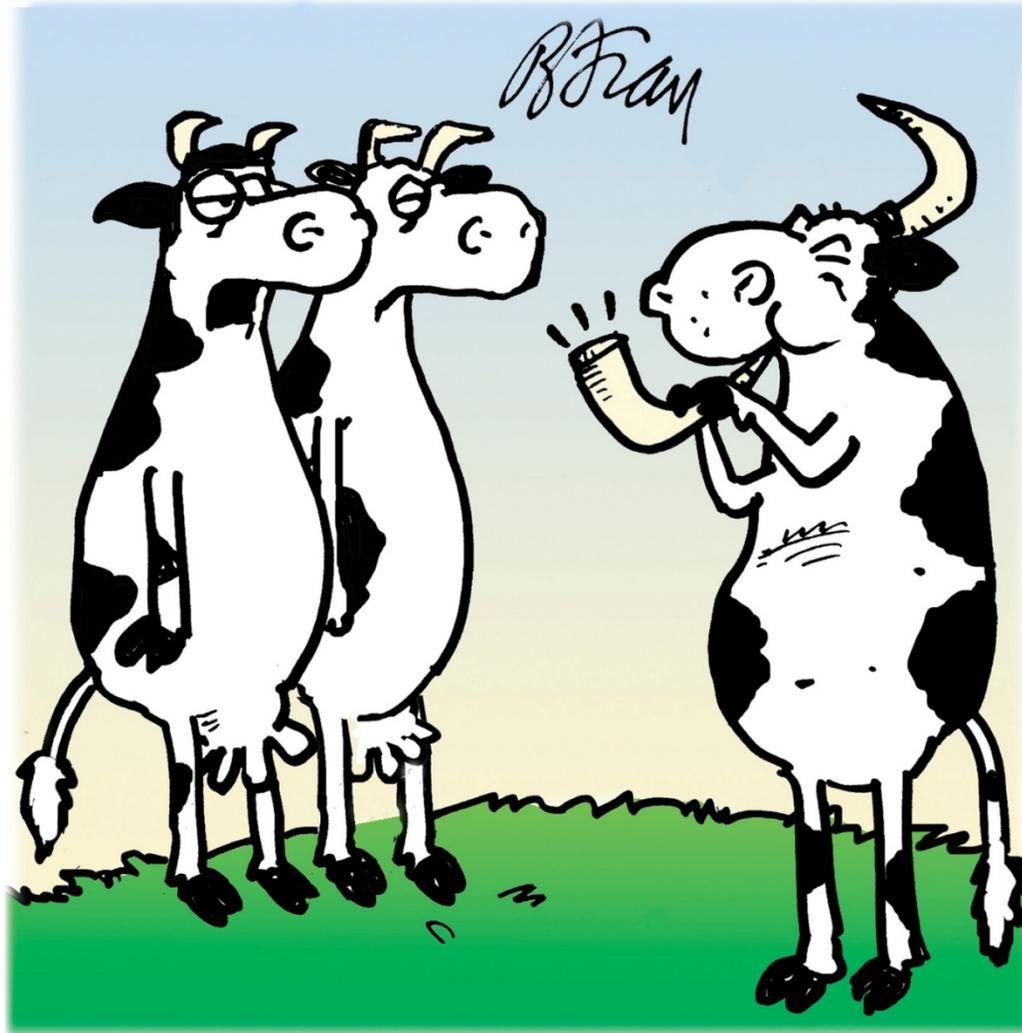




Adding Value to Meat Through Further Processing

J. Brad Morgan





"I GET REALLY TIRED OF HIM
BLOWING HIS OWN HORN
ALL THE TIME!"

PERFORMANCE Brands Drive Margin and Sales

- Broad array of products, wide variety of customers
- Independent restaurants, institutions & local franchise chain locations
- Comprehensive portfolio of branded and private label products
- Expertise in Italian category
- National distribution network
- Highly competitive and fragmented market
- Organizing the supply chain to create mutually beneficial relationships

Current Brands of Distinction

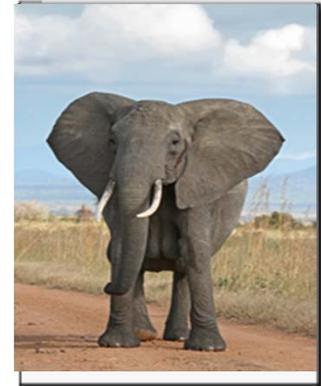
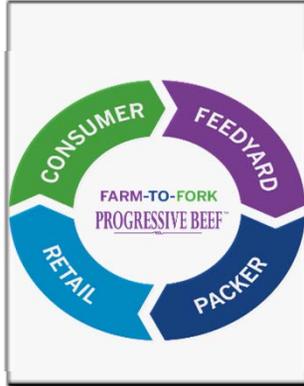




**TOP 10 LIST OF
BRAVEHEART
ANGUS BEEF
ATTRIBUTES**

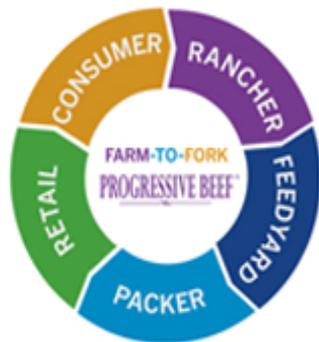


MY TOP 10 FAVORITE



PROGRESSIVE BEEF™

Offer a beef product that delivers on consumer values.



