



incredible!

American Egg Board

Annual Report 2011

incredible! Table of Contents

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The American Egg Board's goal is to increase demand for eggs and egg products on behalf of U.S. egg farmers and to educate the public about the benefits of eggs.



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Management Message

Through a well-developed strategy and ambitious goals and objectives, the American Egg Board (AEB) continued to implement an effective marketing program to increase the demand for eggs and egg products. AEB helped maximize demand by educating consumers, health professionals, foodservice operators, food manufacturers, retailers, and others about the benefits of The incredible edible egg™.

AEB launched the *Demand Dashboard* to provide meaningful metrics to measure egg demand in the marketplace. The *Dashboard* showed egg category sales at retail were up in 2011. Consumer attitude measurements toward eggs and the egg industry also are included.

In early 2011, AEB launched a national major media effort to spread the good news about eggs being lower in cholesterol and higher in vitamin D, as reported by USDA. A weeklong media blitz included a farmers' market event in New York City's Grand Central Terminal, a major egg donation to the Food Bank of New York City, and more as part of the Good Egg Project (GEP). Since its launch, GEP has generated more than 1 billion impressions.

Consumer Marketing challenged itself to build on the momentum started in New York City. National advertising positioned eggs as the best weekday breakfast solution. A robust social media effort resulted in the Incredible Edible Egg Facebook page ending the year with more than 252,000 fans. AEB's PR efforts were responsible for 800+ million positive media impressions in 2011.

The Egg Nutrition Center (ENC) continued to promote itself as a credible source of reliable science and improve communications with its target audience—health professionals. ENC funded more than \$1.2 million in new research projects and worked with strategic partners to communicate how eggs are a part of a healthy diet.

AEB continues to capitalize on the momentum of fast food breakfast through the National Accounts Program and worked with top chains to feature or test breakfast and help operators focus on breakfast all day. As a result, Quick Serve Restaurants (QSRs) showed an uptick in traffic and 4.2 billion servings of eggs were consumed at QSRs during breakfast.

Egg Product Marketing launched FunctionalEgg.org to focus on the multi-functional benefits of egg products. The food manufacturer section of AEB.org received more than 23,000 visits in 2011—a 15 percent increase from the year before.

AEB's promotion with Redbox and Walgreens increased egg sales by 400 percent during the promotion period. Two Free-Standing Inserts in Sunday newspapers reached more than 95 million households with egg-related coupon offers through promotional partnerships.

AEB's programs are more integrated and stronger than ever. AEB's continued success depends on support from the producer community. We value your continued involvement as we move forward in promoting the incredible egg.



Craig Willardson
Chairman



Joanne Ivy
President & CEO

A handwritten signature in black ink that reads "Craig Willardson".

Craig Willardson, Chairman

A handwritten signature in black ink that reads "Joanne".

Joanne Ivy, President & CEO

Executive Committee



Craig Willardson
Chairman
Moark LLC
Fontana, CA



Brian Hayward
Vice Chairman
Creighton Brothers LLC
Atwood, IN



Chris Pierce
Secretary
Heritage Poultry
Management Services
Annville, PA



Bruce Dooyema
Treasurer
Dooyema & Sons Inc.
Sioux Center, IA



Tad Gross
Hemmelgarn & Sons Inc.
Coldwater, OH



Richard Simpson
Simpson's Eggs Inc.
Monroe, NC



Jacques Klempf
Immediate Past Chairman
Dixie Egg Company
Jacksonville, FL



Joanne Ivy
President & CEO
(ex officio)
American Egg Board

Advisors



Terry Pollard
Allied Industry Advisor



Angie Snyder
USDA Advisor



Elliot Gibber
Further Processor Advisor



Jim Sumner
Export Marketing Advisor

Paul Sauder
Committee Chairman



Egg Nutrition Research

Researchers submitted more than 35 letters of intent for 2011. The Scientific Advisory Panel met in June to determine research projects for 2011. Focused on its research pillars, ENC accepted the following fellowship and grants. Contracts also were finalized.

