

American Dairy Association North East

COMPREHENSIVE GENERIC MILK AND DAIRY PROMOTION PLAN FOR THE NYS DAIRY PROMOTION ORDER



Today's Agenda

- **INTRODUCTION OF PLAN**
- **COMPREHENSIVE YOUTH MARKETING SALES AND TRUST INITIATIVE**
- **RETAIL SALES AND TRUST INITIATIVE**
- **PROACTIVE INTEGRATED MARKETING COMMUNICATIONS STRATEGY**
- **DEVELOP EFFECTIVE DAIRY FARMER ADVOCACY AND SPOKESPERSON NETWORKS**
- **NEW YORK ADVISORY BOARD RFP NATIONAL PROGRAMS**

GIVING DAIRY FARMERS A STRONG VOICE IN THE MARKETPLACE

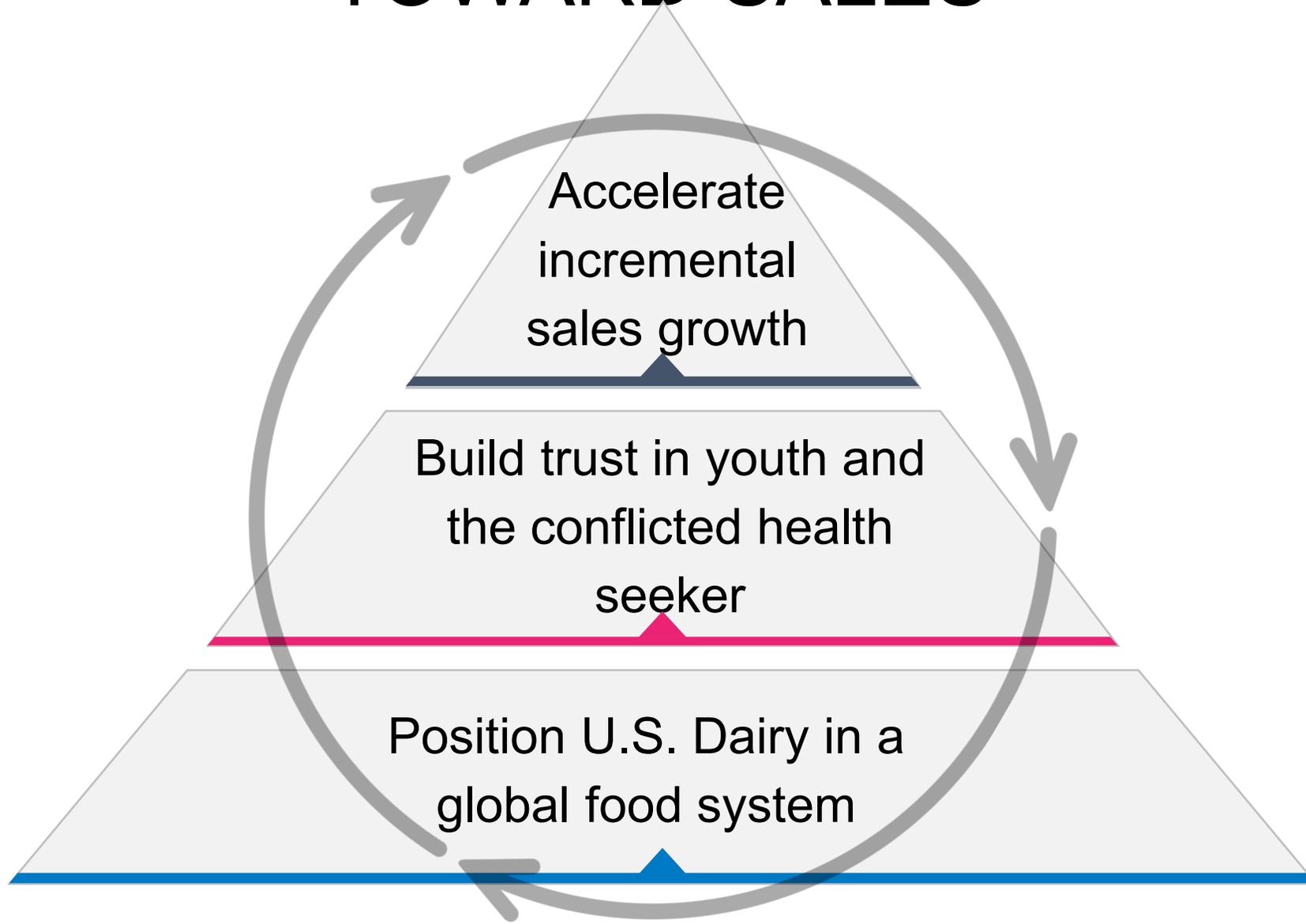


FOUNDATIONAL CONCEPTS

We are your voice in the marketplace

- WE WORK FOR DAIRY FARMERS TO BUILD TRUST AND ACCELERATE ADDITIONAL DAIRY SALES
- WE WORK WITH DAIRY PROMOTION ORGANIZATIONS ALL AROUND THE COUNTRY TO DEVELOP BEST PRACTICES AND CONSTANTLY EVOLVE PROGRAMMING
- WE ARE PART OF A DAIRY FARMER SUPPORTED UNIFIED NATIONAL AND INTERNATIONAL PLAN THAT MAXIMIZES YOUR EFFECTIVENESS AND EFFICIENCY

2020-2023 Priorities Are Interdependent, DRIVING TOWARD SALES



The 2021 Plan lives within the 2020-2023 Framework

2020-2023 Objectives



Position U.S. Dairy in a global food system

- Global organizations recognize U.S. dairy's role in sustainable food systems
- Dietary Guidelines for Americans recommend three servings of dairy a day
- U.S. Dairy's social responsibility platform is supported by global and domestic food companies



Build trust in consumers and youth

- Target audiences understand U.S. Dairy's commitment to personal wellness, sustainable agriculture and communities
- Prioritize efforts around sharing U.S. Dairy's sustainable nutrition story in all that we do



Accelerate incremental sales growth

- Continue to build upon successful catalytic partnership model in priority channels
- Increase pre-competitive efforts to enable scale and reach
- Enable path to market for non-traditional players and unlock emerging dairy growth opportunity platforms

DMI 2020 UNIFIED MARKETING PLAN

A Nimble Portfolio Approach; Compressed Time

SHORT TERM IMPACT NOW	MID-TERM IMPACT NEXT	LONG TERM TRANSFORMATION
Present – 1 Year	Present – 2 Years	2 – 5 Years
In-year UMP execution and impact	Test & learn new opportunities; lay ground for 2021-2023	Set stage for long-term industry impact; guide future UMP
85% people, resources, funding	10% people, resources, funding	5% people, resources, funding
Global positioning, Trust, Sales	Global Positioning, Trust, Sales	Global Positioning, Trust, Sales
<ul style="list-style-type: none"> Existing commercial partners support innovation and reputation outcomes Leadership recognition for U.S. Dairy U.S. Dairy's story in market 	<ul style="list-style-type: none"> New growth platforms and digital media vehicles High-Impact H&W and Environmental Science Commercial and NGO partners, thought leaders 	<ul style="list-style-type: none"> Dairy 2030 Future Initiative Innovation Ecosystem Supply Chain Data System



Consumers purchases are influenced by:

Taste

Price

**Sustainability/
Environment**

**Animal
Care**



**AMERICAN DAIRY
ASSOCIATION** NORTH
EAST

American Dairy Association North East

COMPREHENSIVE GENERIC MILK AND DAIRY PROMOTION PLAN FOR THE NYS DAIRY PROMOTION ORDER



American Dairy Association North East

Comprehensive Youth Marketing, Sales and Trust Initiative



Agenda – Comprehensive Youth Marketing, Sales and Trust Initiative Overview

- **Description of Project**
- **Evolution of Youth Marketing Programs**
- **Got Milk 2021 - Social Marketing Campaign**
- **Growth of Dairy Sales in Schools**
 - School Nutrition Programs
 - Menu Enhancements
- **Youth Marketing - Expansion of Trust**
 - Dairy Education Programs
 - Health Influencer Support
 - NY Thursdays
 - Fuel Up to Play 60
 - Sports Marketing
- **Budget**

Presenters:

- **Andrea Thompson**
Senior Vice President of Youth Programs
- **Lindsay Juliano**
Senior Youth Nutrition Specialist
- **Emma Andrew-Swarthout**
Director of Dairy Industry Image
- **LaChell Miller-Gale, M.S., RD, CC**
Nutrition Specialist



Description of Project

A comprehensive plan that impacts students' consumption of milk and dairy products through:

- **Growth of Dairy Sales** in school lunch, school breakfast, and other offerings
- **Expansion of Trust** through proven initiatives that provide a variety of ways to connect with youth, build trust and increase dairy sales



Evolution of Youth Marketing Programs

“Selling Dairy in Schools and Building Trust in Schools”

1995-2009

1995

- **Chef Combo**, puppet show to teach about dairy in schools...moved to proven sales initiatives to sell dairy in schools.



2000

- **Expanding Breakfast** in traditional settings i.e. grab-n-go service
- **New Look of School Milk** program created, to compete with popular beverage packaging and increase milk sales



2007

- **School Summits** as an effective way to reach decision makers to get support for dairy school programs

2008

- **“Whole-Child”** approach connecting academics to student health & wellness, lending importance of school meals



2010-2014

2010

- **Fuel Up to Play 60** to address childhood obesity. Only program focused on Physical activity and nutrition-“dairy”



2012

- **Breakfast After the Bell** strategy was “born”- Conducted Learning Connection Appreciative Inquiry summit

2013

- **Wellness Policies**, worked with schools to develop policies to safeguard dairy on school menus



2014

- **Success Start Early** - efforts focused on “making school breakfast part of the school day”

2015-2019

2015

- **Just Say Cheese & Yogurt Program** developed to strategically increase incremental dairy sales



2016

- **NY Thursdays**- Ongoing sales promotion supporting local dairy in schools



2018

- **World School Milk Day & NYS School Breakfast Day** ongoing sales promotion to support school meals with.
 - **Hot chocolate milk program** launched



2020

2020

- **Keeping Milk & Meals Flowing** COVID-19 aggressive support for school clients
- Began weekly Eblast series to schools



- **Nutrition Connection** – site developed with resources to help schools deal with new realities
 - Includes dairy focused menu enhancements and support for new serving methods



- **Fuel Up to Play 60- Kids crave interaction and connectedness**- Developed material to reach kids in classroom or at-home to continue to promote dairy through healthy eating strategies.



2021

2021

- **Redesign, Recover Reengage** Re-emphasizing focus on school breakfast and school lunch to help schools recover and rebuild dairy sales due to COVID-19 closures
- **Milk is a Must!** -Milk marketing efforts through “Got Milk” to keep milk top of mind at home and in schools

got milk?



got milk?[®]

2021 Social Marketing Campaign

At the onset of COVID-19, we found new ways to reemphasize milk with meals.

Now, whether schools are implementing in-school meals, at-home pickup/delivery or a combination, we're supporting their efforts and driving additional sales.

Now more than ever, students need good nutrition – especially *milk and dairy*.

Leveraging “got milk” for the New Normal of 2021.

Now and throughout 2021, we'll continue to proactively support school meal programs with Milk as an integral part of the academic day, and the return of “got milk” provides a strong vehicle to convey that message.



Why It Matters?

Outside Organizations Have Limited Access to Students in Schools...

- Competing – Priorities, Products and Programs
- Government Regulations

School milk and dairy sales are impacted by access to students AND students' access to school meals





Dairy Farmers, through ADADC, have “uncommonly” allowed access to market to kids in schools

School decision makers and students rely on our marketing programs and unparalleled support that impart farmer values, builds trust and sells dairy.

- **No** *Internal Review Boards*
- **No** *Non-Disclosure Agreements*
- **No** *Freedom of Information Hurdles*





ADADC school programs are “critical to instructional and organizational plans.”

“As a Superintendent, I am always looking out for my principals, teachers, and our students' best interests. Therefore, working with the American Dairy Association North East is a critical part of my instructional and organizational plan.

The programs they offer, such as **Breakfast After the Bell**, **Fuel Up To Play 60**, providing access to healthy foods such as dairy is key to student development. I appreciate the continued support.”

Dr. Prayor, Brooklyn South Superintendent, NYC Schools Districts 17, 18, 20, 21, 22 & 33



Our school programs are essential...here's why!

- Milk is the only dairy item mandated on school nutrition programs
- Milk is “Offered vs Served” - meaning students do not have to select it
- Cheese and yogurt are optional on school menus
- Our school marketing programs ensure that milk, yogurt and cheese are available to students every school day



Growing Dairy Sales through School Nutrition Programs

Increasing participation
in school nutrition
programs leads to
increased dairy sales in
schools



Strategy:

- The Youth Programs team's primary focus is on increasing student participation in the National School Breakfast and National School Lunch Programs

Rationale:

- Ensuring student access to school meals- Our approach simultaneously boosts meal participation and milk and dairy sales
- An increase in school meal participation correlates to a sales increase of 80% for milk taken with meals¹
- Our efforts ensure that dairy is and remains an essential part of all school meals

¹“School Nutrition and Meal Cost Study.” USDA. USDA/FNS, 2018. <https://www.fns.usda.gov/school-nutrition-and-meal-cost-study>.



