



United States Department of Agriculture

Office of the Secretary  
Washington, D.C. 20250

APR 28 2014

Mr. Bill Bullard  
Chief Executive Officer  
R-CALF United Stockgrowers of America  
P.O. Box 30715  
Billings, Montana 59107

Dear Mr. Bullard:

Thank you for your letter of February 12, 2014, addressed to Secretary Vilsack and Inspector General Phyllis Fong. You requested an investigation into the use of beef checkoff funds used in a Wendy's promotion that referenced North American Beef. Following your complaint, I directed the Department's Agricultural Marketing Service to review the concerns you raised.

In States with Qualified State Beef Councils (QSBCs), the QSBC collects beef checkoff assessments and retains up to half, forwarding the remainder to the Cattlemen's Beef Promotion and Research Board. As the QSBC in Montana, the Montana Beef Council used a portion of its State funds to partner with Wendy's in promoting a specific burger.

We reviewed the billboards, banner ads, and other materials under this promotion, which ran only in Montana and only for the month of February. We learned that of all of those materials, references to the fact that Wendy's sourced North American beef were limited to a radio spot and some Web copy.

After reviewing these materials, we conclude that the reference to Wendy's sourcing North American beef complies with the Beef Promotion and Research Act that governs the beef checkoff program. We view this information as a reference to, and not a promotion of, North American beef. We understand that the Montana Beef Council chose to remove the North American reference from the radio and Web copy to avoid further misperceptions.

I appreciate your interest in the beef checkoff program.

Sincerely,

A handwritten signature in black ink, appearing to read "Edward Avalos". The signature is fluid and cursive, written over a white background.

Edward Avalos  
Under Secretary  
Marketing and Regulatory Programs