Dissertation Fellowship

- Gina Wee, Penn State University, “Diet and health attributes of egg consumption”

Research Grants

- Ellen M. Evans, Ph.D., University of Georgia, “The E-PHIT Study: Eggs, protein, and high-intensity training: A diabetes prevention program for postmenopausal women”
- Maria Luz Fernandez, Ph.D., University of Connecticut, “Egg effects on postprandial glucose, insulin, and lipoprotein metabolism in diabetic subjects”
- Barbara A. Gower, Ph.D., University of Alabama at Birmingham, “An egg-based breakfast maintains metabolic flexibility in older adults”
- Elizabeth J. Johnson, Ph.D., Tufts University, “The effect of consumption of 2 eggs per day for 6 months on cognitive function in older adults”
- Jill Kanaley, Ph.D., University of Missouri, “Effect of a high-protein breakfast on glycemic control, insulin sensitivity, and cell function in individuals with type 2 diabetes (T2D)”
- Tanja V.E. Kral, Ph.D., University of Pennsylvania, “Comparison of the satiating properties of egg- versus cereal grain-based breakfasts for appetite and energy intake control in 8- to 10-year-old children”
- Jeff Volek, Ph.D., RD, University of Connecticut, “Effect of incremental increases in dietary carbohydrate on saturated fat levels and blood-borne risk markers for cardiovascular disease”

Health Professional Focus Group

ENC conducted interactive focus groups to better understand the views of healthcare professionals (HPs), its target audience. This market research addressed several key areas related to ENC’s strategic plan.

Family and consumer sciences educators discussed what information is useful in their nutrition/egg education efforts during a roundtable discussion. ENC used this information in the development of the ENC-Teacher Exchange program.

ENC hosted another roundtable in October to discuss obesity and



nutrition in children. Participants included research and clinical experts from Harvard, University of Illinois, and University of Missouri, and two Registered Dietitians. Discussion included strengths and gaps in current research, nutrition in schools, counseling strategies, and overall nutrition issues. This valuable information also was used for the implementation of the ENC-Teacher Exchange Program.

A vitamin D discussion in Chicago with producers and researchers focused on the implications and strategies of potentially increasing the amount of vitamin D in an egg. This information also was presented at the Board Meeting, and next steps are being planned and implemented.

ENC presented information to both scientific and lay audiences at various conferences including the Iowa Fall Festival, International Egg Commission, Georgia Egg Association, Canadian Egg Producers Board Meeting, Food Marketing Institute, American Academy of Physician Assistants, Virginia Association of Physician Assistants, Urner Barry Executive Conference, and state dietetics association meetings in Ohio, South Carolina, and Virginia.

Online Outreach

ENC's *Nutrition Unscrambled* blog launched and featured posts by ENC and its Registered Dietitian Advisors (RDAs) as well as occasional guest bloggers. Site traffic increased throughout the year and allowed for cross promotion with consumer Facebook and Twitter efforts.

Targeting Health Professionals

ENC reached approximately 8,000 HPs with its Egg-a-Day recipe cards and cholesterol brochures. This targeted mailing also included personalized



URLs for HPs to respond to a quick survey.

ENC sponsored and moderated an impactful session at Experimental Biology in Washington, D.C. Highlights from this meeting will be combined in a manuscript for publication in *Advances in Nutrition*.

ENC exhibited at seven HP conferences: American Academy of Physician Assistants, PriMed, IDEA World of Fitness, American Academy of Family Practitioners, Academy of Nutrition and Dietetics (formally known as the American Dietetic Association) Food Nutrition Conference and Exhibition (FNCE), and American College of Nurse Practitioners. More than 1,100 individuals signed up to receive the newsletter, and many completed the "Give an Egg, Get an Egg" survey.

ENC hosted a Webinar on "Protein Quality and Timing of Intake: Impact on Satiety, Body Weight, and Body Composition." Almost 400 HPs attended.

ENC also participated in a Webinar and on-air panel discussion with Phil Lempert for his Supermarket Guru radio program.

ENC hosted a breakfast presentation on *Protein Needs of Physically Active People* during FNCE for the members of the Sports and Cardiovascular Nutritionists practice group. More than 200



Registered Dietitians attended and provided excellent reviews. ENC discussed plans for a future Webinar to occur in early 2012.

ENC mentored dietetic interns from various universities as a part of their clinical course curriculum. Student interns helped with various new and ongoing projects. ENC will host more interns in 2012.