Adapting to New Realities

Growing Dairy Sales through School Nutrition Programs

School breakfast has provided the greatest opportunities to increase meal participation. ***Breakfast After the Bell*** (meals served after the start of the school day) afforded schools a vehicle to ensure more students had access to school breakfast daily.

The devastating impact of COVID-19 school closures dramatically altered the landscape:

- Total school meal participation (breakfast & lunch) went down approximately 40%
- Dairy sales were also negatively impacted

Our response has been immediate and aggressive.

We're providing support and resources to help schools across our marketing region cope with the "new normal" and continue to serve meals for all occasions.

2021

- Continue to help districts provide school meals for all students
- Recover and boost dairy sales
- Focus primary sales effort on school breakfast and school lunch



Growth of Dairy Sales: School Breakfast and School Lunch

38 districts increase school breakfast and school lunch participation to 88,000 additional students

New York: 24 Districts

New Jersey: 11 Districts

Pennsylvania: 3 Districts

SPECIFIC GOAL and MEASUREMENT

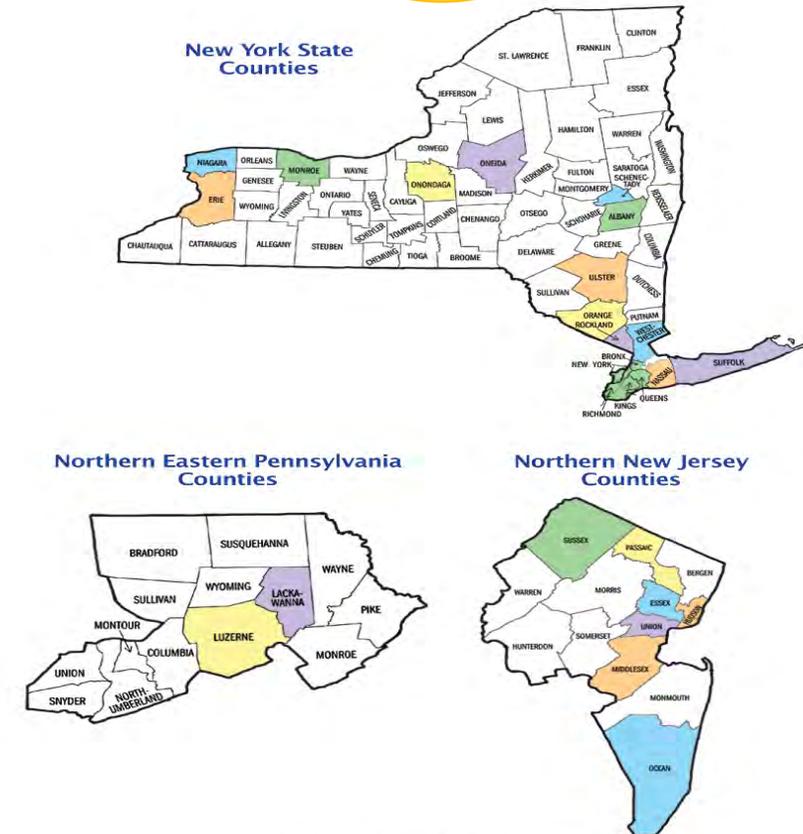
Respective State's Average Daily Participation (ADP) Breakfast and Lunch reports will be utilized to provide the baseline for 2020 breakfast and lunch participation and 2021

- **30,000 additional school breakfasts**
- **58,000 additional school lunches**

38
School
Districts

3,426
Schools

1.6MM
Students



Menu Enhancements – Growth of Dairy Sales

For 2021, in addition to focusing on increasing sales of fluid milk through school breakfast and lunch, our efforts will also extend to summer meals and the promotion of yogurt and cheese through a variety of the following essential sales programs and tactics:



Just Say Cheese Provides an opportunity to increase cheese sales by expanding its usage on school menus. We provide schools with kid-tested and approved recipes, meal planning tips.

School Yogurt Increases the sales of yogurt in school by providing kid appealing and approved recipes to help schools offer ever-popular smoothies and parfaits.

Hot Chocolate Milk Highly popular with students, increases milk sales by providing a clever twist to get kids to select milk with all meals.

Strive for 35° F – Milk Temp Study Ensuring milk is served at its optimal temperature between 35° F- 40° F, this program supports milk sales by addressing the critical fact that, unless milk is kept cold, students won't drink it.

SPECIFIC GOAL & MEASUREMENTS

8% increase in cheese sales across 15 school districts.

- Pre & Post Data obtained and analyzed.

50% increase in yogurt sales across 15 school districts.

- Pre & Post Data obtained and analyzed.

8 school districts will participate in the hot chocolate milk program.

- Substantiating data provided from 8 districts.

250 school districts will participate in the Strive for 35° F Cold Milk Program.

- 250 - school districts enrolled

Menu Enhancements – Growth of Dairy Sales

Summer Meals

- An additional pathway to ongoing sales of milk and dairy with every meal, this program presents an important occasion when schools are out, to increase milk and dairy sales by increasing meal participation, through promoting awareness of summer meals availability.
- In 2020, through effective geotargeting digital strategies, ADADC reached over 5.9 million views targeting families with children 18 years old or under in target cities such as NYC, Buffalo, Rochester, Syracuse, Yonkers and more.

Strategic Partnerships

- Developing and maintaining vital relationships, ADADC works with and through influential partner organizations which includes but not limited to school nutrition associations, anti-hunger advocates for in-kind support that aligns with dairy farmer values and initiatives.
- Provides broad-based collaborative support for our dairy marketing programs for win-win solutions that support dairy while driving increase participation in school nutrition programs.



Menu Enhancements – Growth of Dairy Sales

Specific Goal and Measurements

Summer Meals

- Summer meal program awareness and publicity efforts will reach:
- 6 million impressions in households with children under 18 across 10 target cities:
 - NYC, NY*, Yonkers, NY* Syracuse, NY*, Brentwood, NY*, Buffalo, NY*, Paterson, NJ, Jersey City, NJ, Elizabeth, NJ, Passaic, NJ, Union City, NJ

Supporting analytics will be provided to substantiate expected outcomes of 6 million impressions targeted families reached

Strategic Partnerships

ADADC will sponsor and conduct:

- 4 educational meetings
- Place 12 ads and 12 feature articles supporting core school programs in partnership with anti-hunger advocates, school nutrition associations geared toward increasing child nutrition program participation as it correlates with increased dairy sales.

- 4 - virtual educational meetings will be held
- 12 ads and 12 feature articles supporting core school programs will be placed in respective school nutrition and educational publications



Youth Marketing—Expansion of Trust



The second, equally important part of our youth marketing plan is focused on **building, expanding and maintaining trust.**



Unique Youth Marketing for Expansion of Trust

According to an Institute of Medicine study, **“marketing in schools undermines school health.”** *Institute of Medicine (IOM). Food Marketing to Children: Threat or Opportunity? Washington, DC: National Academies Press, 2006*

Our School Marketing Strategies...

- Designed around current school nutrition guidelines
- Provide holistic favorable solutions widely accepted by key school decision makers
- Deliver critically needed accurate education about where dairy foods comes from, how it is produced, and its nutritional benefits
- Increase dairy consumption and sales
- Allows access to students



Expansion of Trust: Educating Youth about Dairy

Providing accurate education tools about where food comes from and how it is produced builds trust

- Classroom education curriculum –
 - Meets educational standards
 - Provided to 2nd to 4th grade, middle and high school science teachers
- “Fun on the Farm” video series
 - 3 million views in 6 months
 - Entertaining and educational
 - Stand-alone and supports curriculum materials
- Virtual Farm Tours
 - 240K Views
 - Real-time interaction with dairy farmers



**SCIENCE ON
THE FARM**

**FUN ON
THE FARM**



Youth Marketing for Expansion of Trust: Educating Youth about Dairy

Specific Goal

- Dairy education curriculum developed and provided
 - 57,785 teachers reached
- Conduct Virtual Farm Tours to reach 20,000 students and teachers with live views
- Reach 2 million consumer views through 12 episodes created for the Fun on the Farm video series

Measurements

- Measured by number of classrooms receiving the program
- Measured by number of teachers/students registering and participating
- Measured by number of episodes released and views reached



Youth Marketing—Expansion of Trust Cont'd

Health Influencer Outreach

ADADC's staff of registered dietitians will secure key influencers and third-party dairy advocates and work with nine (9) health professional organizations to enlist support of dairy in children's diets.

Organizations include but not limited to:

- NY School Nurses Association
- NY American Academy of Pediatrics
- National Medical Association
- National Hispanic Medical Association
- NY & NJ Academy of Nutrition and Dietetics

SPECIFIC GOAL and MEASUREMENT

Nine (9) health associations provide new and renewed program support of flavored milk in schools and keeping school meals integral to the education day.

- Measured by the number of health association supporter logos we receive on both the flavored milk in schools and Breakfast After the Bell supporter listings on an annual basis



NYS AAP - Chapter 3



New York Thursdays

This “Buy Local NY” initiative promotes locally produced and grown foods and dairy in schools every Thursday.

Developed three years ago by New York Department of Agriculture and Markets, launched in NYC at a kick-off event supported by ADADC

- ADADC has successfully worked to promote and expose 1.6M students at over 1,600 schools across the state to videos of dairy farmers sharing their stories and insight to enhance youths’ understanding that their food comes from a good place.

SPECIFIC GOAL and MEASUREMENT

1,650 schools will participate in NY Thursdays program and video contest

- Measured by number of schools registered to participate.

FROM
NEW YORK FARMS
— TO YOUR SCHOOL —
THURSDAY & EVERY DAY



Nate Chittenden
Dutch Hollow Farm,
Schodack Landing, NY



Abbey Copenhaver
Ivy Lakes Dairy,
Stanley, NY



Russ Klein
Silver Meadows Farm,
Silver Springs, NY



Fuel Up to Play 60

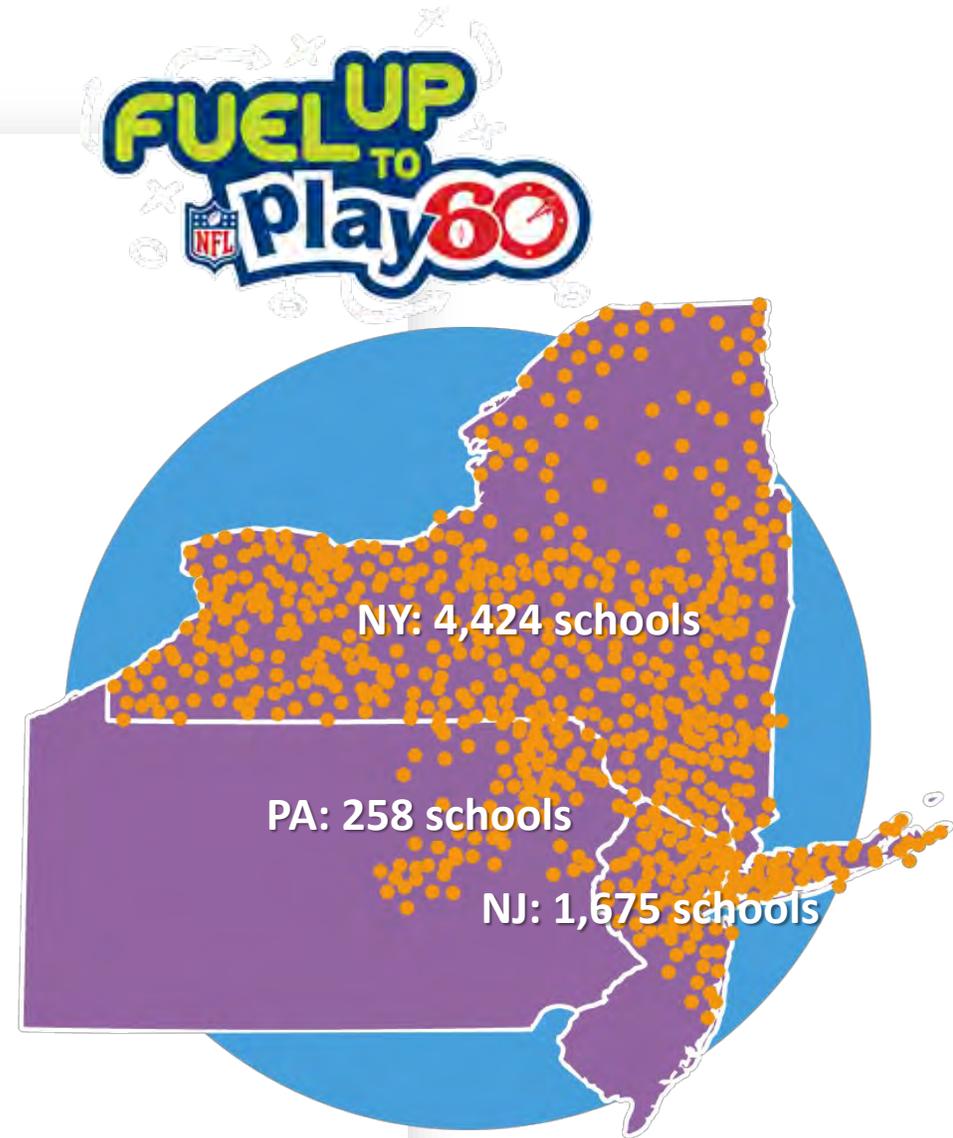
Developed by Dairy Management Inc., and dairy farmers in partnership with local dairy councils like ADADC, the USDA and the National Football League.