When asked, 45% of consumers say they would likely seek a grocery store carrying beef produced using a verified program.¹

Beef consumers are shopping with a conscience. They want to know their beef is:

1. Safe
2. Raised according to animal care standards
3. Sustainable

You can meet their demands. Progressive Beef™ is the most comprehensive farm-to-fork quality assurance program to help deliver safe and wholesome beef.² Established standard operating procedures (SOPs) are used to help ensure food safety, animal welfare and sustainability. In fact, these three consumer concerns are the three pillars of Progressive Beef.

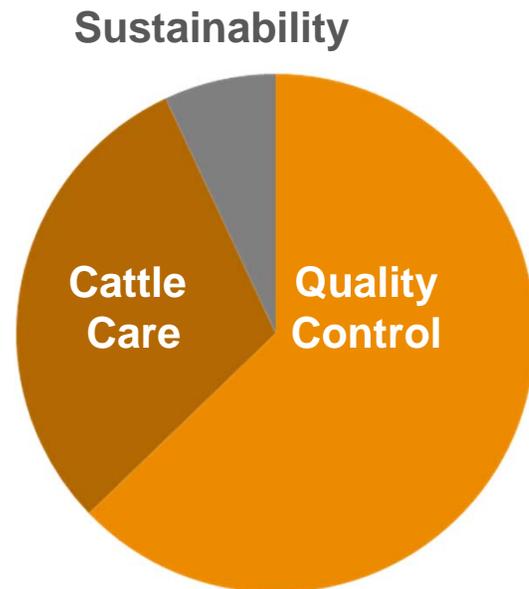
Find out how this verified program offers advantages for every step of the beef supply chain.



STANDARD OPERATING PROCEDURES



SOP's AREA OF FOCUS



PROGRESSIVE BEEF SOP PLATFORM

Quality Control SOP's	
Feed Related	9
Cattle Handling	6
Product Use	6
Misc.	6
Total	27

Sustainability SOP's	
Environment	1
Societal	1
Operational Efficiencies	1
Total	3

Cattle Care SOP's	
Persuasion Devices	
Castration	<input checked="" type="checkbox"/>
Tipping of Dehorning	<input checked="" type="checkbox"/>
Branding	<input checked="" type="checkbox"/>
Aborting Heifers	<input checked="" type="checkbox"/>
Calving	<input checked="" type="checkbox"/>
Equipment	
Feed & Water	
Transportation	
Stress Management	<input checked="" type="checkbox"/>
Non-Ambulatory	
Euthanasia	<input checked="" type="checkbox"/>
Cattle Handling	
Total	13

