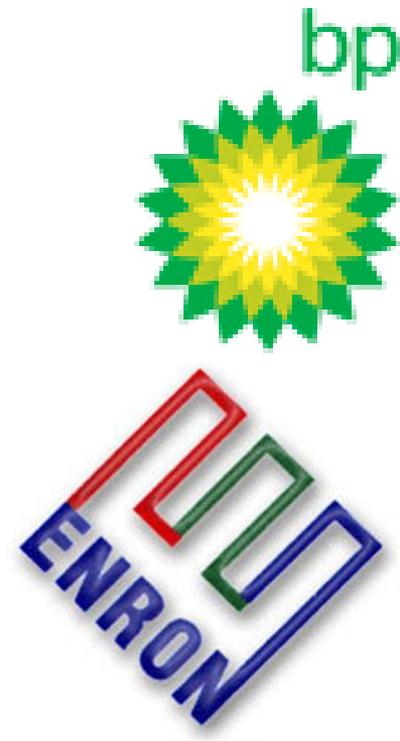
Books, Films and Events

- *Fast Food Nation (Chew on This)*
- *Eating Animals*
- *Omnivore's Dilemma (And the Youth edition)*
- *Supersize Me*
- *Food Inc.*
- *Pig Business*
- *Forks Over Knives, May 2011*
- *Food Day October 24*

What have we learned?

Where lack of transparency
brought business to its knees

Not How You Want to Do It



A Whisper Campaign and Business Ethics

For years, Mark Zuckerberg, the chief executive of Facebook, has extolled the virtue of transparency, and he built Facebook accordingly. The social network requires people to use their real identity in large part because Mr. Zuckerberg says he believes that people behave better — and society will be better — if they cannot cloak their words or actions in anonymity. --New York Times, 5/13/11

- Enter Burson-Marsteller. Burson liaised with reporters and opinion editors to generate news about Google's Social Circle, alleging its violation of privacy and continuation of Google running into trouble with the Federal Trade Commission.
- In its outreach, Burson failed to disclose that Facebook was its client and produced misinformation in its pitch as it undertook the whisper campaign.

“I REGRET NOT BEING
HONEST ABOUT THIS.”

--Rep. Anthony Weiner, June 6, 2011

Transparency and Social Media

- Stick to the facts and state the truth.
- Accept and acknowledge when your company has made a mistake. Your customers will appreciate it.
- When your customers have questions, you should provide them with answers. Don't beat around the bush.
- Disclose every relationship your company has with other companies or issues.
- Make information accessible for your customers. They don't want to go fishing for your dirty laundry.

Lack of Transparency in the EU

- ClientEarth and Pesticides Action Network Europe (PAN Europe) launched a case in the General Court of the European Union against the European Food Safety Authority (EFSA)
- Case was brought because EFSA is not being transparent about decisions that led to guidance on the interpretation of EU law
- EFSA's guidance allows pesticides used in agriculture to reach the EU market disregarding evidence from independent scientists
- EFSA's transparency was recently questioned when four EFSA board members were found to be on the payroll of companies with vested interests in their decision making



What have we learned?

How to tell the story of who we are
and what we do

Telling Your Story

What is your opening statement?

- Meaningful words that set the tone

Why should they listen to you?

- What voice do you represent? Make it personal.

What is the real issue?

- Give the opportunity followed by the action for your audience.

What is your theme?

- Make sure that the theme solves the dilemma and is a direct sentence.