- Student-led health and fitness initiative that encourages students' healthy eating and physical activity
- Designed to protect the future market for milk and dairy foods in schools through a play book of health eating strategies
- Facilitates access to students and our ability operate in schools to implement dairy marketing programs under a nationally recognized umbrella
- Builds lifelong consumers through promotion of kid-approved and created dairy recipe items

SPECIFIC GOAL and MEASUREMENT

6,417 total schools will be enrolled in the Fuel Up to Play 60 program

- ADADC schools, students, and advisors will be registered as tracked by the National program reporting infrastructure. Report of registered schools will be provided.



Building Trust in Youth Through Fuel Up to Play 60



“Through FUTP 60, we started a yogurt smoothie program and even visited a farm. That trip provided me with an appreciation for dairy farmers, for the hard work they do every day. If you visit our school, you’ll see the impact this initiative has had on students consuming milk during breakfast and lunch.”

– Josh D. 7th Grader, Yonkers, NY



“I started FUTP 60 as a first grader; now I am in 7th grade. It taught me how to be a leader and to make healthy changes in my school. Last spring, I set up Zoom Calls with classmates to share ideas on how we can still eat healthy and stay active while not in school.”

– Ali G. 7th Grader, Hannibal, NY



“Fuel Up to Play 60 has taught us that milk and dairy are extremely important for healthy bones and muscles.

My advisors and other students are so appreciative of all the support the dairy farmers

have provided especially the new milk vending machines our school received.”

– Drew, 7th Grader, Springville, NY



Youth Marketing—Expansion of Trust Cont'd

High School Sports Marketing

- ADADC's high school sports marketing strategy is designed to grow high school student athletes and coach's preference for flavored milk as a nutritious refuel beverage after games and workouts.
- This program provides nutrition education materials to athletes and more than 7,000 coaches through its partnerships with the New York State Public High School Athletic Association Inc. and the Public Schools Athletic League.

SPECIFIC GOAL and MEASUREMENT

- 35 – ADADC sponsored championship events, 7,700 coaches reached monthly to disseminate nutrition information and reach at least 100,000 athletes via virtual communications channels.
- Measured by the number of sponsored championships, coaches reached monthly and at least 100,000 athletes via virtual communications channels

Why It Matters

Concerns about added sugars and increases in childhood obesity have forced school nutrition programs to scrutinize flavored milk.



Comprehensive Youth Marketing, Growth

Proposed cost of this project, including Overhead / Administration costs. Overhead includes travel cost, telephone, postage, memberships and administrative support.

Program Cost	\$1,851,530
Salaries	\$869,136
Benefits	\$262,084
Overhead	\$408,078
Total Proposed Cost	\$3,390,828



American Dairy Association & Dairy Council

Retail Sales and Trust: Strategy



Today's Agenda

- Project Description
- Retail Adaption to Covid-19
- Timeline of Retail Services
- Dairy Aisle Reinvention (DAR)
- Farm to Table
- Yogurt Dividers
- Cheese Pushers
- Dairy Aisle Performance Program (DAPP)
- Cross Merchandising
- Processor Relations
- Goals & Measurement
- Budget

Presenters:

- Nick DePalma – VP, Retail Services
- LaChell Miller- Gale, M.S., RD, CC – Nutrition Specialist
- Kim Villani – Director, Retail Data Services
- Steve Terzo – Director, Business Development



American Dairy Association & Dairy Council

Retail Sales and Trust: Strategy

1. A comprehensive retail and processor program that increases consumer passion and demand for dairy products thru the retail channel
2. Increase the availability of fluid milk to food insecure communities through food banks and 501c3 organization partners
3. Grow consumer trust of the dairy industry



Retail Adaptation to COVID

Beginning March 13 we immediately shifted our goals and priorities.

We are the only dairy checkoff group in the country to have staff in stores that can immediately respond to farmer requests and concerns to ensure dairy products are on the shelves.

- We worked with retailers on out of stock issues and to remove limitations on dairy products.
- Replenish dairy products in stores – 160,000 milk, cheese and yogurt items stocked.
- Expanded on current accounts by measuring 40 stores for Dairy Aisle Reinvention signage.
- Facilitated over 600,000 gallons and 300,000 lb. of dairy in NY through USDA and Local programs.



“We are essential, and stores need us.”



Retail Initiatives Through the Years

1995-2000

1995

- Worked with 8 Retailers to create Planograms, based upon store movement, utilizing Space Management software.

ADADC Retail Partners:

- A&P
- Pathmark
- King Kullen
- Kings
- ShopRite
- Price Chopper
- Foodtown
- Waldbaums
- Wal Mart



2000

- Total of 53 Milk Based items, 31 Non-Dairy Creamers, 6 Plant Based

2001-2006

2001

- Trial for Dairy Case Management Program conducted with Cornell University and ADADC in Ithaca market



2002

- Dairy Case Management Program launched into upstate NY market conducting store visits to improve dairy case conditions
- Program managed through a third party



2006

- Developed Chocolate Milk sections in Retail stores



2007-2012

2008

- Dairy Aisle Reinvention (DAR) tested in 5 stores
 - 3.2 - 9.8% sales lift
 - Implemented in 16 Accounts



2009

- Front End Convenience Coolers for Milk pints are installed next to registers
 - 10.3% sales lift for milk

2011

- ADADC took on full management of DCMP, upgraded software and rebranded as Dairy Aisle Performance Program to coincide with DAR.



2013-2018

2013

- Yogurt Dividers first tested in partnership with Dannon & ShopRite
 - To date 1500 stores completed

2014

- Farm to Table program launched in stores

2015

- Great American Milk Drive launched with Price Chopper to
- Cheese Pusher Program tested



2016

- Protein Snacking section created and implemented in 10 additional accounts
 - 45% sales growth
- Merged with MDA, expanded initiatives into additional NY based accounts

2019 - 2020

2019

- Fill a Glass with Hope launched



2020

- e-Commerce test
 - Partnership with DMI & MilkPEP
- Rear Load Yogurt Divider systems launch
- Total of 101 Milk Based items, 125 Non-Dairy Creamers, 58 Plant Based
- Working with 27 Retailers
 - ShopRite
 - Price Chopper
 - Tops
 - Hannaford
 - Foodtown
 - Weis
 - Wal Mart
 - Wegmans
 - King Kullen
 - Key Foods
 - Stewarts
 - Ahold
 - Acme



The Importance Of e-Commerce In A Post-pandemic World

- As consumers are buying products online, it is important that we meet them there.
- In the e-Commerce space, we are pursuing opportunities to connect dairy farmers to online grocery consumers.
- This gives us the opportunity to get dairy messages in front of a large number of consumers through these online marketplaces.

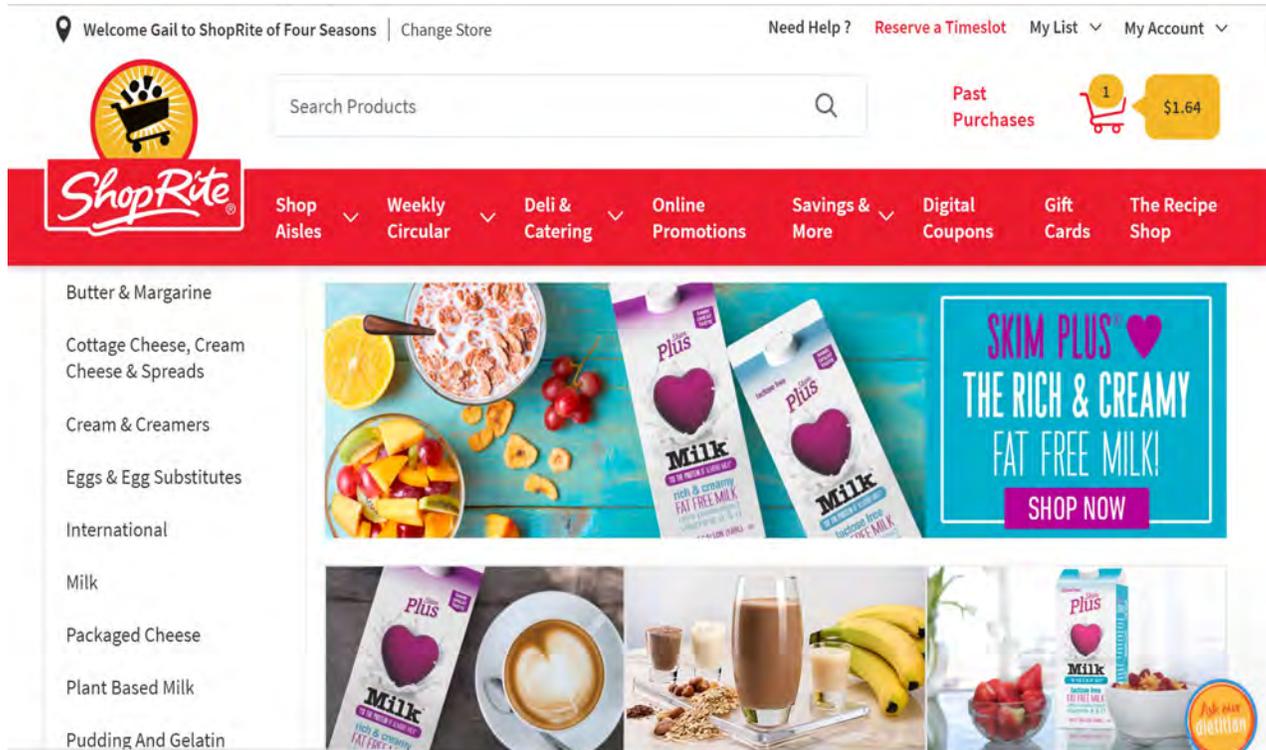
Why It Matters

COVID-19 dramatically accelerated e-Commerce grocery shopping.

- 159% increase in online grocery shopping
 - 43% of new online grocery store shoppers plan to continue using e-Commerce after the crisis ends
 - The current growth of e-Commerce due to COVID-19, is at the level anticipated for 2025
- Retail milk sales are up 13% in 2020 vs. 2019
- We have utilized our learnings from DMI's work with Amazon and MilkPEP's e-Commerce study to launch onto the e-Commerce dairy platforms of Retailers.



e-Commerce Brings the Store to Consumers



- Ability to promote dairy with in-store and digital retail customers.
- 2021 Features Digital Farm-to-Table features the same local dairy farmers who are featured at store level.
- A comprehensive marketing takeover that promotes milk and local dairy farms on the retailer's:
 - Social media platforms
 - In-store promotions
 - Digital end caps



Digital End Cap Pilot

October Theme: Chocolate Milk – The Official Beverage of Halloween

- Carousel Image
- Shoppable Recipes
- SHOP NOW feature

Surround Sound Messaging

- Dairy Clings in Store
- Social Media Placements
- Click Through Floating Ad's
- Retail Dietitian Assets

**Protein, Calcium
& Scary Delicious.**

got milk?

AMERICAN DAIRY ASSOCIATION

PUMPKIN
CHOCOLATE MILK
OVERNIGHT OATS

Feed Their Funny Bones

got milk?

**CHOCOLATE
PUMPKIN PANCAKES**

Holiday Mixology
Mix up a festive Steigh Bell Bubbly

Warmest Wishes
Savor a cheerful morning cup

7UP® Cinnamon Rolls
Bake with 7UP this Holiday Season

VIEW RECIPE

SHOP NOW

VIEW RECIPE



Retail Nutritional Consulting & Support

ADADC's Registered Dietitians provide positive dairy messaging and bolster dairy's image and consumption with retail customers

Placements Include:

- Instore: Flyers, Website, Circulars, Display, Cross Promotion, Publications, Radio Announcements
- Digital: Social Media, Blogs, Contest, Facebook Live, **(NEW e-Commerce)**
- Educational Experiences: Farm Tour, Webinars, In-Person Education

Key Accounts: ShopRite, Foodtown, Key Food, Hannaford, Weis, Price Chopper, Wegmans and Tops



Hunger: A Retail Dietitian's Direct Response to COVID-19

Twitter: @ClancyCHarrison
FB: Clancy Harrison

#FoodDignity



Specific goal of this project

To positively influence 900,500 consumers via e-Commerce and partnerships (educational webinars, flyers and social media) on dairy's health benefits with 3 key retailers.