: Require sign-off by feedlot consulting veterinarian

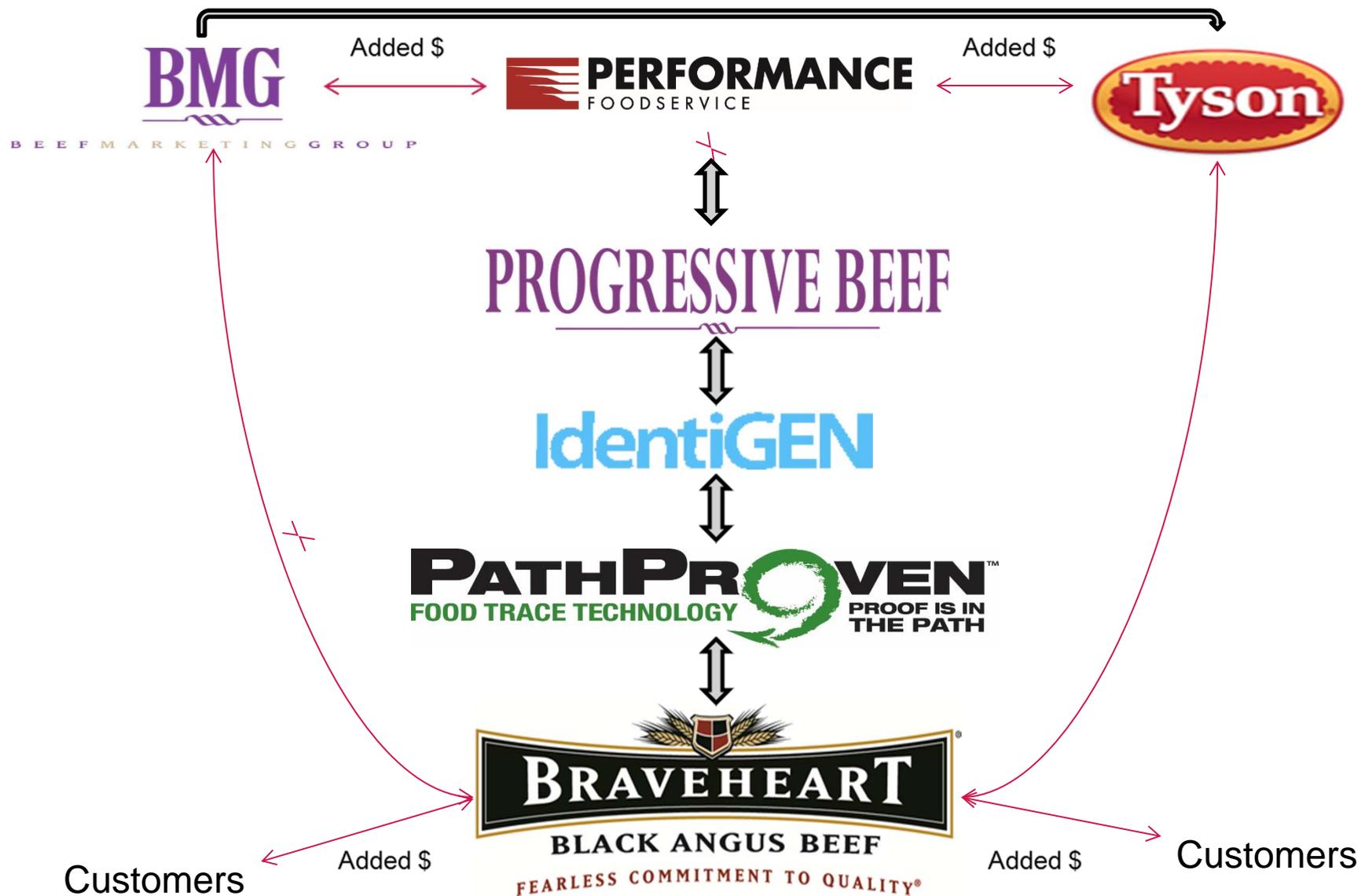




'I THINK USING ANIMALS FOR FOOD IS AN ETHICAL THING TO DO, BUT WE'VE GOT TO DO IT RIGHT. WE'VE GOT TO GIVE THOSE ANIMALS A DECENT LIFE AND WE'VE GOT TO GIVE THEM A PAINLESS DEATH. WE OWE THE ANIMAL RESPECT.'
TEMPLE GRANDIN



Braveheart is based on creating products that motivate customers to pay higher prices than they pay for commodity beef and then sharing those premiums with all supply chain partners