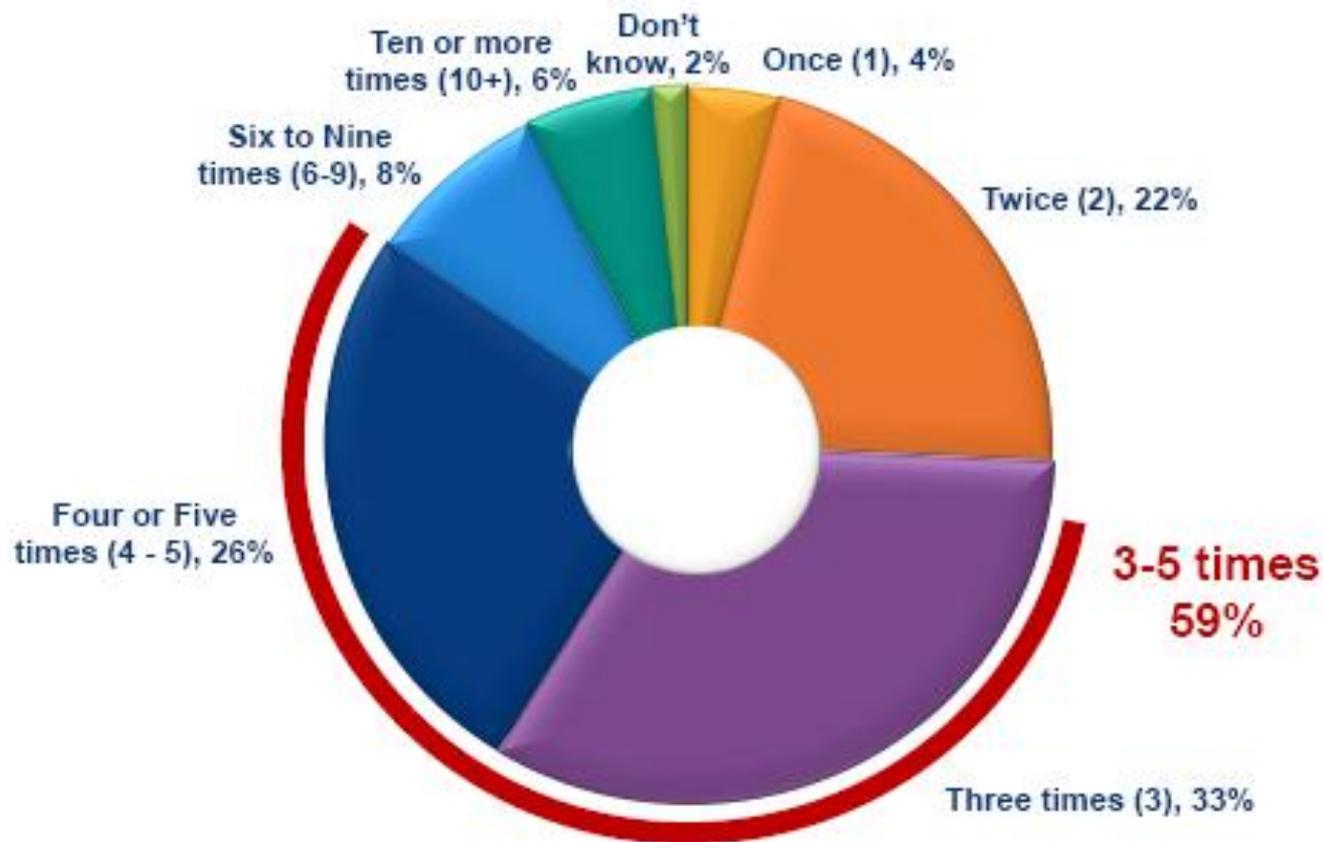
Prove your point with one concise example or comparison.

One-Minute Elevator Pitch

- What do you want the listener to do?
- Why should he/she/they listen to you?
- What is the true dilemma?
- What is your theme?
- Prove it with one comparison
- What he/she/they may be wondering is....
- Close with a verbal picture

Repetition enhances believability

How many times in general do you need to hear something about a specific company to believe that information is likely to be true?