Measurements for each goal

- Pull retail UPC data for 12 weeks prior year vs current year (2021)
- Increase retail sales by increasing consumer reach with positive dairy messaging through partnerships and e-Commerce
 - Retailers (Educational Webinars, Flyers, Social Media)
 - Total Reach: 900,500 consumers



Retail Strategy: Fully Developed Accounts



ADADC's 25-years of working relationships with retailers has made us the "go to" experts in the field. This allows us to capitalize on new store builds and remodels to implement all our farmer funded programs.



Dairy Aisle Reinvention



A unique in-store program designed to create the best dairy shopping experience for retail customers to increase dairy sales and consumption.

Invigorate

- Inspire shopper by communicating the value, benefits and usage occasions of dairy products
- DAR *slows down* shoppers
 - Slow = Impulse Buys = \$\$

Rationalize

- Engage shopper by bringing clarity and organization to different shopping segments

Customizable

- Change shopper perceptions and leverage “Local” appeal with Farm to Table



Why it Matters

Our Research Shows:

- **21% customers re-purchasing more milk due to the local farm source signage**
- 53% customers have a more favorable impression of the dairy aisle
- **73% customers find the signage very helpful**
- **23% purchased more dairy because of the health & wellness messaging**
- **Milk dollars grew by 4% in test stores and 1% in controlled stores**
- Cheese units were up 4% in test stores compared to flat in controlled stores

Working with 9 store remodels in 2020, dairy space was increased by 30 to 60ft per store.

- 8% dairy sales increase
- Our Dairy Farmer programs are part of the retailer's remodel and new store planning meetings; we have a seat at the table that no other vendor has.



Dairy Cases have changed in the last 25 years...



2020 Retail Store

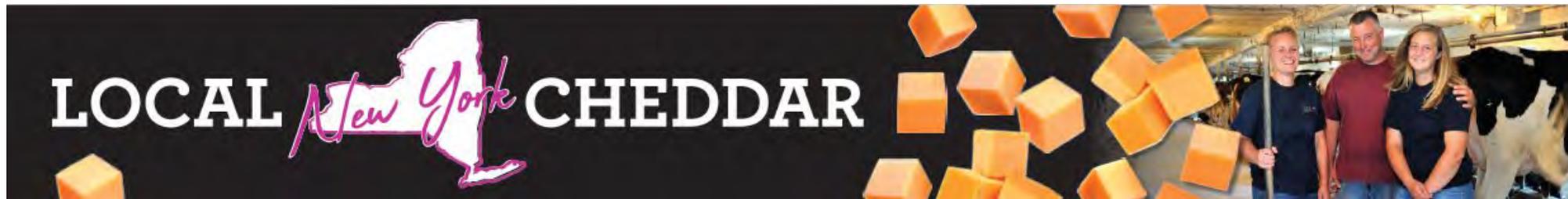
ADADC's farmer funded programming has brought the dairy aisle to the 21st century.

- Dairy farmers directly influenced the look and feel of current dairy departments
- Engaging customers
- Increasing sales growth



Promoting Local Cheese Sales at Retail

- Located in Deli Department Cheese Section
- Local Dairy Farms on Yogurt & Cheese Signage
- Accounts - ShopRite, Price Chopper and Tops
- Featuring NY Cheeses made from NY Milk



Dairy Aisle Reinvention Signage

Specific goals of this project

Increase Dairy category sales by 3% and consumer satisfaction with installation of signage at 80 new retail locations.

Measurements for each goal

Category sales as measured by representative sample of retailer point-of-sale data; customer basket penetration as measured by retailer loyalty card data when available.



Yogurt Dividers

Customized yogurt category shelf merchandising and inventory management system:

- ✓ Reduce Labor Costs
- ✓ Enhance Shopper Experience
- ✓ Increase Sales
- ✓ Simplifies Product Rotation



Why it Matters

ADADC completed yogurt fixture study showed results of

- 9% to 14% increase in yogurt sales
- 34% reduction in labor

More time for personnel to work with customers and on hygiene issues in the dairy department.

We also listen to what the retailers say:

- ***“I noticed it last week, it is much easier to keep shelf stocked and looking good” “More stock, more sales” -- Dairy Manager***
- ***“I love it. I have been waiting for this. Its much easier to rotate and pack out because product doesn't fall over its easier for the customer to shop” -- Price Chopper Dairy Mgr.***

New for 2020 - Rear Load Yogurt Test

Benefits of Rear Load System:

- Deeper shelves means more product on shelves
- Free up space in Dairy Aisle
- Reduces labor time to 9 seconds a cup
- Eliminates Rotation(Gravity Fed)
- Moved Juice and Iced Tea away from Milk to other side of dairy department



Yogurt Dividers

Specific goals of this project

- Increase yogurt category sales by 7% and consumer satisfaction with installations at 50 new retail locations.

Measurements for each goal

- Yogurt category sales as measured by representative sample of retailer point-of-sale data; customer basket penetration as measured by retailer loyalty card data when available.



Cheese Pushers

Customized cheese merchandising and inventory management system

- Increase sales up to 14%.
- Improve consumer experience
- Decrease out-of-stocks
- Reduce labor

Why It Matters

Our retailers say:

“Love this system. Keeps items blocked and organized and stops items from falling over.” -- Key Food Supervisor



“This is a great system. Now, I do not have to have an employee fronting items in this section all day, especially during the holidays.” -- ShopRite Dairy Supervisor Glen Holk

NY Dairy Farmer Impact on Retail Stores

Gristedes Supermarket located in Manhattan, NY

Dairy Aisle Reinvention Signage:

- Headers
- Blades



Gristedes – Manhattan, NY

Yogurt Dividers

- Increase sales
- Pushes product forward
- Ensures Rotation (Pull Tabs)
- Proper merchandising
- Increases item variety
- Saves labor



Gristedes – Manhattan, NY

Cheese Pushers

- Increase Sales
- Pushes product forward
- Rotation
- Proper Merchandising
- Item mix
- Saves labor



Gristedes – Manhattan, NY

Protein/Healthy Snacking

Chains that expanded our program:

- ShopRite
- Weis
- Tops
- Key Foods
- Acme
- Walmart
- Key Foods
- Foodtown



Between 2016 – 2019:

- 45% Growth in unit sales of snack cheese
- 1,985,448 units sold
- 64 new items introduced



Cheese Pushers

Specific goals of this project

Increase cheese category sales by 9% and consumer satisfaction with installations at 50 new retail locations.

Measurements for each goal

Cheese category sales as measured by representative sample of retailer point-of-sale data; customer basket penetration as measured by retailer loyalty card data when available.



Dairy Aisle Performance Program

We want to create the best dairy shopping experience for retail customers in order to increase dairy sales and consumption

We educate store personnel on dairy aisle best practices

- **Clean** - Implementing weekly cleaning schedules
- **Rotated** - Provide training and education on proper rotation to dairy personnel
- **In Stock** - monitoring out of stocks, supply issues and/or lack of labor
- **Fresh** - Educate management on importance of maintaining product temperatures between 33-38 degrees
- **Merchandised** - Proper space allocation based off corporate approved planogram and calling out exceptions

A sampling of stores are selected from each participating retailer in the geographic regions that we cover, to gauge overall store conditions.

Reporting

- Collection and transmission of store data via smartphone technology by field staff in marketing region
- Reports generated and delivered electronically within 24 hours of store visit to retail headquarters management

Key Benefits

- ✓ Unbiased marketing of all Milk, Cheese and Yogurt products
- ✓ Identify in store challenges
- ✓ Educate on best practices for Milk Handling
- ✓ Advise on best in class concepts for dairy case merchandising
- ✓ We deliver, in real-time, the view of the retail outlet from the customer's perspective.

Strategy- Dairy Aisle Performance Program (DAPP)

- We maximize our efficiency by focusing on the outlets that have the most customers and household penetration, to generate more sales.
- Grocery stores have a greater rate of coverage due to their higher volume of dairy sales.



Cross Merchandising Drives Additional Sales

- Cheese in Meat Department
- Cheese in Produce
- Yogurt & Whipped Cream with Berries
- Butter with Seafood
- Milk & Chocolate Milk in Grab and Go Coolers



Cross merchandising can generate up to 7% lift in sales



Why It Matters

- Clean and Fresh Cases = Increase in Sales
- In Stock items = More Sales
- Proper Space Allocation = More Sales
- Secondary Placements (Dairy Everywhere) = Impulse Buys/More Sales

One Owner had this to say:

*“We participate in the ADADC's store Dairy Aisle Performance Program. An ADADC representative visit our dairy departments to **see where we are succeeding, and where we need to improve.** This may include pricing, sign work issues, cleanliness, tie-ins, merchandising etc.*

*I have asked for the report to be sent to the Supervisor team. I have also asked ADADC to work with our department managers on any issues or concerns as soon as they walk into our stores. **This is a team effort.** I have specifically asked for the ADADC to focus on cleanliness issues. I think this can only help us raise our game.”*

-- Perry Platt Village Shoprite Owner

Dairy Aisle Performance Program

Specific goals of this project

- 950 stores with 3,800 annual retail visits to increase dairy category sales and consumer satisfaction through proper space allocation, merchandising principles, in-stock conditions, and dairy case management education.
- **Cross Merchandising** - Incremental purchase of dairy and paired category sales with 800 new secondary placements annually.

Measurements for each goal

- Category space allocation, merchandising principles, in-stock conditions, hygiene, and temperature improvements as measured by retailer specific dashboards.
- **Cross Merchandising** – Tracked through our software system backed up with photos



Processor Development

Processors Engagement

- Processors to invest in smaller retail accounts for Dairy Aisle Reinvention
- Increase awareness in NY of buying local at point of purchase through signs, digital & social media
- Secure additional commitments for schools and sports programs
- Support Fill A Glass With Hope ® in retail stores

Food Banks

- Work with Food Banks to increase milk distribution / cold infrastructure
- Continue to partner with food banks to feed the hungry through milk / food drives

USDA / NY Programs

- Coronavirus Food Assistance Program (C.F.A.P.) & The Emergency Food Assistance Program (T.E.F.A.P.) - continue to advance opportunities for milk and dairy
- Attend weekly zoom calls with DMI for best practices, updates on programs
- Work with Feeding NY for opportunity to increase sales



Why It Matters

- Dairy farmers will benefit from incremental sales of milk and other dairy products, by processors selling to food banks and USDA programs in the marketplace.



Processor Program

- *Fill A Glass with Hope*®
 - Designed to raise consumer monetary donations for fluid milk
 - Signs on milk doors and register tell consumers how they can donate
 - All dollars raised purchase milk from local processors to deliver to the Food Banks
 - Commissioner of Agriculture Richard Ball promotes the Fill A Glass With Hope ® program
 - 2021 continue to add more retailers



Processor Program

Coronavirus Food Assistance Program (C.F.A.P.) & The Emergency Food Assistance Program (T.E.F.A.P.)

- Federally funded programs, we research, initiate and support approved Distributors, Processors
- Since COVID 19 ADADC has facilitated over 600,000 gallons of milk and 300,000 lbs. of dairy
- Our 50 Milk drive events over the last 5 months were attended by 250 to 1,000 cars at each one
- Steve Terzo Awarded a COVID -19 acts of Kindness Award from Senator Jim Tedisco for his work organizing 3 milk and food drives for the residents of Corinth, NY
- 2021 continue to execute all programs from USDA and NY



Specific goals of this project

- **Processor Engagement and Education** - Increase dairy category sales and consumer satisfaction with processor-initiated small retail programming at 10 new locations.
- **Food Banks** – Increase USDA programs at Central NY food bank by 20,000 gallons. Place 10 new coolers. Add 1 new retailer for Fill A Glass With Hope ®
- **C.F.A.P. (Coronavirus Food Assistance Program) & T.E.F.A.P. (The Emergency Food Assistance Program)** – These programs change every 2 to 3 months. ADADC will utilize these programs to the fullest to get the most Milk and Dairy out to people in need

Measurements for each goal

- **Processor Engagement and Education**- Category sales as measured by representative sample of retailer point-of-sale data; customer basket penetration as measured by retailer loyalty card data when available.
- **Food Banks** Tracking through USDA and Food Banks
- **USDA – T.E.F.A.P.** Is tracked through USDA sales to food banks. C.F.A.P. is tracked through ADADC



Retail Sales and Trust Initiative

Proposed cost of this project, including Overhead / Administration costs. Overhead includes travel cost, telephone, postage, memberships and administrative support.