Registered Dietitian Advisors

ENC challenged its RDAs to propose initiatives highlighting the new lower-cholesterol USDA data. Initiatives involving the RDAs included:

- Social media promotion: two blog posts and a Facebook “Ask the Eggspert” post
- Media outreach: one TV interview, two magazine articles, and two print/online articles
- Fact sheet distributed at two local health fairs
- Twitter party on April 20
- YouTube video
- Webinar/Dietary Practice Group newsletter article

Research-related Promotions

A brochure and recipe kit featured the USDA findings indicating that a large shell egg has 14 percent less cholesterol than previously reported. The kit, which was mailed to HPs and distributed at conferences, included:

- A consumer brochure titled, “Cholesterol: What Does the Science Say?”
- An HP-focused brochure titled, “40 Years of Dietary Cholesterol Research: What Does the Science Say?”
- Five favorite egg recipes with nutritional analysis from registered dietitians, including why they think the recipe is healthy for their patient populations



Several professional health organizations accepted ENC’s Protein Tool Kit, a set of educational materials, for continuing education credit, including the American College of Sports Medicine, American Dietetic Association, and American Academy of Physician Assistants.



Partnerships

ENC refined approaches to forming alliances and partnerships in an effort to more efficiently and effectively amplify its nutrition messages promoting eggs as part of a healthy diet. As a member of the USDA MyPlate Strategic Partnership, ENC designed two new posters, a window cling, and a recipe booklet using several egg meals to portray the MyPlate messages in English and Spanish.

ENC partnered with MedAlliance to develop a fact sheet on “A Dozen Ways to Use Eggs,” which is hosted on the MedAlliance Website.

As an outcome of the ENC strategic alliance program, “whole egg” is included in the criteria of healthy meals for children in the Alliance

for a Healthier Generation and the Kids LiveWell National Restaurant Association programs.



Agricultural Education

Mark Oldenkamp
Committee Chairman

Launched in 2009, the Good Egg Project (GEP) aims to educate Americans about the farm-to-table process for eggs while encouraging everyone to “Eat good. Do good every day.”

Education

The GEP messages reached both children and adults through AEB’s two-year partnership with “Sesame Street.” Since its launch in October 2009, an AEB-sponsored commercial featuring an egg farmer aired more than 325,000 times on 600 stations in 188 markets, resulting in more than 1 billion impressions.

Participation & Donation

AEB celebrated the news that eggs are lower in cholesterol and higher in vitamin D than previously thought with an all-day GEP breakfast in New York City. AEB transformed Grand Central Terminal into a farmers’ market where commuters received



free egg samples throughout the day, learned about the health benefits of eggs, received recipes, and signed the GEP pledge on a show-stopping, 8-foot-tall three-dimensional egg. The Food Bank for New York City, on behalf of America’s egg farmers, received a donation of 100,000 eggs. Omelet King Howard Helmer and Chef Jeffrey Saad demonstrated egg recipes.

AEB expanded the reach of its farmer Webisodes by aligning with online video partners, including the gaming and causes platform on Facebook.

FarmVille and FrontierVille incorporated GEP messages, resulting in 246 million engagements and 60 million completed views of egg farmer videos.

Partnerships & Promotions

AEB worked with egg farmers and state promotional organizations to host five Community Breakfasts in 2011. Each included a donation component to a local food bank. The breakfasts took place in New York, NY; Jackson, MS; Joplin, MO; Seattle, WA; and Boston, MA, and provided more than 344,000 eggs to local food banks.

On the Monday after Easter, AEB enjoyed an incredible



presence at the annual White House Easter Egg Roll! The event was a great success, with more than 30,000 parents and kids from across the U.S. in attendance. Thousands of people stopped by the Incredible Egg Chair to take their pictures before heading to the South Lawn. They also received “Be Incredible!” magnetic picture frames with tips for hard-cooking eggs. Kids were invited to “lend a hand to feed the hungry” by placing their handprints on the Giant Good Egg Project Egg. Every handprint on the giant egg resulted in an egg donation to Feeding America.

The 12 teachers who were awarded \$5,000 grants as part of the Back-to-Breakfast Teacher Challenge reported overwhelming responses to the programs they brought to their classrooms.

To generate excitement for World Egg Day (WED) on Facebook, AEB released a limited-time coupon that recruited more than 44,000 fans. “Mr. Food” also joined the WED celebration through an egg-themed newsletter sent to more than 700,000 readers and a two-part series that provided a tour of egg production. The segments aired on more than 115 stations for 2.3 million impressions, bringing the total WED media impressions to more than 18 million.

The Chicago chapter of Public Relations Society of America awarded GEP its top honor, the Skyline award, for the category of Reputation and Brand Management for Associations. Additionally, AEB received an “Award of Excellence” for the Issues Management category.