Information + Connection = Success

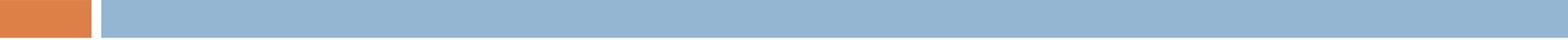
**Meat Safety
and
Nutrition:
The Facts**

American
Meat Science
Association



Becoming Meat Information Warriors





Other Outreach Materials From AMI



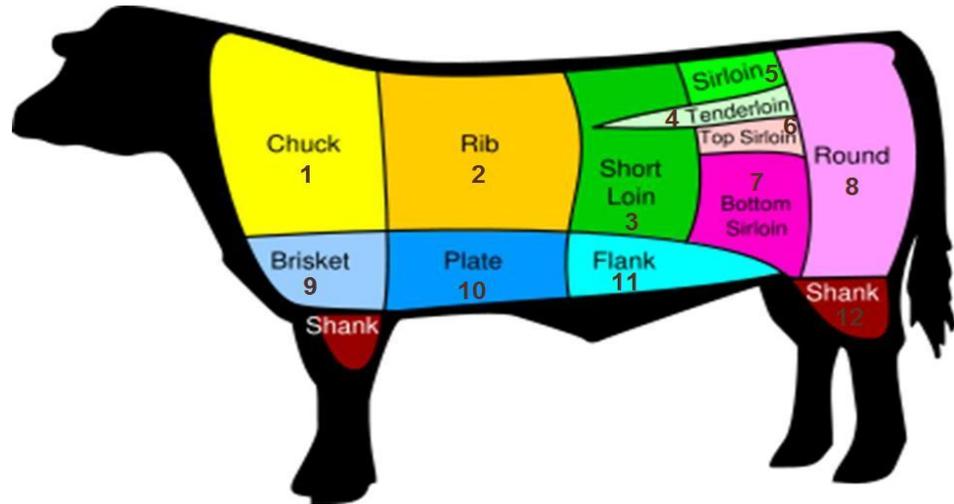
Animal Science Merit Badge Program

Based Upon
Boy Scouts of America
Merit Badge Series



Beef Cattle

- People don't eat grass, hay or coarse vegetation
- Cattle do – and they can convert grass and roughages into meat, milk and usable by-products