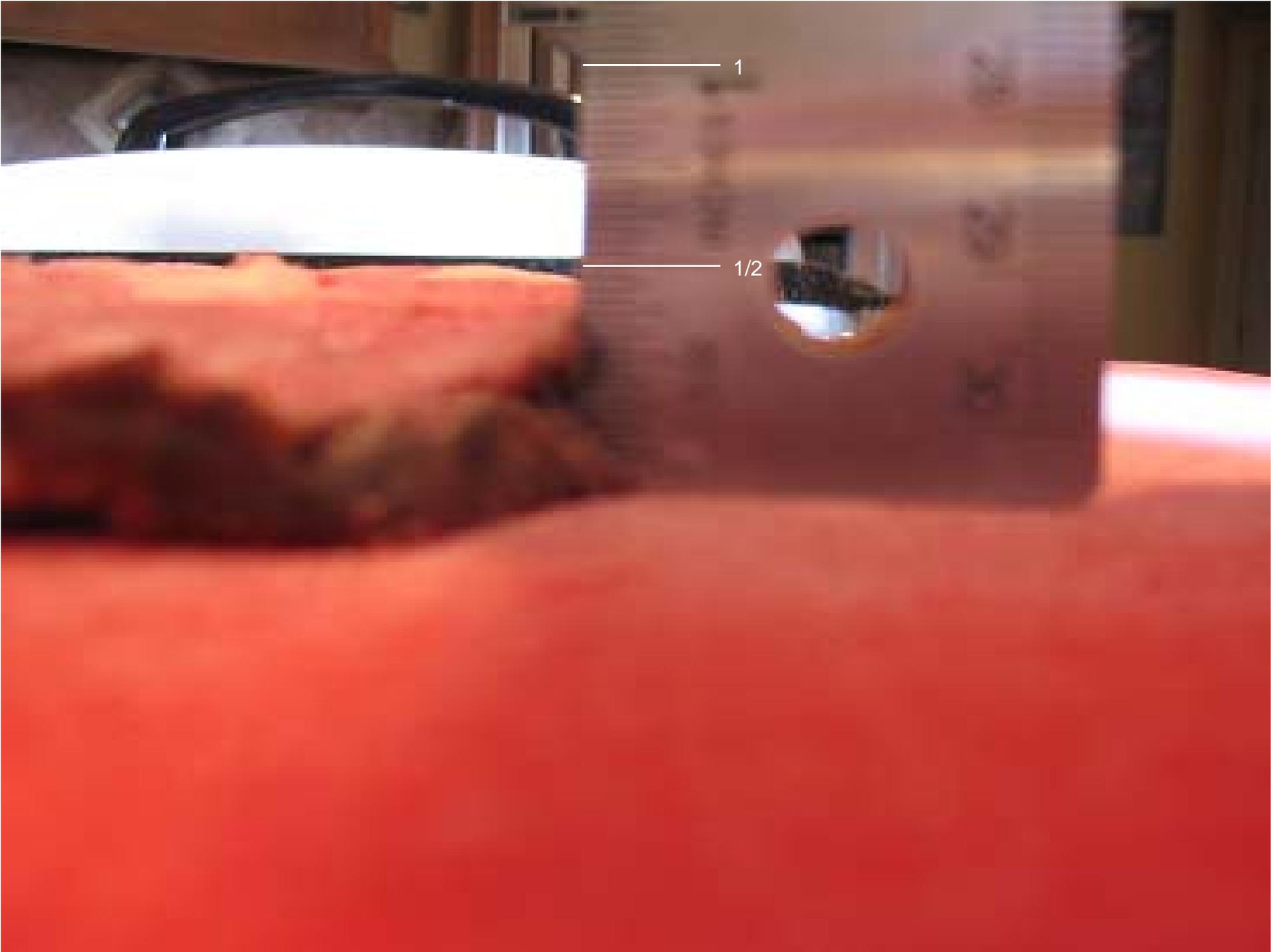


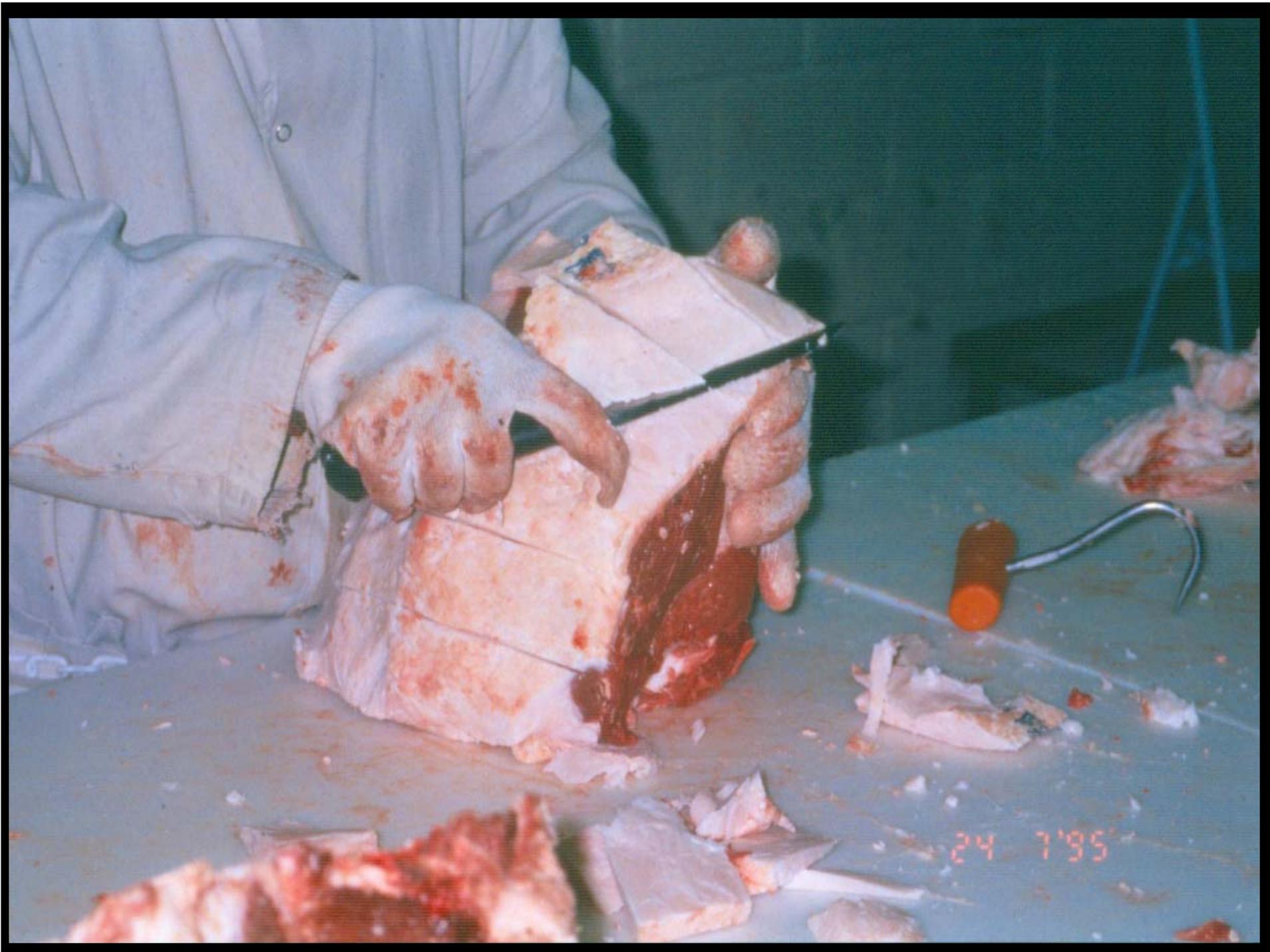
IdentiGEN











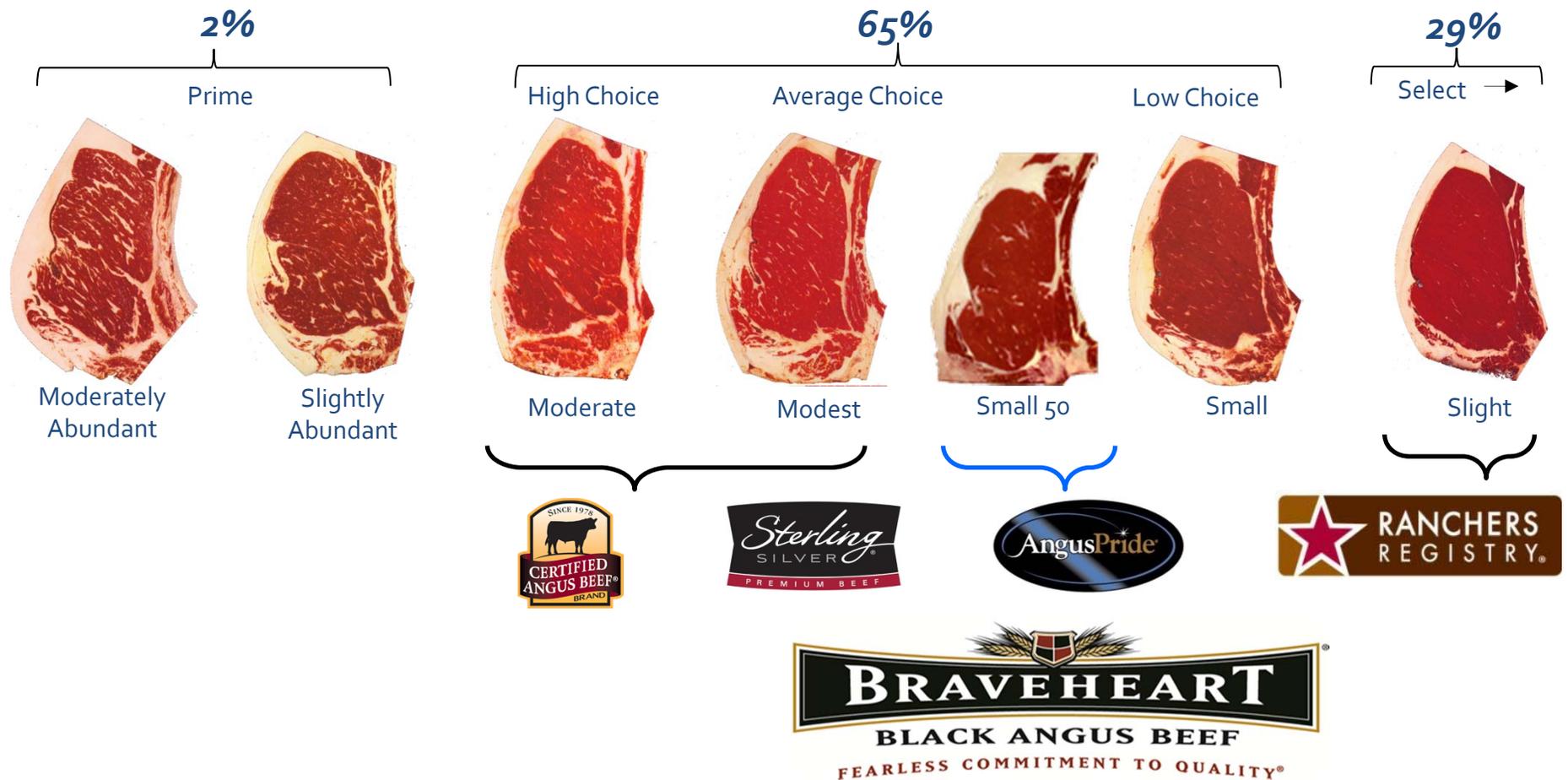


Better Yields also help to establish trust



FY 2014 U.S. Product Mix

- Prime, Choice and Select account for 96% of our current production—the remainder is No Roll at 4%