Speakers’ Workshop

To date, the Farmer Speakers’ Bureau has trained 85 speakers including state promotional directors. The primary hosting organizations include the Kiwanis, Rotary, and Lions Clubs. In 2011, 34 egg farmers gave 85 speeches to their local area groups. The program underwent review in 2011 to maximize its 2012 budget.



Research

Benchmark consumer research was conducted when the GEP launched in 2009. Follow-up 2011 research shows AEB’s efforts make a difference:

- 18 percent more Americans agree that egg farmers are committed to caring for their animals.
- 16 percent more Americans believe egg farmers treat their hens in a compassionate manner.
- 50 percent more consumers agree that America’s egg farmers never feed hormones to their hens, showing a continued increase in education among egg consumers through GEP efforts.

Consumer Marketing



Clint Hickman
Committee Chairman

Advertising

In 2011, AEB's consumer marketing efforts focused on launching a new national advertising campaign that positioned eggs as the best weekday breakfast solution and promoted the news that eggs are lower in cholesterol and higher in vitamin D than previously thought.

AEB's "You Do Anything" advertising campaign was introduced in January with four television spots that featured humorous vignettes of parents going to incredible lengths to help their children prepare for their important days. The spots aired during the early morning on "Good Morning America," "Today Show," Food Network, TBS, TNT, "Dr. Oz," "Rachael Ray," and more.



To complement the television commercials, online ads ran on popular sites such as MSN.com, Weightwatchers.com, Hulu.com, and others; paid search efforts were conducted with Google, Yahoo, and Bing.

After receiving approval from USDA, AEB added the new lower cholesterol message to all of its advertising that ran in the fall. Additionally, AEB developed magazine advertising to reinforce the lower cholesterol/higher vitamin D news in popular publications like *Better Homes and Gardens*, *Redbook*, and *Every Day with Rachael Ray*.

With strong egg messages during Rachael Ray's cooking segment, AEB completed its fourth year of a successful partnership with her namesake show promoting healthy eating. The show reaches 1.5 million viewers daily.

Marketing Communications

Overall, media impressions totaled nearly 800 million, almost double the original goal. The lower cholesterol/higher vitamin D news helped this coverage.

In February, AEB launched a national media effort to spread the good news about cholesterol and vitamin D. In addition to the Good Egg Project (GEP) Community Breakfast held in New York City's Grand Central Terminal, AEB teamed with internationally renowned nutrition

Nutrition Facts	
1 Hard-Boiled Egg	
Total Fat	10g
Total Cholesterol	215mg
Total Protein	6g
Total Vitamin D	150IU



to talk about Saad’s upcoming cookbook and the latest egg news.

Great initiatives filled World Egg Day (WED). Activities began with a coupon promotion on the Incredible Edible Egg Facebook page. More than 63,000 coupons offering *\$.55 Off of Two Dozen Eggs* were downloaded, which resulted in 44,000 new Facebook fans. In addition to the coupon drop, “Mr. Food” gave viewers a tour of a modern egg farm and showcased the GEP. Prior to WED, “Mr. Food” also included an egg recipe in his weekly newsletter, which is distributed to more than 700,000 readers. This brought the total WED media impressions to more than 18 million.

expert Dr. David Katz. Together, they distributed a press kit, b-roll footage, radio news release, and more to traditional and social media outlets, along with outreach to health professional and registered dietitian networks. Thousands of media outlets nationwide ran stories on the new USDA research, which resulted in more than 250 million media impressions.

AEB met with approximately 30 food and health editors in New York City to announce the news and discuss the many benefits of eggs.

For Easter, AEB sent a press kit to media nationwide that included a press release, recipes, and fact sheets with egg nutrition and hard-cooking tips. More than 275 outlets across the country covered the story, which resulted in 25+ million media impressions. Omelet King Howard Helmer filmed Easter segments with Los Angeles superstation KTLA and FOX National.

As part of its back-to-school media outreach, AEB developed one dozen new microwaveable recipes.

In October, Chef Jeffrey Saad, Helmer, and AEB attended breakfast and lunch meetings with 14 top food editors from outlets such as *Bon Appetit*, *Food and Wine*, *Everyday with Rachael Ray*, *Food Network Magazine*, and *Cooking Light*

Social Media Star

AEB has established a strong presence for The incredible edible egg™ in social media via Facebook and Twitter. On Facebook, AEB has one of the largest fan bases of any agricultural commodity, topping 252,000! Three coupon offers on Facebook for *\$.55 Off Two Dozen Eggs*, with redemption rates of more than 70 percent, drove this growth.

All told, AEB’s social media efforts directly reach millions of Americans every month.



