

# A Team Effort Boosts U.S. Beef Demand in the Philippines

**O**n Jan. 12, 2004, the Philippine Department of Agriculture announced that it would permit restricted access for U.S. beef, allowing imports from animals aged 30 months or less. The decision resolved an uncertain regulatory status for U.S. beef in the wake of detection of BSE (bovine spongiform encephalopathy) in the state of Washington in December 2003, and reconfirmed the Philippine government's confidence in the U.S. meat safety system.

## Consumer Worries Present Marketing Challenge

But while the action permitted continued market access, Philippine buyers were initially reluctant to place new orders for U.S. beef due to possible consumer resistance. To counter this, the FAS ATO (Agricultural Trade Office) in Manila joined with USDA's APHIS (Animal and Plant Health Inspection Service) and USMEF (the U.S. Meat Export Federation, a long-time participant in the FAS' Foreign Market Development Program) to address consumer safety concerns and promote popular, inexpensive beef cuts.

The Philippines is a comparatively

small but growing market for U.S. beef. In calendar 2003, sales jumped by one-third to more than \$5 million, the best performance since 1997. Sales of thin meat cuts and other relatively inexpensive cuts to restaurants accounted for nearly all the U.S. beef sales growth in 2003.

BSE has been an occasional food safety concern in the Philippines since the late 1990s, particularly among upper income consumers, a key market segment for U.S. beef. The Philippine government banned beef imports from the United Kingdom, Japan and Canada after BSE was found in those countries. In the wake of BSE detection in the United States, several buyers said they would replace



## CONTINUED STRONG DEMAND FOR VALUE-PRICED CUTS FUELS SALES.

U.S. beef with supplies from other countries, due largely to reservations expressed by consumers.

### APHIS Experts Brief Philippine Industry and Major Media on U.S. Beef Safety

To address concerns about U.S. beef safety, APHIS sent a team of veterinarians to Manila in January to meet with industry and media representatives. The team discussed U.S. government actions in response to the Washington state BSE finding and U.S. measures to ensure beef safety. FAS staff in Manila addressed trade and marketing issues.

A briefing for Philippine food industry officials was well attended by major importers and end users. Importers were also briefed on the Philippine Department of Agriculture's new requirements and procedures for beef imports. A briefing for the Philippine press generated widespread positive coverage highlighting U.S. beef safety in both print and broadcast media.

The APHIS team's background information and answers to participants' questions helped restore confidence about U.S. beef safety. The favorable press coverage following the event created a positive environment for new promotions to continue building food service demand for U.S. beef.

### Cooking Demonstration Targets Price-Conscious Food Service Sector

Shortly after the APHIS visit, ATO Manila teamed up with USMEF to offer a cooking demonstration of U.S. short plate and hanging tender, two value-priced cuts with particularly good sales potential in the Philippines.

Jay Gamboa, executive chef at Cirkulo Restaurant, an upscale eatery in metro-



FAS Agricultural Trade Officer Michael Woolsey (left) and U.S. Meat Export Federation Regional Director Eric Choon (right) kick off cooking demonstration in Manila, attended by over 50 food service decisionmakers.

Celebrity Chef Jay Gamboa displays creative recipes using U.S. short plate and hanging tender.



politan Manila, demonstrated creative beef recipes using the two cuts. A graduate of the Culinary Institute of America, Gamboa says many of his ideas are a result of participating in the USMEF chef training program.

At a cost to restaurateurs of roughly \$1.40 per pound, short plate is considered an excellent value among price-conscious Philippine food service decisionmakers. The cut is especially popular in beef slice-and-rice type dishes served in the fast-growing, quick-serve restaurant sector. Major customers include quick-serve restaurant chains such as Teriyaki Boy, Tokyo Tokyo and Yoshinoya Beef Bowl.

The cooking demonstration was attended by more than 50 chefs and

restaurant managers and generated new business for a top importer of U.S. short plate. ATO Manila and USMEF arranged a food service promotion in February pairing U.S. chilled beef and Beringer wines from California. USMEF is also stepping up its chef training program for the Philippines, and exhibited at the World's Finest Foods trade show in April. **n**

*The article is based on a report by FAS' Agricultural Trade Office in Manila, the Philippines. For more information, contact that office at: Tél.: (011-63-2) 894-5381; Fax: (011-63-2) 812-5430; E-mail: [agmanila@usda.gov](mailto:agmanila@usda.gov)*