- The depiction below represents the minimum marbling lines

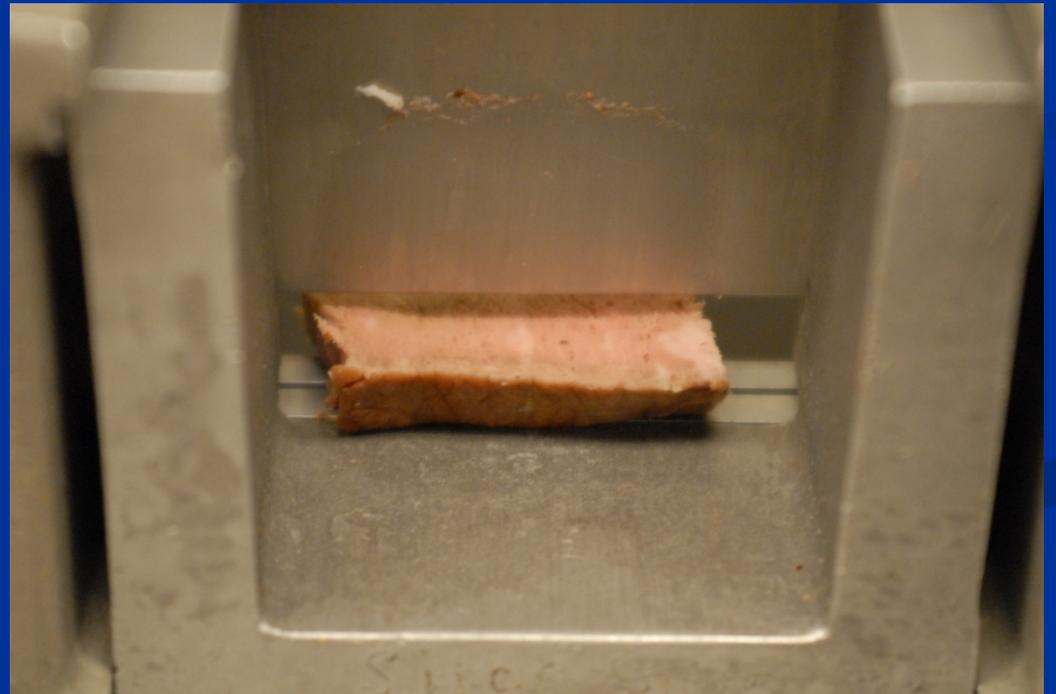


**WE WANT TENDER BEEF!
WE WANT TENDER BEEF!**



Methodology

- SSF was measured using a flat, blunt-end blade mounted on an Instron Universal Testing Machine



Managing Genetic Inputs



TABLE 1.

