

### **Brisket shortage has Texas barbecue lovers facing rising costs**

Barbecue lovers are facing sticker shock from a brisket shortage. In Texas, they cooked up four tons of the smoky specialty for Gov. Greg Abbott's inauguration party. But brisket's growing popularity there may come at a bad time, reports CBS News correspondent Vicente Arenas.

Customers line up at Fargo's Pit BBQ in Bryan, Texas, for a plate full of the top-rated brisket co-owner Belender Wells has been serving for 15 years.

Business is good, but the restaurant is facing a new challenge: a dramatic spike in the cost of beef.

At first, she didn't know her business was going to make it through.

"The choices we have to make -- because to maintain the quality, you are going to have to raise your price or you go out of business," Wells said.

Brisket prices have increased 60 percent in the last year, from \$2.21 per pound to \$3.52.

"Today in the brisket market, it is the perfect storm going the wrong way," Texas A&M University meat science professor Jeff Savell said. "There are fewer briskets today than in the past. But there is a greater demand for briskets."

It's become a hot-ticket item because of upturn in the economy and growing popularity of Texas-style barbecue nationwide. But droughts in states like Texas and California have forced ranchers to thin their herds to the lowest levels in 60 years.

Brisket is considered the gold standard of barbecue. When prepared correctly, it is slow-cooked for eight to 12 hours, with a dark outer bark and juicy, tender inside.

"Texas barbecue without brisket, well it's just pork. That's no fun," Texas Monthly Barbecue editor Daniel Vaughn said. "Texas-style barbecue has become a lot more popular all across the country. Even fast food chains like Arby's have gotten on the bandwagon of brisket."

Vaughn estimates Arby's consumes about 300,000 pounds of brisket a week -- nearly 5 percent of the country's stock. That further limits supply.

Higher prices, police say, may have driven one man to allegedly steal at least \$2,000 worth of meat from 19 different grocery stores in Austin, Texas, so he could sell it to local restaurants.

Fargo's finally had to raise its prices, from \$12 per pound to \$16.

"It is a lot but there was a two-year gap where I didn't raise prices at all," Wells said.

For the customer's that remain undeterred by the cost increase, Fargo's will continue to slice beef, though they'd also prefer to cut prices.

Market	What Changed?	Demand	Supply
Brisket			

### **Fewer People Are Going to the Movies Because Ticket Prices Are Just Too High**

People are less likely to go to the movies because they think tickets are overpriced, according to analysts

Box office revenues in the U.S. nosedived last summer by 21 percent when compared to the same period in 2013, and experts say high-ticket prices are the main culprit, according to consulting firm PricewaterhouseCoopers (PwC).

In surveys conducted by the firm, 53 percent of respondents cited increasing ticket costs during the past five years as one of the chief reasons why they opted to skip out on the cinema.

“Despite advanced technology, better seating, improved concessions and the return of 3D movies, the negative of higher ticket prices is difficult to counter-act,” said PwC in a report released this week.

Market	What Changed?	Demand	Supply
Movie Tickets			

**Chocolate lovers, beware: prices could go up this summer just like last year.**

There's an unsavory forecast for one of chocolate's key ingredients: cocoa. Bad, dry weather conditions are shrinking the cocoa supply, which eventually affects American consumers. The price of cocoa is up 12% so far this year. That eats into the profits of chocolate makers and forces them to consider hiking prices on chocolate bars, balls, sauce and everything else.

It's deja vu from last year. Cocoa prices were up 13% in the first half of 2014. That -- along with rising milk and nut prices -- prompted Hershey (HSY), Lindt and other chocolate makers to raise their prices about 8% on average last July.

To be clear, no major chocolate brands have announced additional price hikes this year. And you might think, "8% price hike, so what?"

But this price-hike problem could be a continuing trend. Part of the issue: location. The majority of the world's cocoa supply is in two tiny countries: Ghana and the Ivory Coast in western Africa. Cocoa production in Ghana alone is down 22% from last year. If something happens there -- such as another Ebola outbreak or bad weather -- it sends ripples across the chocolate industry.

Once chocolate prices go up, it's unclear if they will ever come back down. With a limited supply of cocoa and rising global demand for chocolate, particularly in China, chocolate makers have some ability to keep prices higher.

Consider this: 10 years ago, a ton of cocoa beans cost \$1,571. Right now it costs double that, \$3,244, according to the International Cocoa Organization. The ICCO projects that cocoa production will be down 4% this year compared to last.

So an 8% chocolate price increase probably didn't hit your wall hard last year, but further price hikes could add up. Prices may not go up as much this year since milk is actually a little cheaper than a year ago. But cocoa -- the stuff that makes chocolate taste great -- continues to become more expensive.

Market	What Changed?	Demand	Supply
Chocolate Bars			