Program Cost	\$723,571
Salaries	\$814,776
Benefits	\$250,016
Overhead/Admin	\$364,526
Total Proposed Costs	\$2,152,890



American Dairy Association North East

Proactive Integrated Marketing Communications Strategy



Today's Agenda

- Evolution of Communications
- Project Description
- Best Practices for 2021
- 2021 Focus
- Issues & Crisis Preparedness
- Sustainability Education
- Goals & Measurement
- Budget

Presenters:

- Gail Street-Ward – SVP, IMC
- Diana Dibble – VP, Consumer Communications
- Kate Grosso – Director, Experiential Marketing
- Patrick Carney – Director, Content Marketing & Digital Strategy
- LaChell Miller-Gale, M.S., RD, CC – Nutrition Specialist & Certified Culinarian
- Cindy Weimer – SVP, Industry Relations



Evolution of Dairy's Communications Strategy

1969-2007

1969

- First Butter Sculpture



1997

- ADADC.com website was created

2001

- Issues Management & Crisis Readiness Program begins.



2007



2008-2015

2008

- High School Sports Marketing Began



2009

- Facebook page was created

2011

- Retail Dietitian program launched



2013

- Website – ADADC.com

2015

- Sport Nutrition Advisory Panel initiated
- Environmental Outreach & Consumer Education begins



2016-2018

2016

- Experiential Marketing Team established.

2017

- New Website



2018

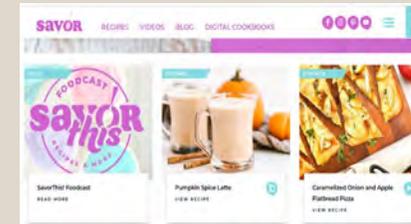
- Rochester Food Bloggers Conference
- Influencer Marketing strategy implemented
- Paid Social Media Advertising initiated.



2019-2020

2019

- SavorRecipes.com website was established



- Traditional Paid Media in NYC

2020

- Launch multi-channel Millennial Moms campaign
- COVID-19 pivots to virtual:
 - Television news interviews
 - Health Influencer Webinars & Conferences
 - Rochester Food Bloggers Conference



2021

2021

- Refocusing **NEW AmericanDairy.com** website to meet evolving consumer and program needs
- Samsung Hub Refrigerator engagement dairy recipes
- Expanded milk marketing efforts to reach Mommy Bloggers in New York City
- Spokesperson 2.0 Program established to provide dairy nutrition content
- Podcasts Launched
 - Dairy Farmer Image
 - Cooking at Home



Description of 2021 Project

We are your voice in the marketplace. Armed with DMI's consumer-tested messaging, we build trust and support programs to accelerate additional dairy sales.

Why It Matters

We pave the way for your messages to reach consumers:

- Placing Stories on Television, Radio and Newspaper
- Social Media Posts & Advertising - Facebook, Instagram & Pinterest
- Two Dairy-focused Websites
- Influencer Marketing & Nutrition Education
- Environmental Outreach & Education
- Virtual and On-site Event Planning and Execution



We build consumer **trust** and turn that trust into **passion for dairy** and ultimately into **sales**.

COVID-19 – Changing Media Consumption Habits into 2021

- Content preference has shifted to science, news and health
- More time spent on social media:
 - Instagram – up 32%
 - YouTube – up 44%
- Digital advertising spends have increased
- Consumers are looking to media and influencers even more for guidance and advice than in previous years



2021 Opportunities

Nostalgic Comfort

- Consumers are longing for simpler times and are seeking products that bring nostalgic comfort during uncertain times

Health Takes Center Stage

- More than 50% of consumers say health matters more now
- Seeking foods that support their immune systems
- Relying on trusted and credible resources

Local & Sustainable

- Nearly 70% of U.S. consumers think it is important that a product is sustainable
- Locally sourced and sustainable are key purchase drivers
- These are important selling points for dairy to communicate

Real Enjoyment

Nutrient Rich

**Responsibly Produced
Locally Driven**

DMI Consumer Tested Messages

Data shows that hearing from at least 3 Different Sources = Increases Trust in Products

Television

Peers/
Reviews

Newspapers

Influencers

Google

Websites

Social Media



Why Trust Matters

When trust is built, consumers will buy first, stay loyal, advocate on your behalf and defend your product.*



*2019 Edelman Trust Barometer Special Report: In Brands We Trust?

Key Learning for 2021 – “Think Out of the Box”



The NY State Fair was a great learning experience and one that will certainly carry over to 2021.

The best practices we discovered this year will become even more important to our audiences because we set the bar high!

Social Media

2,506,502 impressions

441,541 video views

Traditional Media

1,400 story placements

10.73 million media impressions

\$775,000 in publicity value

Featuring New York Influencers in Virtual Dairy Content and Media Interviews



Hosted by dairy farmer Abbey Copenhaver

The Eyes of the World Were on New York State



ABC 11 NOW

New York State Fair butter sculpture to be recycled into renewable energy



From Auburn to Australia, Chenango to Chicago, and Genesee to Germany – the eyes of the world were on New York State and the 2020 Virtual Butter Sculpture.

Engaging Media Influencers Virtually in 2021



28,800 views

4,773 engagements

2020 Undeniably
Dairy Virtual
Shake Off



THE #1 HIT MUSIC STATION

SPECTRUM
NEWS



CNYCENTRAL.COM



syracuse.com

Inspiring Consumer Engagement Online and At Home

#VirtuallyButterTogether Instagram Contest

- Our Experiential Marketing team made sure this year's unveil was one to remember.
- New York dairy farmers, industry celebrities and four lucky consumers from across the state joined in on the fun via life-size cardboard cutouts.
- Our contest winners had their "Face in the Place" on the red carpet as well.



Inspiring Consumer Engagement Online and At Home

State Fair DIY “Butter Sculpture at Home” Contest



1st place – NY Tough



Runner up - Ice Cream Truck



2021 Target Audience – Millennial Moms



Moms are busy!

Why It Matters

- Millennials are the largest generation by population.
- Moms make 85% of household purchasing decisions.
 - Winning with mom means winning with the whole family
- 90% of millennial moms share their opinion about “groceries / food / beverages” with other millennial moms.



A woman with dark hair is holding a white sign with a blue background. The sign contains text in white. The woman's face is partially visible above the sign.

“Give me permission to
feel good about enjoying
milk again.”

Instead of a make-over, moms think
that dairy milk needs a make under.
Focus on transparency, authenticity and
remind moms about when they enjoyed
milk as kids.

Top Messages Motivate Mom to Action

Rank	Message	Moms overall	Back To Basics	Confident and Connected	Self-Made Mom	Maxed Out Moms
1	A glass of milk is packed with protein that can give your kids energy and help them stay full.	✓	✓	✓		
2	Kids continue to grow into their 20's. Drinking milk now—with its nutrient package—can help them reach full height potential in the future.	✓				✓
3	Milk's 9 essential nutrients provide balanced nutrition for your kids.	✓			✓	✓
4	Experts recommend kids fuel up with protein in the morning—simply adding a glass of milk to their routine can help them start the day with energy they need for fuel and play.	✓	✓	✓		
5	Milk has 8 grams of protein plus 9 essential nutrients in every glass, making it a nutrition powerhouse for your kids.	✓				

Messaging Drives Positive Perception of Dairy Milk

Milk Attitudes Among Moms

(Strongly Agree: 8-10)

	Pre-Messaging	Post Messaging	Pre-Post Change
Dairy milk is fresh from farm to table	39%	59%	+21%
Dairy milk is a whole food	54%	68%	+14%
Dairy milk delivers balanced nutrition	58%	70%	+12%
I trust dairy milk's natural goodness	56%	68%	+12%
Dairy milk makes my family strong	59%	69%	+10%
Dairy milk is good source of natural protein	61%	72%	+10%
Dairy milk is part of being healthy	59%	69%	+10%
Dairy milk is an essential part of my children's diet	60%	70%	+10%
Dairy milk has been an important part of our family meals for generations	59%	68%	+9%
Dairy milk is an important part of my family's diet	59%	67%	+8%
Dairy milk tastes great	59%	66%	+7%

MQ10/Q30. For each, please indicate how much you agree or disagree with the statement. Use a 0-10 scale where 10 means you strongly agree with the statement, 5 means you are neutral, and 0 means you strongly disagree with the statement.

Reaching Millennial Moms on Social Media

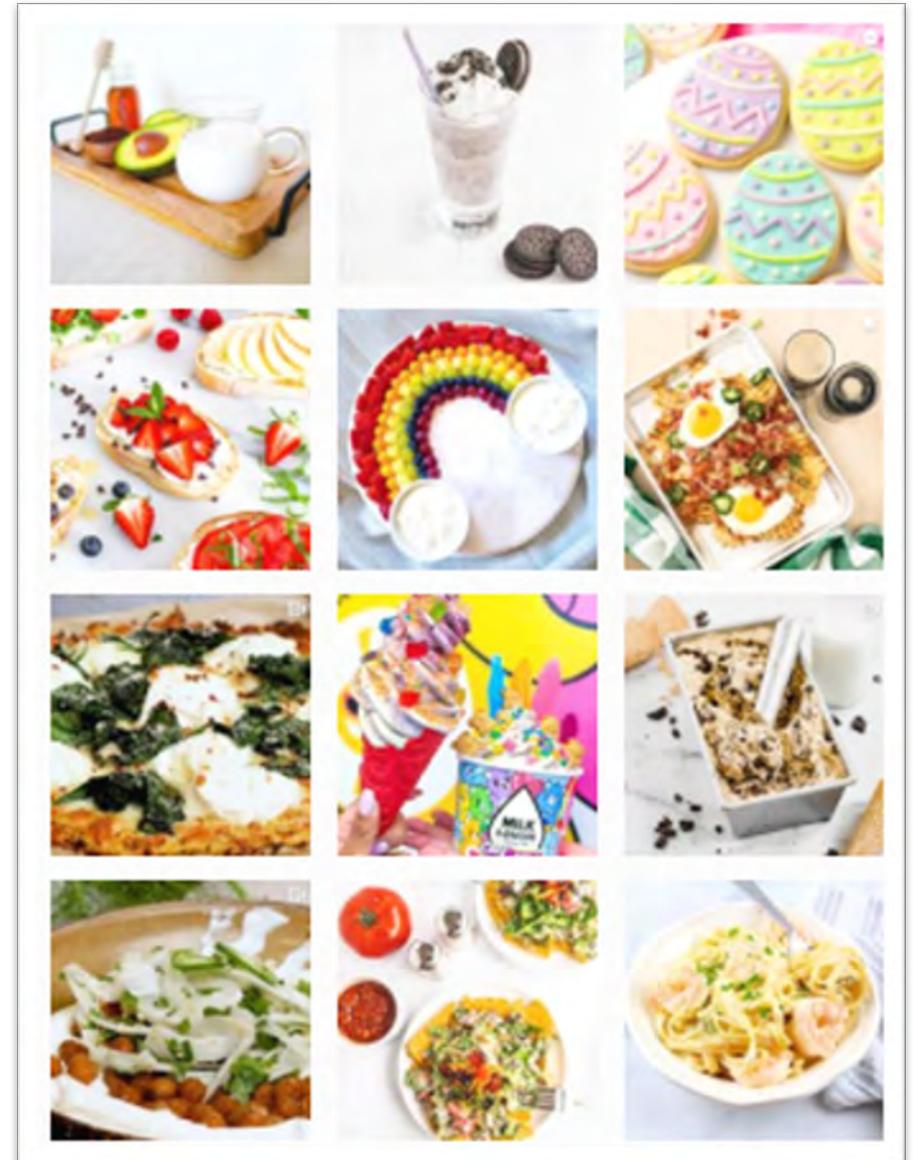
- Millennial moms are social (average 31% more social media accounts compared to other moms).
 - Through highly-targeted social media advertisements, we can promote relevant content to millennial moms. In the ADADC territory, we can reach millions of millennial moms.
 - **2.6 Million** | Facebook
 - **2 Million** | Instagram
 - **750,000** | Pinterest