Comparison of carcass quality and beef tenderness characteristics for eight of the most widely used cattle breeds in U.S. production systems

Breed	Type	Age-constant means ^a		
		Marbling score	% Choice & higher	Shear force, kg
Angus	<i>Bos taurus</i> /British	SM ⁸⁸	88	4.0
Hereford	<i>Bos taurus</i> /British	SM ²⁶	65	4.1
Red Angus	<i>Bos taurus</i> /British	SM ⁹⁰	90	4.1
Charolais	<i>Bos taurus</i> /Continental	SM ¹⁷	62	4.3
Gelbvieh	<i>Bos taurus</i> /Continental	SM ⁰⁶	58	4.5
Limousin	<i>Bos taurus</i> /Continental	SM ⁰⁴	57	4.3
Simmental	<i>Bos taurus</i> /Continental	SM ²⁷	66	4.3
Brahman	<i>Bos indicus</i> /Zebu	SL ⁷⁵	30	5.9

^aSource: Wheeler et al., 2001, 2005. SM = Small, SL = Slight. Lower shear force values are indicative of greater tenderness

Weaknesses Of The U.S. Beef Industry¹



Retailers	Foodservice	Packers	Feeders	Government & Allied Industry
Not telling our story	Cost	Variability	Not telling our story	Too fragmented
More concerned with exporting product than keeping it domestic	Marketing	Food safety	Consumer perception	Not telling our story to improve image
Food safety	Too fragmented	Too fragmented/ Not transparent (tie)	Too fragmented	Lack of education & knowledge about our industry

¹ Based on the number of times that each characteristic was mentioned as a response to the question.

**PERFORMANCE NOT ONLY MOVES BOXES...WE WORK WITH THE
SUPPLY CHAIN TO DESIGN WHAT GOES INSIDE THE BOXES!**



**Performance Foodservice is proud to partner with BMG in
creating a brand that is helping to re-define what high quality
beef means.**

IT IS ALL ABOUT ESTABLISHING TRUST!

Performance Foodservice's Success with Braveheart is Changing the U.S. Beef Industry



THE Story



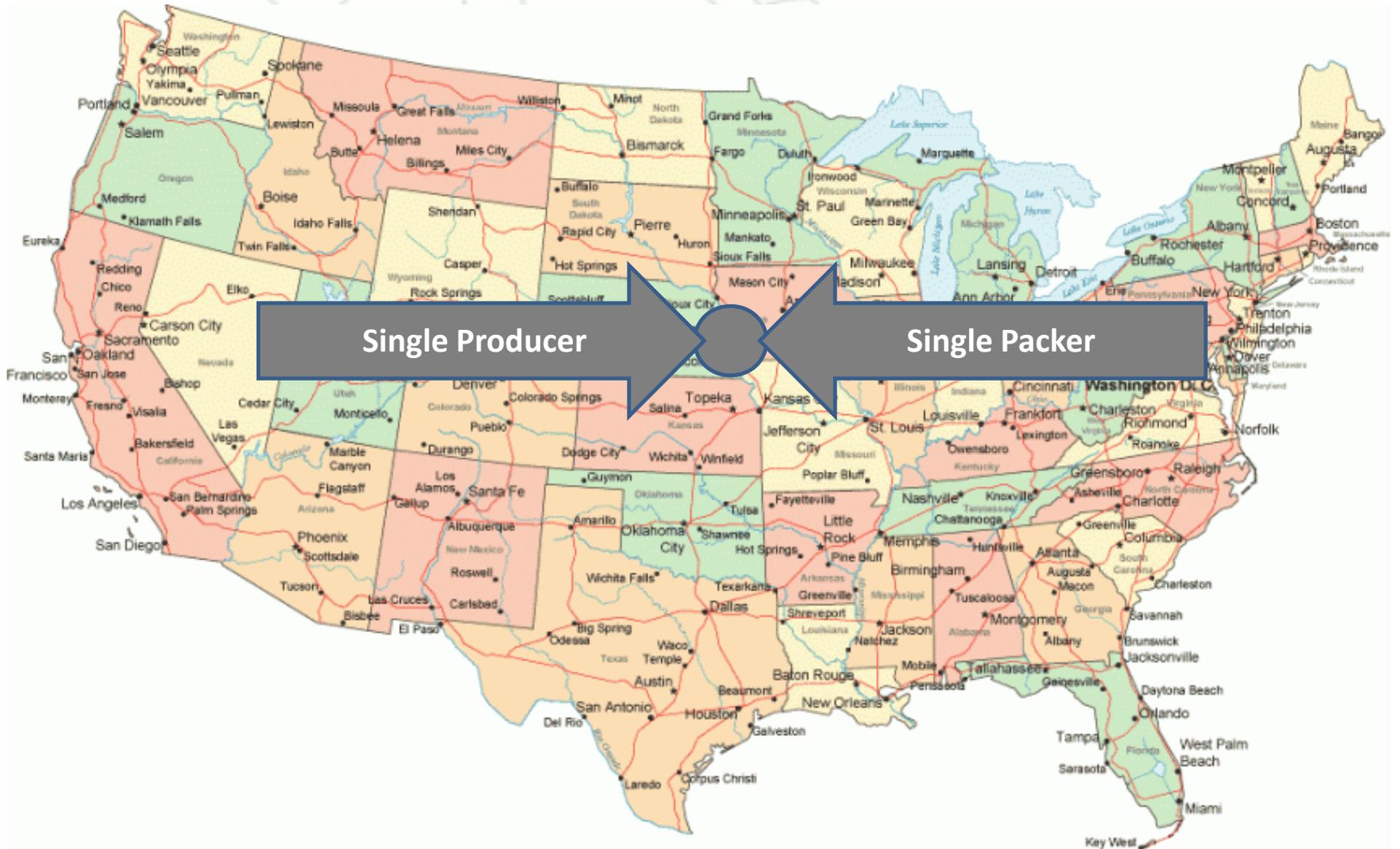
Performance Foodservice Branded Pork Programs