Foodservice & Egg Product Marketing



Pat Stonger
Committee Chairman

National Accounts Program

Nearly 85 percent of all breakfasts away from home occur at Quick Service Restaurants (QSRs). AEB works with a number of QSR chains to provide the latest trend information, stimulate new egg-based breakfast product development, and build breakfast traffic.

AEB's efforts contributed greatly to the dramatic growth in egg servings and egg menu importance within this segment. Since 2006 (year-ending August), the QSR Morning Meal segment has gained two percentage share points in traffic, 591 million more restaurant visits, and 7.3 billion dollars in incremental sales, according to trend data from The NPD Group. Since 2006, 631 million more servings of eggs were sold.

AEB partnered with Subway Restaurants for a Good Egg Project (GEP) promotion. In Boston and Central Pennsylvania, more than 320 Subway stores participated in the two-week promotion. For each egg breakfast sandwich sold during the two-week period, America's egg farmers donated one egg to an area food bank. The promotion culminated with a GEP Community Breakfast in Boston.

Media & Related Programs

The foodservice media program included a total of seven print insertions and 33 online appearances in *QSR* magazine and *Nation's Restaurant News*.

The total media program included more than 640,000 targeted impressions. Print ads featured the headline, "Don't Just Make Breakfast... Make It Incredible," and highlighted the growth in breakfast traffic at QSRs. The ads also stressed that AEB has the insights, ideas, and information to make a successful breakfast program with eggs. AEB also distributed four issues of the *Breakfast Beat* newsletter targeting QSRs in 2011.

Other Promotions

Leveraging its position as the "Breakfast Expert," AEB sponsored a breakfast panel discussion at the QSR Dine America conference in October and conducted a similar program in Webinar format in November. The QSR segment delivered an additional 250,000 print and online impressions as a result. The 2011 culinary school program reached more than 2,200 culinary students at high-profile culinary schools across the country.

AEB.org/Foodservice received more than 74,000 visits, a 46 percent increase since 2010. Blog posts and Twitter helped create an interactive forum and community.



Egg Product Marketing

Egg Product Marketing promotes egg product usage as an ingredient to food formulators, and focuses on the 20+ functions of egg products and the health and wellness advantages to research, development, and marketing professionals in the food industry. By communicating its expertise and knowledge, AEB helps food formulators grow their business and their use of egg products.

Advertising & Digital Outreach

Delivering more than 5.4 million impressions, ads appeared in both print and online versions of *Food Product Design*, *Food Technology*, and *Prepared Foods*, as well as on FoodNavigator-USA.com. AEB also engaged food manufacturers and research-and-development scientists via social media through Twitter at @Eggs4innovation, LinkedIn, and blogs posted on AEB.org.



Egg Product Marketing Research

AEB commissioned an *Attitudes and Usage (A&U) Study* to better understand manufacturers' perspectives on egg products in food items. The results helped identify areas of potential research. The first-ever Egg Product Research Summit invited food scientists from food manufacturers to discuss the challenges and opportunities that affect the use of egg products in formulations.

Based on comments from the Egg Research Summit and the Food Technology Advisory Council Meeting, AEB funded a research project with American Institute of Baking (AIB). The project explored the potential for development of Near Infrared Spectroscopy to analyze protein quality in egg whites to predict functionality.

AEB's 2008-2011 Food Science Fellowship, "Kinetics of Egg Protein Gelation during Conventional and Rapid Heating," was completed at North Carolina State University. This functionality research is important to product developers in designing foods.

Industry Events

In March, AEB shared the latest egg nutrient information and food formulating trends with attendees of the Research Chefs Association Expo and the IFT Health & Wellness Conference in Chicago. Co-sponsored by *Prepared Foods* and AEB, the Excellence in Innovation Awards recognized innovative new food products introduced commercially. Two honorariums went to the Culinary Institute of America and Johnson & Wales University.

Additional Efforts

AEB partnered with *Prepared Foods* to produce a four-page supplement titled, "The Secret's Out of the Shell: Egg Ingredients Create Better-For-You Foods," which was distributed in May to 15,000 digital subscribers of *Prepared Foods*.

FunctionalEgg.org launched in June and houses educational videos and information focusing on the multi-functional benefits of egg ingredients. Six 10-minute videos using product demonstrations and computer-generated graphics explain the science behind egg attributes. Food technologists accrue free continuing education credits with Research Chefs Association via follow-up quizzes. Auburn University's Dr. Shelly McKee hosts these videos. A press conference during the 2011 IFT Food Expo in New Orleans introduced the videos and site to food formulators. From launch to the end of 2011, FunctionalEgg.org received more than 4,600 visits.