**Excludes vegans*

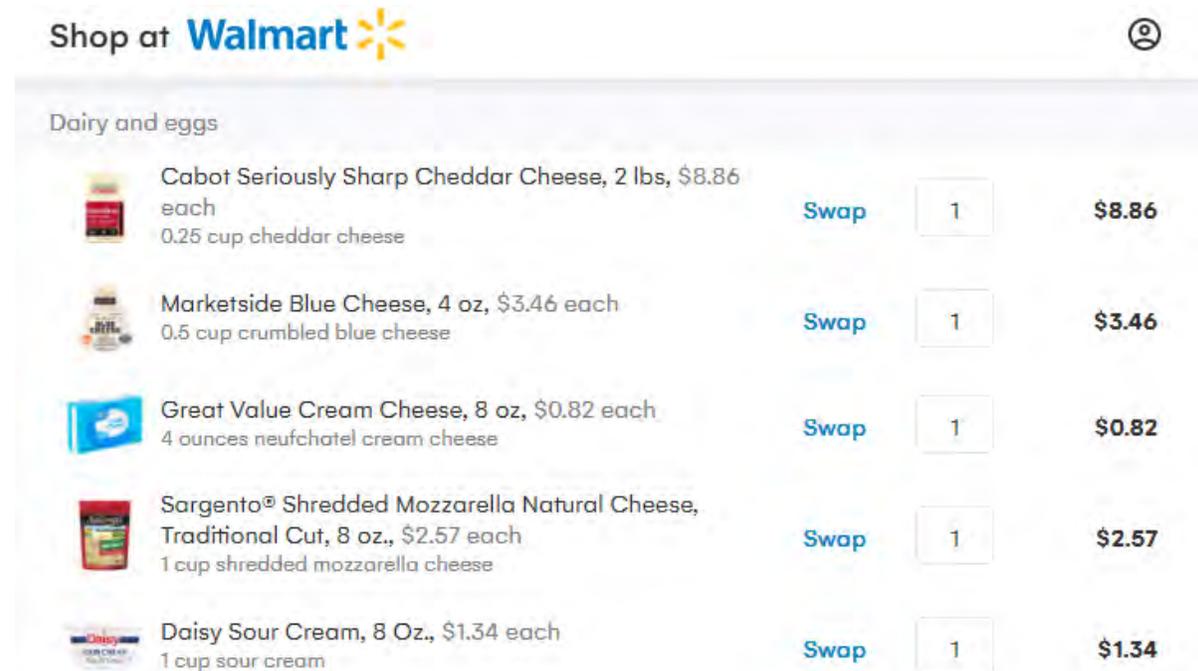
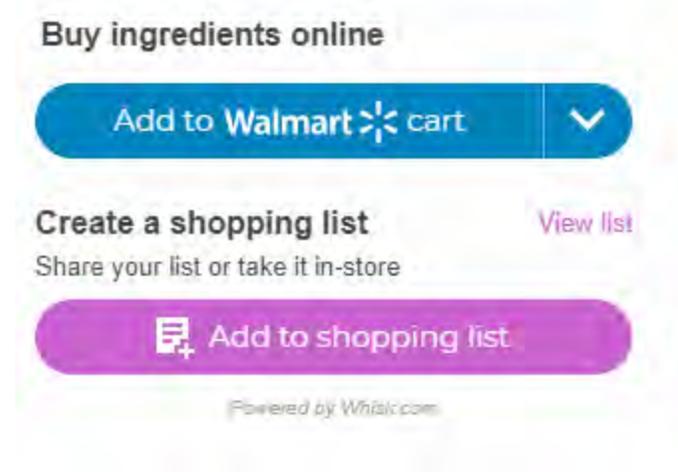
Reaching Millennial Moms with a New Website

- Why did we need a second website?
- Savor Recipes launched in July 2019. It's a recipe and lifestyle site with bright, fun and engaging content that provides consumers with valuable information on our website and social media channels.
- We engage with consumers on:
 - Facebook
 - Instagram
 - Pinterest
 - YouTube



Reaching Millennial Moms via e-Commerce

- All recipes are integrated with e-Commerce and allow consumers to purchase a recipe's ingredients from our site from:
 - Walmart
 - Amazon
 - Instacart
 - Peapod
- Consumers can also get a list of ingredients for in-store shopping via:
 - Email
 - Text
 - Print



Developing Dairy Recipes

- A team of 3 (Registered Dietitians and Chefs) continue to build our database of dairy-heavy recipes.
- Vetting includes:
 - Analyzing the quantity of dairy
 - Identifying whether recipes are current or outdated
 - Recipe ease-of-use for consumers
- Recipes are also flagged if they need new, more appealing photography.



Growing Content for Savor in 2021

- We continue to develop recipes, blogs and videos to grow our dairy-heavy content on Savor Recipes.
- We will continue utilizing several content developers to ensure fresh, relevant and valuable content.
 - Registered Dietitians & Spokespersons
 - A food-focused video production firm
 - Third-party influencers
- So far, Savor has published 331 recipes, 100 how-to recipe videos, 72 blog posts and 4 digital cookbooks.
- This will continue growing in 2021.



Pumpkin Spice is not for the basic – it's a ongoing fall trend that ushers in the fall time. This recipe is an example of how a smoothie can go fruitless, but remains its charm by sprinkling on the spices.

PUMPKIN SPICE SMOOTHIE

Serves: 2 Prep Time: 5 minutes

INGREDIENTS

- 1 cup milk
- 1/2 cup cottage cheese
- 1 cup canned unsweetened pumpkin puree
- 3 tablespoons pure maple syrup
- 1/2 teaspoon pumpkin pie spice
- 1/4 teaspoon vanilla extract
- Optional Garnish: whipped cream

PREPARATION

1. In a blender, combine milk, cottage cheese, pumpkin puree, maple syrup, pumpkin pie spice, and vanilla extract. Pour into tall glasses and serve immediately.

COOKING TIP:

To make your own pumpkin spice blend cinnamon, ground ginger, nutmeg, allspice, and cloves. Go more liberal on the cinnamon and cautious with allspice and clove.

Reaching Millennial Moms with Influencers

Why It Matters

- 63% of consumers trust influencers more than brands.
- 58% of consumers purchase products because of an influencer's recommendation.
- Influencer marketing campaigns earn \$6.50 for every dollar spent, yielding a very high return on marketing investment.



<https://www.convinceandconvert.com/influencer-marketing/influencer-marketing-statistics/>

<https://www.tomoson.com/blog/influencer-marketing-study/>

Reaching Millennial Moms with Influencers

- In 2021, we will expand our use of influencer marketing to reach millennial moms.
- Leverage new relationships from October 2020 Undeniably Dairy blogger tour in Rochester.
- Expand our “SavorThis!” video series, which has generated more than 400,000 video views.
- Utilize influencers on a new Savor podcast to launch in 2021.



Growing Savor Recipes Metrics

We've learned a lot about consumers' tastes since Savor's launch:

- **21.5 Million** Social Media Impressions
- **788,000** Social Media Engagements (likes, shares, comments, etc.)
- **450,000** Website Page Views

These numbers will keep growing in 2021.



Reaching Millennial Moms in the Kitchen

- In 2021, our dairy-heavy recipes from SavorRecipes.com will begin appearing on Samsung Family Hub Refrigerators and other Samsung connected devices.
- About 67% of connected appliances are purchased by people around the millennial-generation ages.

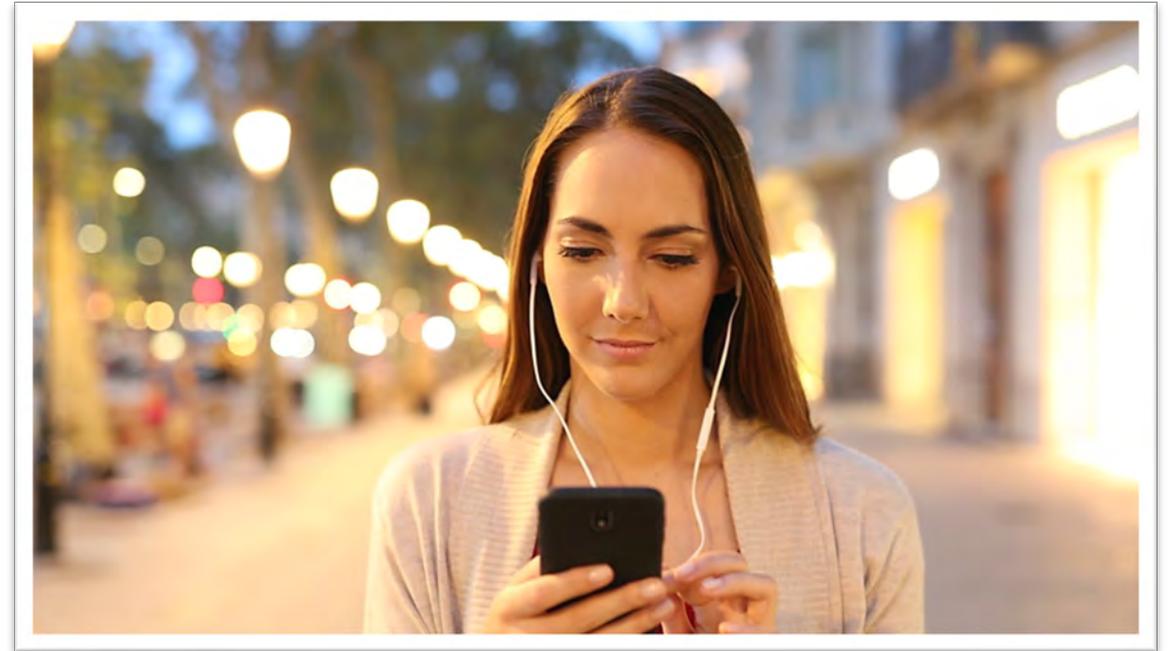


SAMSUNG



Reaching Millennial Moms on the Go

- We are preparing to launch two, 8-episode podcasts aimed at millennial moms that can be enjoyed from anywhere.
- 70% of millennials listen to podcasts.
- Contracting with guests, scripting episodes and technical setup has already begun. Podcasts will launch early 2021.



#MakeMilkMoments Campaign

- This fall, we're launching a year-long campaign called #MakeMilkMoments.
- The surround-sound campaign will include traditional media segments, targeted social media ads and third-party influencers.
- We will target millennial moms in New York City and highlight the nostalgia associated with milk moments.



Measurements for Each Goal

Traditional Media Marketing

- **Quantity of Media Stories** – Place 2,268 stories in regional media outlets
- **Consumer Reach** – Generate 34.9 million impressions annually

Digital, Social Website Marketing

- **Web Traffic** – 20 percent increase (808,400 sessions)
- **Social Media Impressions** – 20% increase (36,300,000)
- **Social Media Engagements** – 950,000

Experiential Marketing

- **Events** – 45 dairy focused experiences (combination of virtual and in-person)
- **Volunteer Recruitment** – 67 brand ambassadors/volunteers (who serve as on-site dairy advocates)

Influencer Marketing

- **Influencer Engagement** – Recruit and utilize 25 third-party influencers to create monthly nutrition content to reach 100,000 consumers

Issues Management and Crisis Response

Protect the image of dairy farmers, dairy foods and farmers' right to farm

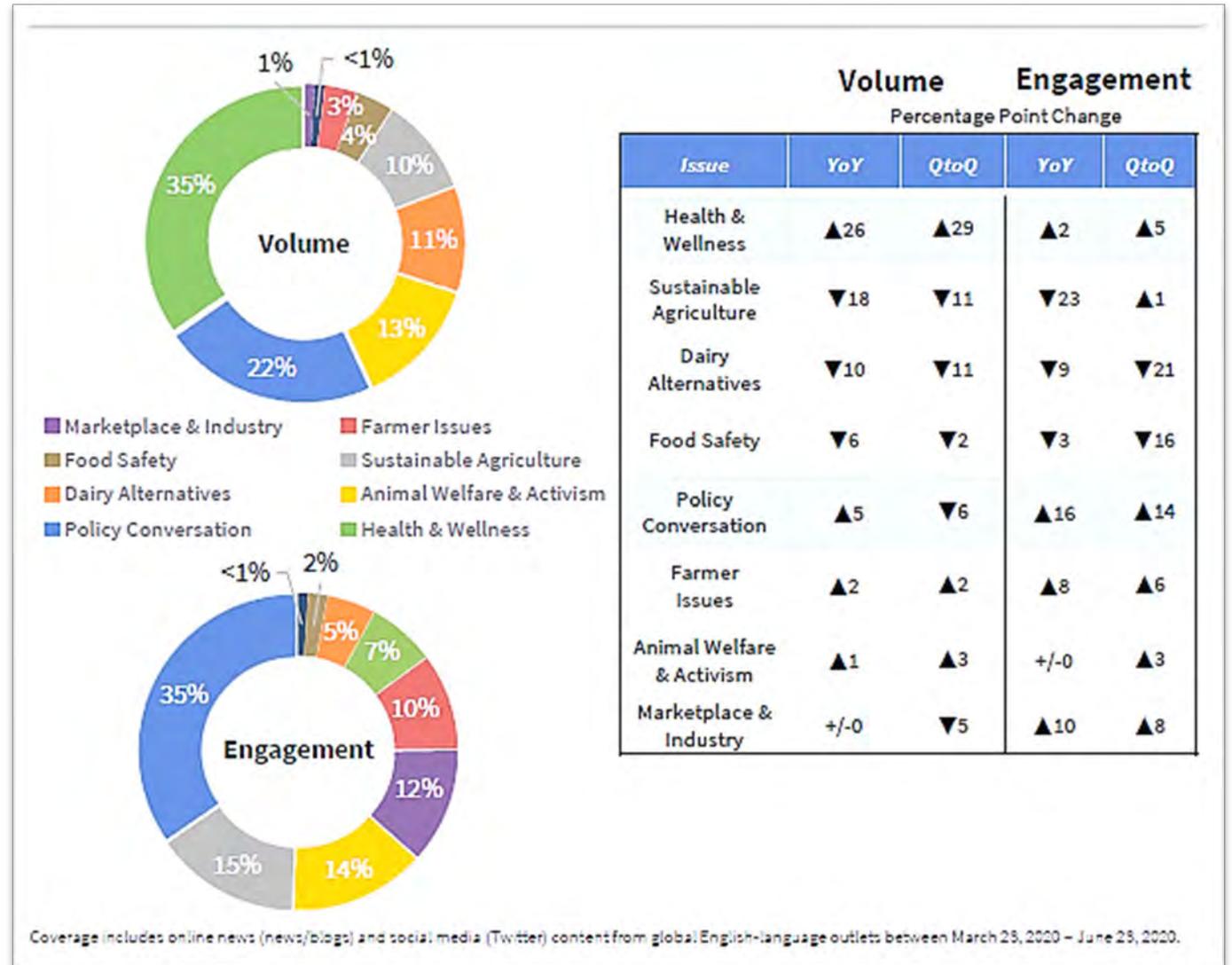
“Whether it is a communication and media response to a large manure spill in our county, public outcry regarding the implementation of a manure nutrient storage, or consumer confidence and the sustainability of our dairy farms during this pandemic, ADA has been there in a timely manner and helped to address the matter!”