May 2015



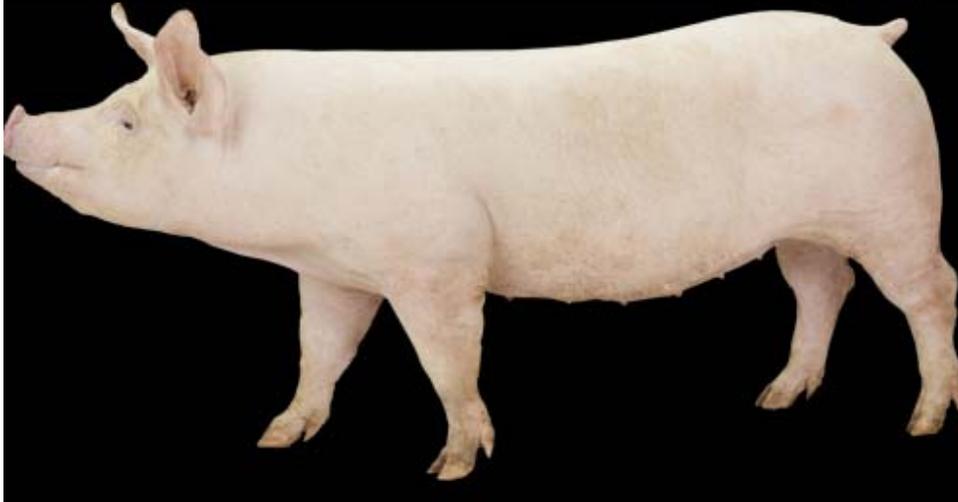
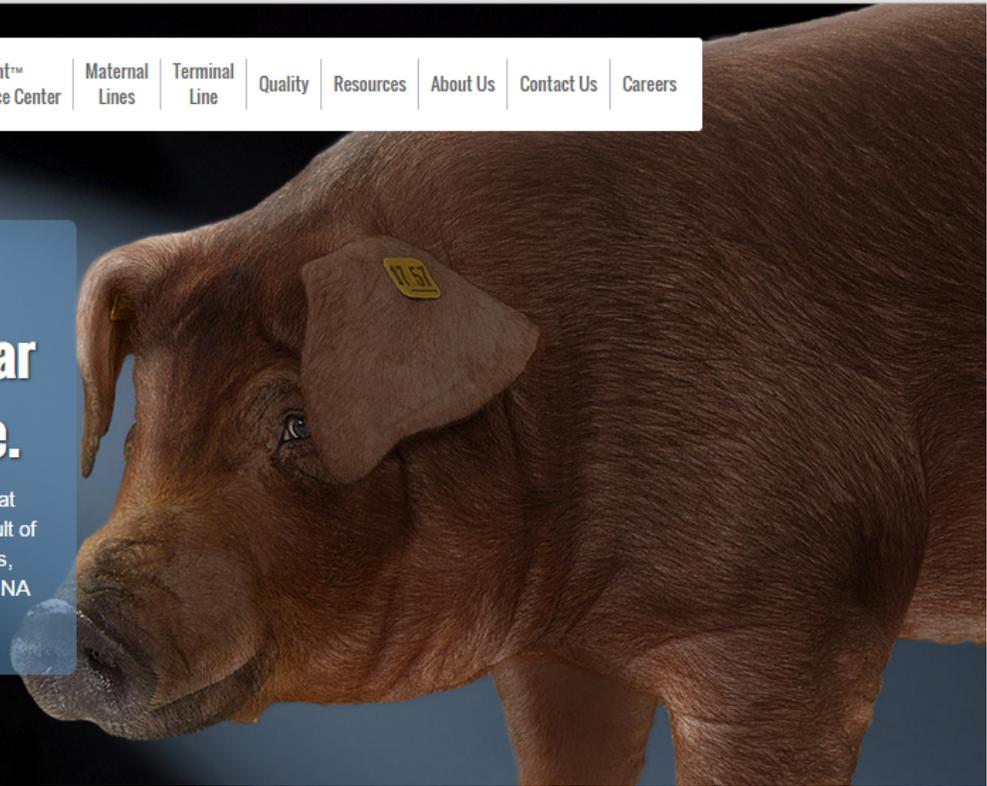
Midwest Produced





North America's most widely used terminal boar line. Surprised? Don't be.

Did you figure the leading boar was from the company that rolls out line after line? Truth is, the top boar isn't the result of acquisitions or crossing lines – it's the product of rigorous, continuous improvement. It's the **Line 600 Duroc** from DNA Genetics. And from now on, that should surprise no one.



DNA Genetics Line 241 F1

Sustainable Targets

“Where Local Meets Affordable”