AEB updated the *Egg Product Buyers' Guide* that featured a new section with nutrient figures and typical specifications. This listing also is available at AEB.org/food-manufacturers/egg-product-buyers-guide and is the most accessed page in the AEB.org Food Manufacturer section.





Industry Programs

Roger Deffner
Committee Chairman

Retail Shopper Marketing

AEB's recipes appeared on more than 900 Shop-to-Cook kiosks in 400 stores and on 45 retailer Websites.

AEB continued its sponsorship program with Grocery Shopping Network and expanded digital advertising programs to My Web Grocer. Ads linked to AEB recipes, drove shoppers to IncredibleEgg.org, and allowed shoppers to add eggs to their lists with a simple click. AEB reached more than 200 retailers representing approximately 17,000 stores.

AEB partnered with Kikkoman and Minute Rice for a 2011 Chinese New Year promotion. In January, they delivered a full-page, Free-Standing Insert (FSI) with 50 million Sunday newspapers across the country. For minimal AEB investment, this promotion incentivized purchase of 228,000 egg cartons.



A Summer Salad FSI with Mrs. Dash, New York Style Bagel Crisps, and the Beef Checkoff reached an estimated circulation of 45 million.

ENC's Dr. Mitch Kanter appeared in a live interview with Phil Lempert, The Supermarket Guru, on his weekend radio segment on the nationally syndicated "Good Day" radio broadcast. Lempert continued to integrate eggs into his daily programs with live advertising segments, gift certificates, and prize giveaways.

A promotion with Redbox and Walgreens increased awareness about eggs' availability at this growing channel and boosted egg transactions 400 percent compared to the non-promotion period in 2010.

Throughout the year, AEB provided recipes and recipe images for use in retailers' in-house marketing materials. AEB also mailed the *eggstra!* newsletter to 1,100+ retailers and mailed 60 free copies of the *Egg Handling at the Warehouse* and *Best Practices for Egg Handling at Retail* DVDs.

Plans for 2012 shopper marketing will be executed through Consumer Marketing.

White House Easter Egg Roll

AEB continued its tradition of supporting the White House Easter Egg Roll by donating 14,000 hard-cooked and dyed eggs, plus the volunteers' hats and aprons. AEB Chairman Craig Willardson presented the 34th Commemorative Egg to Mrs. Obama on behalf of America's egg farmers.





Industry Communications

Producers and industry friends received program updates through a variety of means. On a monthly basis, AEB produced

and distributed the *News from AEB* via mail and email. AEB implemented a new self-mailer format for six months of the year, which resulted in a 35 percent savings in postage. Each monthly handler report included a Handler Card with quick updates on three recent efforts. *The Protein Comparison Chart* and *Egg Industry Fact Sheet* were updated monthly.

AEB's weekly *Media Update* reached more than 500 contacts throughout the industry via email. The update typically earns an open rate of 25.3 percent, well above industry average, and earned click-through rates as high as 24 percent. The sidebar features articles about AEB's programs with clickable links.

Increased efforts to reach the industry press with updates resulted in improved coverage in both print and online publications. Currently, articles are contributed on a regular basis to *Urner Berry's Reporter*, *Poultry Times*, and others, as requested.

AEB also presented activity updates at industry meetings throughout the year.

State Support

AEB continued to fund state promotional organizations. In 2011, the 38 eligible states used 94 percent of their available funding. The funding furthered AEB's national message locally through AEB's national advertising, egg cooking demos, state fair exhibits, and Good



Egg Project events. AEB developed turnkey kits to facilitate the latter.

AEB regularly created promotional, educational brochures and recipe cards. The *Microwave Recipe Cards* and *Convenient and Versatile* brochure are two examples.

State directors started submitting their *Plans of Action* late in 2011 to ensure their events give a stronger voice to the national message.



Export Marketing

The USA Poultry & Egg Export Council (USAPEEC) promoted U.S. eggs and egg products internationally reaching potential egg buyers in the Middle East, Mexico, Hong Kong, Japan, Dominican Republic, Europe, and Korea through a variety of marketing efforts including targeted baking seminars, trade visits, cooking demonstrations, and more.