Mark E. Burger, M.S., CPESC –Certified
Professional in Erosion and Sediment Control
Executive Director, OCSWCD – Onondaga County
Soil and Water Conservation District
Program Manager, SLWAP - Skaneateles Lake
Watershed Agricultural Program

- Local and National Collaboration
- 24/7 Monitoring
- **Determine reach and impact**
 - Is it only activist groups or is it breaking into other conversations?
 - What content is being shared?
 - Who is it reaching?
 - If a conversation is confined primarily to activists = monitor
- Fill the pipeline with positive stories

Issues Monitoring Tools – National Support for Local Use

- Can create customized reports for our region
- Identify and prioritize current issues with the potential to
 - Grow or trend
 - Disrupt dairy's reputation
- Predict, anticipate potential future issues



Environmental Outreach

“This trip really opened my eyes to the multiple perspectives surrounding the implementation of conservation practices and farm management. This isn't something that is taught in a classroom and it introduced the communication dynamic to my environmental science vision.”

--Post-farm tour survey response from student enrolled in environmental science program at Hobart and William Smith Colleges



Environmental Outreach

Demonstrate to the environmental community how dairy farmers work to protect the environment.

- Build and grow relationships with environmental organizations.
- Engage and educate environmental professionals who have impact on agriculture.
- Increase environmental community's understanding of dairy farmers' stewardship practices.



Issues Management & Crisis Response

Sustainability Education & Consumer Outreach

Measurements for Each Goal

- **Potential issues** – Analyze potential issues within two hours of notification and recommend actions.
- **Crisis Training** – One (1) exercise will be held for ADADC staff.
- **Weekly communications** with key Dairy Management Inc. staff regarding ongoing issues response and preparation.
- **Lead quarterly meetings** of the New York Dairy Issues Team.
- **Media Tracking** – Maintain local and national 24/7 social and traditional media issues tracking that could impact the dairy industry in the short- or long-term.

- **Community Organizations** – Develop and enhance six (6) relationships.
- **Environmental Events** – Participate in four (4) environmental events.
- **Farm Tours** – Host two (2) virtual and/or in-person farm tours.
- **Participant Surveys** – Demonstrate 50 percent increase in support for dairy farming via surveys completed by farm tour attendees.

Proactive Integrated Marketing Communications Strategy

Proposed cost of this project, including Overhead / Administration costs. Overhead includes travel cost, telephone, postage, memberships and administrative support.

Program Cost	\$658,481
Salaries	\$737,953
Benefits	\$218,045
Overhead	\$273,225
Total Proposed Costs	\$1,887,704



American Dairy Association North East

Develop Effective Dairy Farmer Advocacy and Spokesperson Networks



Today's Agenda

- Description of the Project
- Progression of Dairy Farmer Advocacy
- Farmers – the best spokespersons for dairy
- Helping dairy farmers reach urban consumers
- Consumer-tested Key Messages
- Farm Tours
- New York Dairy Princess Program
- Informational Meetings and Producer Newsletters
- Goals & Measurement
- Budget

Presenters:

- Cindy Weimer – Sr. Vice President of Industry Relations
- Emma Andrew-Swarthout – Director of Dairy Industry Image



Description of Project

We prepare dairy farmers to take their story to consumers and help farmer's voices be heard in the marketplace.

Why it Matters:

- The farming and agriculture industry has the most positive perception among Americans.*
- The public trusts dairy farmers.
- Consumer confidence and passion for dairy products leads to increased sales.
- We empower farmers and spokespersons to use consumer-tested key messages to advocate through:
 - Media interviews
 - Social media platforms
 - In-person speaking engagements
 - One-on-one conversations with consumers
 - Educational programs

Empowering farmers to share stories to build consumer trust in dairy farms, dairy farmers and dairy foods which will ensure continued freedom to farm.

***Gallup, July 30-Aug. 12, 2020**



Progression of Dairy Farmer Advocacy

1945-2001

1945

- American Dairy Association and Dairy Council, Inc. established to conduct local dairy promotion on behalf of farmers.

1963

- New York Dairy Princess program established by ADADC. County dairy princesses conduct local dairy promotions.



1972

- New York State Dairy Promotion Order established.

1984

- Dairy checkoff established nationwide funded by farmers at 15-cents per hundredweight.

2001

- Telling Your Story training launches to help farmers build positive relationships with the media and consumers.
- Issues Management and Crisis Preparedness plan established.

2002-2011

2002

- Network of third-party sources on key dairy topics developed.

2004

- Dairy Farmer Spokesperson Network – media-trained farmers.

2010

- New York Dairy Issues Team created in response to the first undercover activist video in NY state. ADADC began facilitating a group of dairy communicators to collaborate in support of dairy farmers in a crisis.

2011

- Dairy-focused classroom curriculum provided to 2nd to 4th grade teachers



2010-2015

2014

- Farmers featured in retail Farm to Table program
- DairyFAN (Food Advocacy Network) social media program
- Integrate dairy princesses into ADADC programs in schools and Fuel Up to Play 60

2015

- Farm tours for health professional influencers

2016

- Farmers featured in NY Thursdays promotion
- Driving Dairy Discussions training to help farmers address tougher consumer questions
- Dairying for Tomorrow Awards program launched
- Environmental outreach begins
 - Farmers at environmental conferences
 - Farm tours for environmental audiences

2015 - 2020

2017

- Speakers Bureau – farmers give presentations to community groups

2018

- Virtual Farm Tours piloted and launched



- Classroom curriculum expanded to middle/high school science teachers

2019

- Dairy Princesses participate in Fill a Glass with HOPE® campaign to raise funds



2020

- Virtual Crisis Drill held
- Fun on the Farm video education series launched

2021

2021

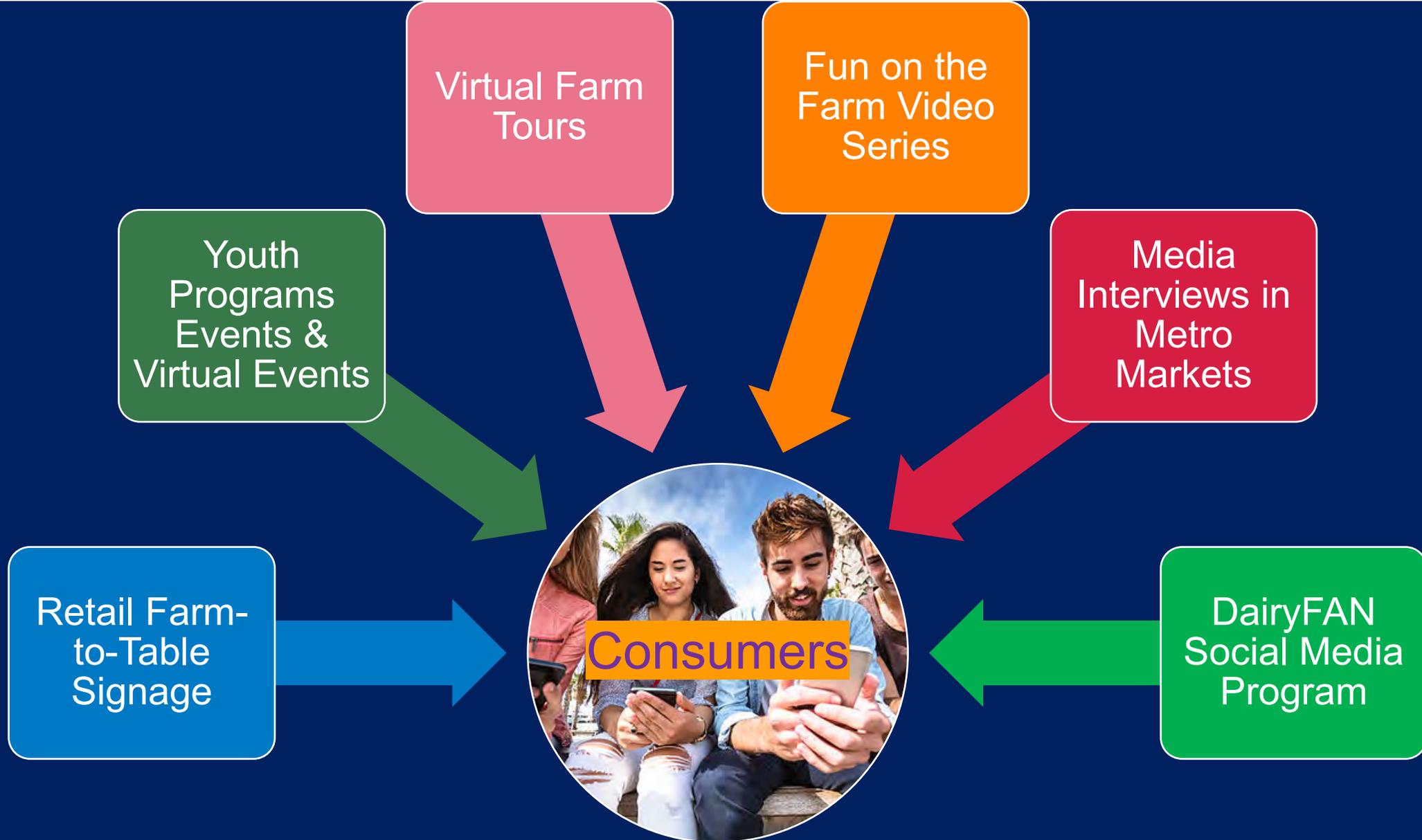
- Fun on the Farm videos combined and promoted with classroom curriculum lessons
- DairyFAN social media influencer program to launch



COVID-19 Response and Changes

Spokesperson and Advocacy	Farm Tours	Dairy Princess	Farmer Communications
<p>PRE-COVID</p> <ul style="list-style-type: none"> • Face-to-face <ul style="list-style-type: none"> • Training workshops • Speaking engagements • Interviews • Farm tours <p>COVID</p> <ul style="list-style-type: none"> • Prepare farmers for Skype/virtual media interviews • Addressed farmer reports on milk limits • Virtual trainings <ul style="list-style-type: none"> • (Ex. How to Give a Virtual Farm Tour) • 2-day Virtual DairyFAN Conference • How-to videos for Speakers Bureau Network 	<p>PRE-COVID</p> <ul style="list-style-type: none"> • Promotional Items • Key Leaders Tours • Promotional Grants for in-person promotions <p>COVID</p> <ul style="list-style-type: none"> • Promotion grants to support farmers doing virtual tours • Promotion of Virtual Farm Tour recordings • Creation of the Fun on the Farm video series 	<p>PRE-COVID</p> <ul style="list-style-type: none"> • School Programs • Retail Events • High School sports Championship Games • NY State Fair • County Fairs <p>COVID</p> <ul style="list-style-type: none"> • County Dairy Princess Virtual Pageants • Virtual Dairy Princess Training Seminar • Participation in Milk Drives • Virtual NY State Fair • Virtual School Programs • Equip Dairy Princesses for videos and virtual presentations 	<p>PRE-COVID</p> <ul style="list-style-type: none"> • Printed newsletters • Weekly Electronic Newsletters • News releases to dairy trade publications (print and electronic) • Partner publications (print and electronic) • Industry and cooperative meetings • Industry events <p>COVID</p> <ul style="list-style-type: none"> • Increased frequency of Electronic Newsletters • 1 to 5 news releases per week to farm press/trade publications • “Breaking news” e-blast to key farmer leaders via email and text • Printed newsletters • Partner publications

Dairy Farmers Reaching Consumers



Who is best to tell YOUR story?

Research shows – the public trusts dairy farmers

Why It Matters

- Consumers want honest, real information about their food
- People trust a name and face they know
- Farmers must focus on what matters to consumers first



What is the best way to tell YOUR story?