Local Corn



Local Feed Mills



Local Pork Plant

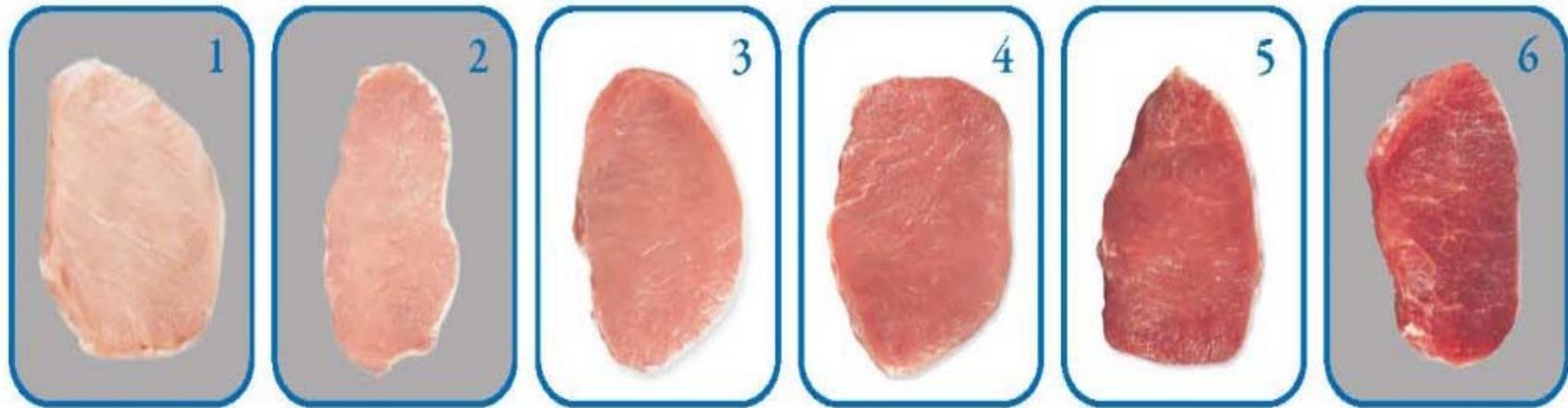


Direct Shipment



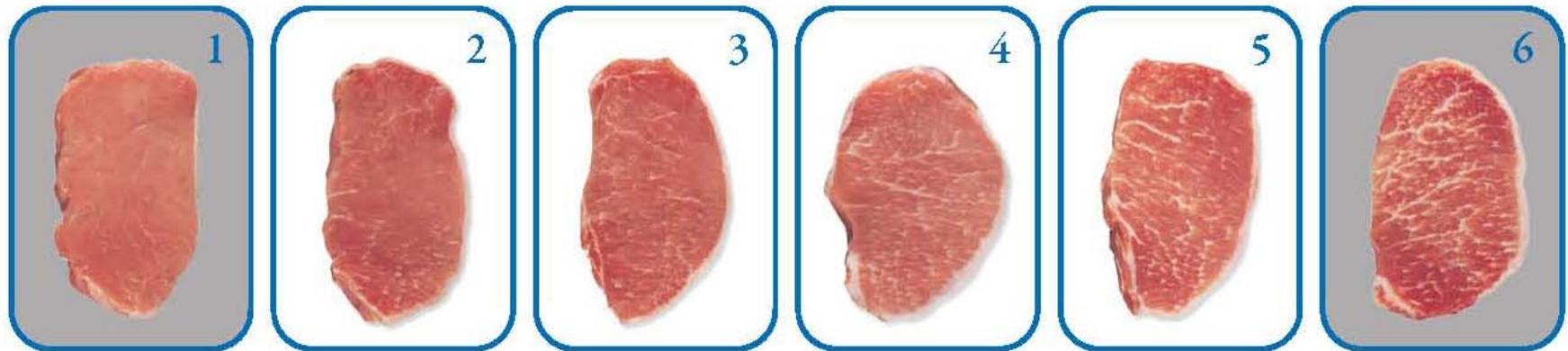
WEST CREEK™

Lean Color Standards



- **“Allegiance”** lean color requirement: minimum score of 3
- **“West Creek”** lean color requirement: minimum score of 2

Marbling Standards



- **“Allegiance”** marbling requirement: minimum score of 2
- **“West Creek”** marbling requirement: minimum score of 1

Fat Trim Requirements



1/8" maximum

WEST CREEK™

1/4" maximum



Swine Handling Requirements

- Handling affects pork quality
- Minimal stress of hog and people
- National Pork Board PQA PLUS
- Animal handling & welfare training farm/truck/plant
- Use only Certified Quality Truckers™
- Trained employees to load and unload hogs
- Eliminate electric probes at farm/plant
- Rest hogs at plant
- Third party audits at farm/plant



PATHPROVEN
FOOD TRACE TECHNOLOGY
PROOF IS IN THE PATH

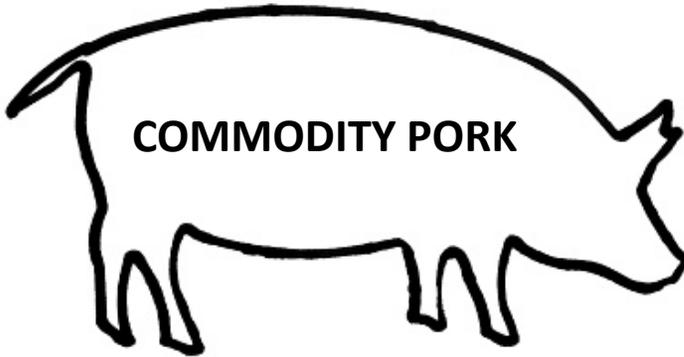
"THE STORY"



Top 25%

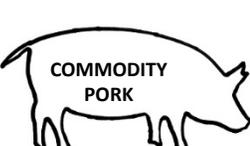
WEST CREEK™

Top 40%



COMMODITY PORK

Take Home the Message

ITEM			
Single-Source Midwest Farm	Yes	Yes	No
Corn Purchased Directly From Local Farmers	Yes	Yes	No
Duroc Terminal Sires Used With Landrace Females	Yes	Yes	Unknown
Pigs Raised ≤ 100 Miles From Packing Partner	Yes	Yes	Unknown
Single Packing Partner Facility	Yes	Yes	No
Professional Animal Handlers/Haulers Used	Yes	Yes	No
Third Party Animal Welfare Audits Conducted	Yes	Yes	No
Performance PathProven® Utilized	Yes	Yes	No
Minimum Lean Color/Marbling Levels	3/2	2/1	Unknown
Fat Trim Requirement	1/8"	1/4"	Unknown
Exclusively Offered by 	Yes	Yes	No



Lean Color Score: 3.5

WEST CREEK



& WEST CREEK™ Pork



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