AEB conducted 130 trade servicing visits with key audiences in the Middle East. Production finished on Korean translations of AEB's technical training

videos and materials, which were distributed. In Mexico, three seminars reached a specific growing sector for U.S. egg products. USAPEEC generated 50 requests through the Anuga trade show held in Cologne, Germany, and through the Gulfood Show in Dubai, UAE. Truck advertising also ran in Macau, China.

Balance Sheets

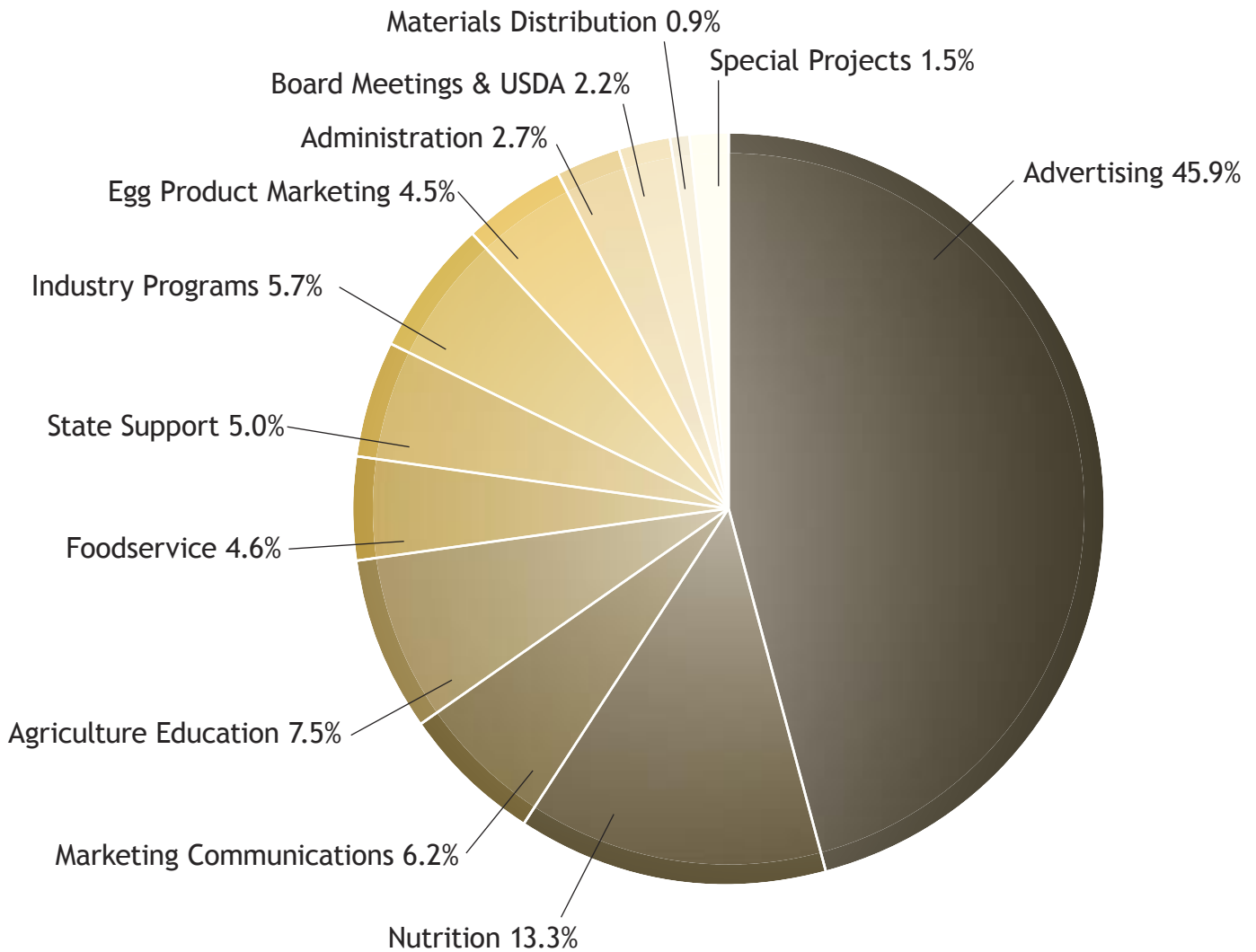
December 31, 2011 and 2010

	2011	2010
ASSETS		
Cash & Certificates of Deposit	\$6,051,612	\$9,150,161
Assessments Receivables	2,388,078	2,717,518
Other Receivables	65,173	26,468
Prepaid Expenses	171,300	238,980
Inventories	246,231	232,674
Office Equipment & Computer Systems, Net Depreciation	77,308	101,199
Total Assets	\$8,999,702	\$12,467,000
LIABILITIES		
Accounts Payable & Accrued Expenses	\$1,409,038	\$2,097,777
BOARD EQUITY		
Contributed Capital	\$66,244	\$66,244
Accumulated Excess of Revenue over Operating Expenses	7,524,420	10,302,979
Total Liabilities & Board Equity	\$8,999,702	\$12,467,000