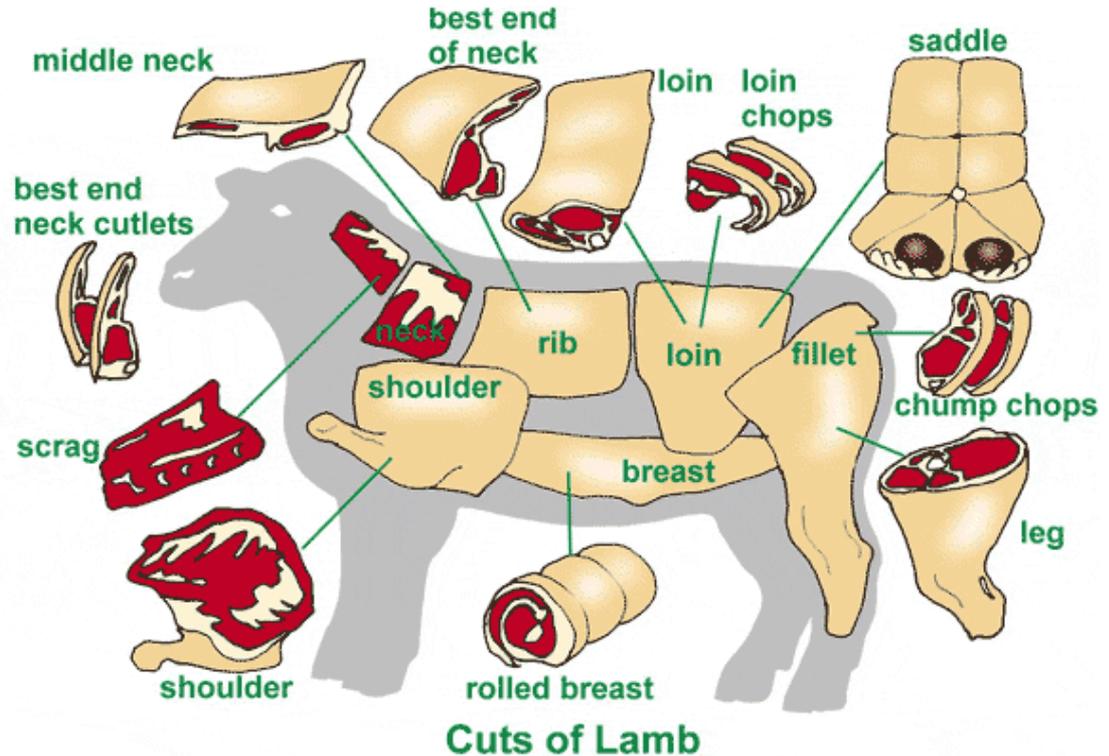


Cattle are the most efficient means to derive food from wooded and mountainous lands unsuited for crops

Meat UP Scouts

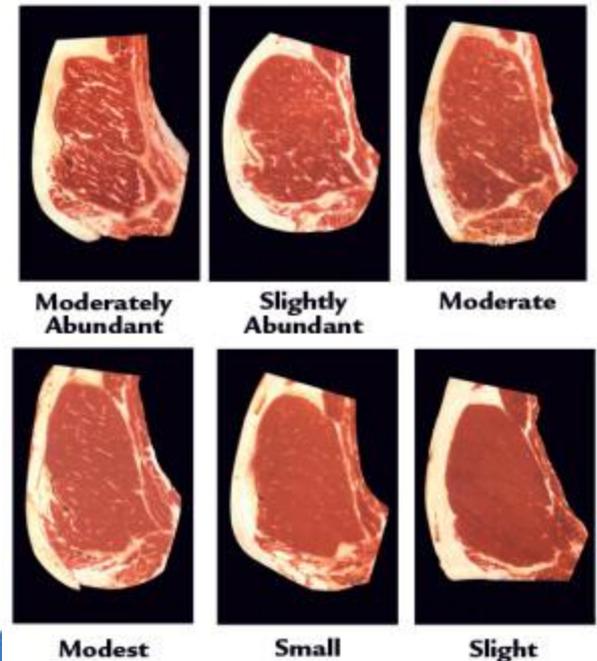
Meat Cuts of Sheep

- Younger sheep produce meat we call **lamb**
- Older sheep produce **mutton**, which is a more strongly flavored lamb not commonly consumed in the U.S.



Graders

- Inspect agriculture products to determine quality and grade
- Generally specialize in a commodity, like dairy or eggs
- Meat is graded in part based upon marbling of fat and muscle





The Meat You Eat

*Where it comes from and why
it's good for you!*

meatup @ school

Why do we eat meat?

- Protein = muscle growth



- Vitamins/minerals = good health



- Sticks with you = **FIGHTS HUNGER**

- It tastes good

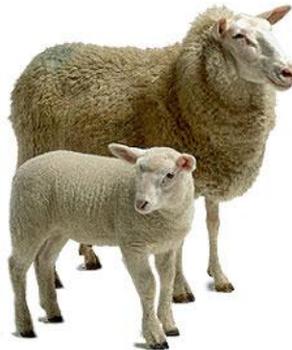


meatup @ school



Matching Game!

- Hamburger
- Nuggets
- Bacon
- Turkey Sandwich
- Ham
- Steak
- Carnitas
- Lamb chop
- Venison



Let's Be Safe!

- Cook foods to the correct temperatures
 - Use a thermometer, cook to 160 degrees!
- Don't eat pink burger!
 - Ask Mom, Dad or the waiter, "Please cook them some more!"



meatup @ school





The Meat You Eat

Where it comes from and why it's good for you...

meatup @ school

Germs Are Only On the Outside of Meat



If We Apply Heat, Germs On the Outside Are Killed Easily



But If We Grind that Steak Up...



- Germs get on the inside!



That's Why We Need to Cook Burgers Carefully!



When a burger is cooked, the thermometers should say 160 degrees F!

“Burgers are nifty at 160!”



Trust and Transparency...

What questions do you have?

THANK YOU!



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