Statements of Revenue & Operating Expense

Years Ended December 31, 2011 and 2010

	2011	2010
REVENUE		
Assessments	\$20,920,140	\$21,034,353
Egg Farmers of Canada	100,000	96,862
Interest	20,764	99,246
Total Revenue	\$21,040,904	\$21,230,461
OPERATING EXPENSES		
Programs		
Advertising	\$10,941,219	\$9,426,690
Foodservice	1,086,881	1,017,755
Nutrition	3,173,274	3,133,357
Special Projects	366,039	916,456
Marketing Communications	1,469,735	1,735,051
State Support	1,182,525	1,370,507
Materials Distribution	209,880	196,484
Industry Programs	1,365,580	1,552,464
Egg Product Marketing	1,079,420	1,044,480
Agricultural Education	1,780,418	2,991,097
Total	\$22,654,971	\$23,384,342
Administration & Collections		
Administration	\$526,710	\$645,431
Collections	123,511	119,088
Board Meetings	206,488	204,139
USDA Administrative Expenses	307,782	299,952
Total	\$1,164,491	\$1,268,610
Total Expenses	\$23,819,462	\$24,652,952
Revenues Over Expenses	(\$2,778,558)	(\$3,422,491)



AEB's administration of farmers' funds begins with the Board who establishes the budget/financial policy and makes program decisions that are then implemented by AEB staff. The ultimate oversight of AEB is the Executive Committee and the U.S. Department of Agriculture who monitors AEB's compliance with the law, including approval of the budget. AEB staff works hard to ensure that efficient and effective management is used and that administrative expenses are held to a minimum. With an eye on cost control, AEB spent 2.7 percent on administrative expenses in 2011, which includes the cost to operate the compliance and collections program.

Egg production and assessments are submitted through handlers on a monthly basis. Essential to AEB is the timely and accurate collection of the assessment of 10 cents per case from all farmers with more than 75,000 laying hens. For the year 2011, 152 handlers reported from farmers owning more than 75,000 layers. Total assessment revenue was \$21.23 million, representing assessments collected on 213.1 million cases of eggs.

AEB management enforces the *AEB Expenditure and Documentation Guidelines* to control expenses for AEB, ENC, and AEB agencies. Blackman Kallick, CPAs, Chicago, IL, audited the Board's 2011 financial statements and conducted AEB's Generally Accepted Governmental Auditing Standards (GAGAS) audit.

Food Technology Advisory Council

Hershell Ball, Ph.D.

Vice President Research,
Michael Foods Inc., Salisbury, NC

Patricia Curtis, Ph.D.

Director and Professor,
Auburn University Food Systems Initiative,
Auburn University, Auburn, AL

Dr. Glenn Froning, Ph.D.

AEB Food Science and Technology Advisor,
Professor Emeritus,
University of Nebraska-Lincoln, Lincoln, NE

Elliot P. Gibber

AEB Further Processor Advisor, President
Deb-El Foods Corp., Elizabeth, NJ

Heidi M. Herrera

Research & Development Manager,
Otis Spunkmeyer, San Leandro, CA

Craig “Skip” Julius, CRC, CCS, CEC

Manager, Culinary Solutions,
Sensient Flavors, Indianapolis, IN

Howard Magwire

United Egg Producers, Washington, D.C.

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Associate Professor, Department of
Poultry Science, Auburn University, Auburn, AL

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Sr. Principal Scientist, Ingredient Technology,
General Mills, Minneapolis, MN

Eric Sparks, CEC

Director of Product Development,
Park 100 Foods Inc., Tipton, IN

Patricia Stonger

Director, Technical Services and Regulatory
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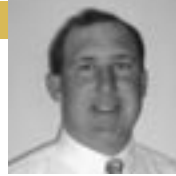
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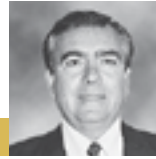
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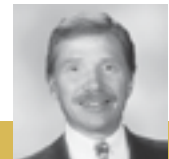
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