Use Consumer-Tested Key Messages



What it is

Words and phrases that consumers understand
Language and examples that speak to their concerns and interests



Why it matters

When the media or consumers ask questions, we must respond with correct, consistent answers
Drives clarity and helps farmer's credibility
Ensures repetition to get our message across



How we Help you tell YOUR story



- Training for farmers, dairy princesses and other advocates
 - What to say
 - What not to say
 - How to say it
 - When to say it
- Media interviews
- Social media platforms
- In-person speaking engagements
- One-on-one conversations with consumers
- Educational programs



Priority Message Areas

- Health and Wellness
 - General nutrition
 - Flavored milk
- Animal Care
 - Animal housing
 - Calf separation
- Food Safety
 - Organic/Conventional
 - Food security Measures
- Environment
 - Manure management
 - Air and water quality



- Sustainability
 - Using industry experts, research and data, we will craft positive dairy messaging to address consumer questions and concerns about sustainability
- This information will be shared with farmers through our spokesperson training programs
 - Talking points
 - Infographics
 - Sharable materials



We Create Opportunities for You to Tell YOUR Story and Maximize Your Reach

- Involve farmers in ADADC Programs
 - Youth Programs
 - Retail
 - Food banks
 - High School Sports
 - Media interviews



Ask a dairy farmer! We're live until 12:30pm with our #homegrown friends at Porterdale Farms and American Dairy Association North East. Ask us your dairy farming questions for a chance to win a \$25 Price Chopper gift card!

Connect Farmers with Metro Consumers

- We create opportunities for farmers to engage consumers in **huge metro areas**
- Media interviews on national news



Eric Zuber, Zuber Farms interviewed at Rochester event.



Nate Chittenden, Dutch Hollow Farm interviewed on Fox News



Correcting Misinformation in the Media

- Issue:
 - Spectrum News-Albany
 - Story with alarming misinformation about milk disposal
- Action:
 - ADA North East contacted the news director to pull the story and offered to provide accurate information
 - Worked with NY Farm Bureau to do same
 - The station pulled the story and interviewed dairy farmer Nate Chittenden
 - Prepared Nate for the interview and provided talking points



Nate Chittenden, Dutch Hollow Farm interviewed on Spectrum News-Albany



Spokesperson Program Development and Training

Specific goals of this project

- Identify and train 25 dairy farmers or advocates to serve as spokespersons throughout the region, including at least one spokesperson per major media market.
- Trained spokespersons will be included in media interviews and other ADADC program event opportunities.
- DairyFAN social media farmer participants will reach a combined audience of 2 million media impressions via 4 DairyFAN influencers and 45 DairyFAN members.

Measurements for each goal

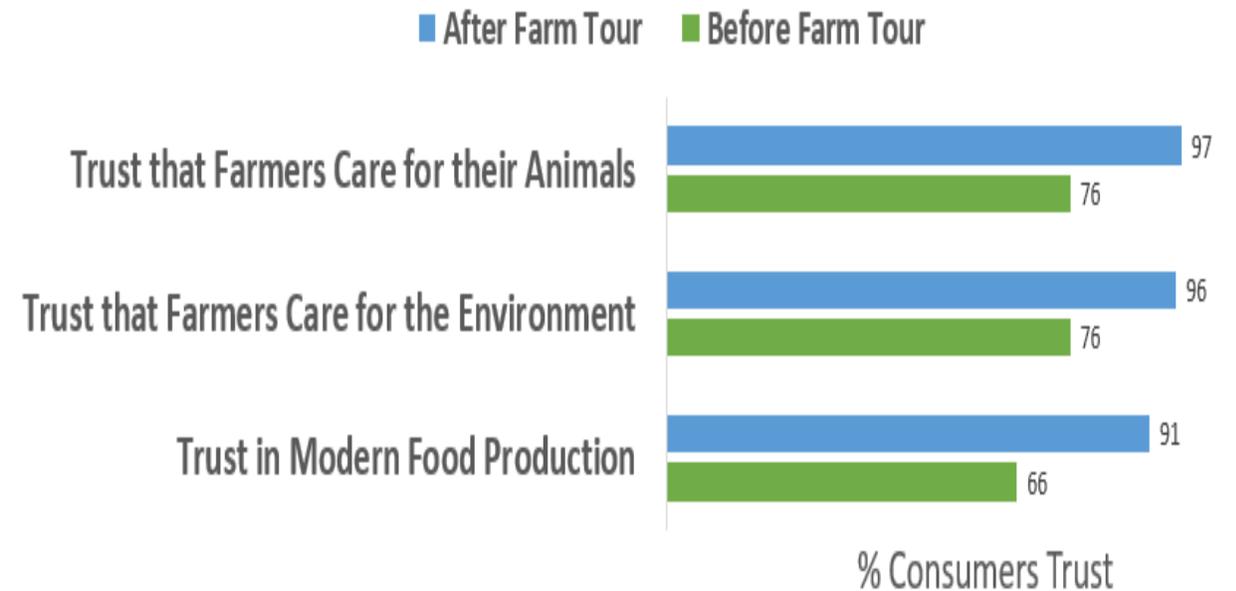
- Measured by the number of farmers and advocates trained.
- Measured by number of participants and number of consumer engagements on social media platforms.



Farm Tours

- Farm tours impact consumer understanding and food purchase decisions
- Tools on how to use key messages and farm tour best practices
 - Support grassroots farm tours with signage and materials
 - Tours for Key Influencers – dietitians, environmentalists, media
 - Virtual farm tours allow us to reach huge numbers of consumers

Importance of Farm Tours on Consumer Attitudes



Source: Michigan State University,

<https://www.canr.msu.edu/news/top-10-reasons-to-open-your-farm-doors-and-invite-the-public-in-for-a-tour>

Farm Tours

Specific goals of this project

- Support 50 grassroots farm tours (face-to-face and virtual) hosted by dairy farmers by providing resources on how to conduct effective farm tours, signage and promotion materials to enhance the tours.

Measurements for each goal

- Measured by tracking the number of dairy farm tours conducted and supported.



Dairy Princess Program

- Train and support grassroots dairy promoters – dairy princesses, dairy maids, dairy ambassadors and volunteer county dairy promotion groups
- **250** youth and volunteers
- Extend ADADC youth and retail promotions in grassroots areas





Wayne, Livingston & Monroe County at Strong Museum



Monroe County
Oswego Speedway Milk Give Away



Lewis County
Thank a farmer "Barn Quilt Signs"



Otsego County – Refuel with Chocolate Milk at softball tournament



Wayne County –local farmers markets



Ontario County 4-H Clinics

Dairy Princess Program

Specific goals of this project

- 28 county dairy princesses will conduct in-school promotions (face-to-face and virtual) reaching a total of 25,000 students.
- 25 dairy princesses will recruit participation in designated ADADC retail, school or Fuel Up to Play 60 programs.
- Dairy princesses will collectively raise \$10,000 for Fill a Glass with Hope®, which creates new milk sales through food banks.

Measurements for each goal

- Measured by tracking the number of students reached.
- Measured by tracking the number of activities achieved.
- Measured by the amount of funds raised.



Informational Farm Meetings and Producer Newsletters

- Updates for all farmers
- Printed and digital newsletters
- News releases to dairy trade magazines
- Face-to-face or virtual information meetings
 - Talking points for consumer communications
 - Examples of dairy farmers engaged in promotion



Informational Farm Meetings

Specific goals of this project

- Host face-to-face or virtual informational meetings to reach at least 100 key dairy farmer leaders.
- Involve dairy farmers in a meaningful role at 45 ADADC program events.

Measurements for each goal

- Measured by tracking the number of farmers reached.
- Measured by tracking the number of farmers involved in program events.

Producer Newsletters

Specific goals of this project

- Communicate with all dairy farmers at least three times per year through direct mail.
- 35 placements in dairy trade publications.
- Provide weekly digital news updates to dairy farmers and industry leaders.

Measurements for each goal

- Measured by tracking of newsletters sent.
- Measurement by tracking of news releases placed.
- Measured by number of digital news updates distributed.

Develop Effective Dairy Farmer Advocacy and Spokesperson Networks

- Proposed cost of this project, including Overhead / Administration costs. Overhead includes travel cost, telephone, postage, memberships and administrative support.

• Program Cost	\$254,800
• Salaries	\$225,920
• Benefits	\$79,622
• Overhead/Admin	\$150,986
• Total Proposed Costs:	\$711,329



Participate In National Programs Influencing Increased Consumption Of Milk And Dairy Products

Total Cost of National Commitment to National Programming - \$2,812,500*

*Includes 3% administrative cost



ADANE Total Proposed Cost

• Program Cost including National	\$6,300,883
• Salaries	\$2,647,785
• Benefits	\$809,767
• Overhead/Admin	\$1,196,815
• Total Proposed Costs:	\$10,955,250



DAIRY MANAGEMENT INC. OVERVIEW

New York State Advisory Board Meeting

SEPTEMBER 25, 2020

BARB O'BRIEN

PRESIDENT, DAIRY MANAGEMENT INC.
PRESIDENT, INNOVATION CENTER FOR U.S. DAIRY

PAUL ZIEMNISKY

EXECUTIVE VICE PRESIDENT, GLOBAL INNOVATION
PARTNERSHIPS
DAIRY MANAGEMENT INC.



The checkoff was created and is directed
by **FARMERS** for **FARMERS**

to build **SALES** and **TRUST** in dairy.

What we do:

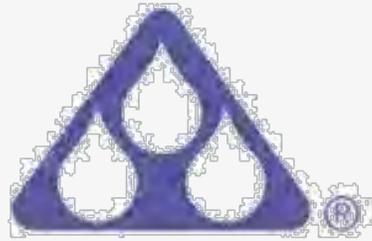
RESEARCH and **PROMOTION**

How we do it:

PARTNERSHIPS and **COLLABORATION**



DMI: STRUCTURED TO MAXIMIZE FARMER INVESTMENT



United Dairy Industry Association
(UDIA, established 1971)

16 state & regional promotion organizations

44 UDIA Board Members
Elected through Co-ops



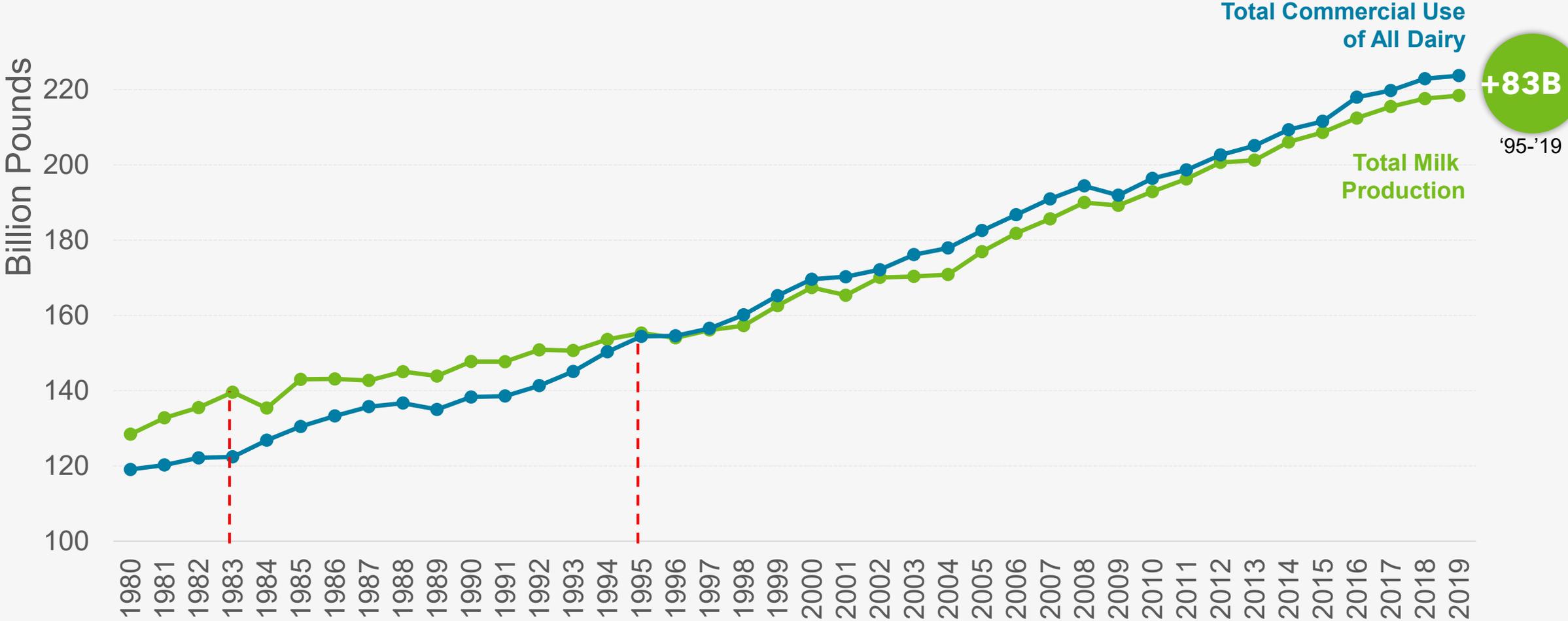
National Dairy Research & Promotion Board
(NDB, established 1983)

National board members are nominated by the dairy community, appointed by the secretary of agriculture

37 National Dairy Board Members
Appointed by the Secretary of Agriculture



MILK PRODUCTION VS. COMMERCIAL DISAPPEARANCE

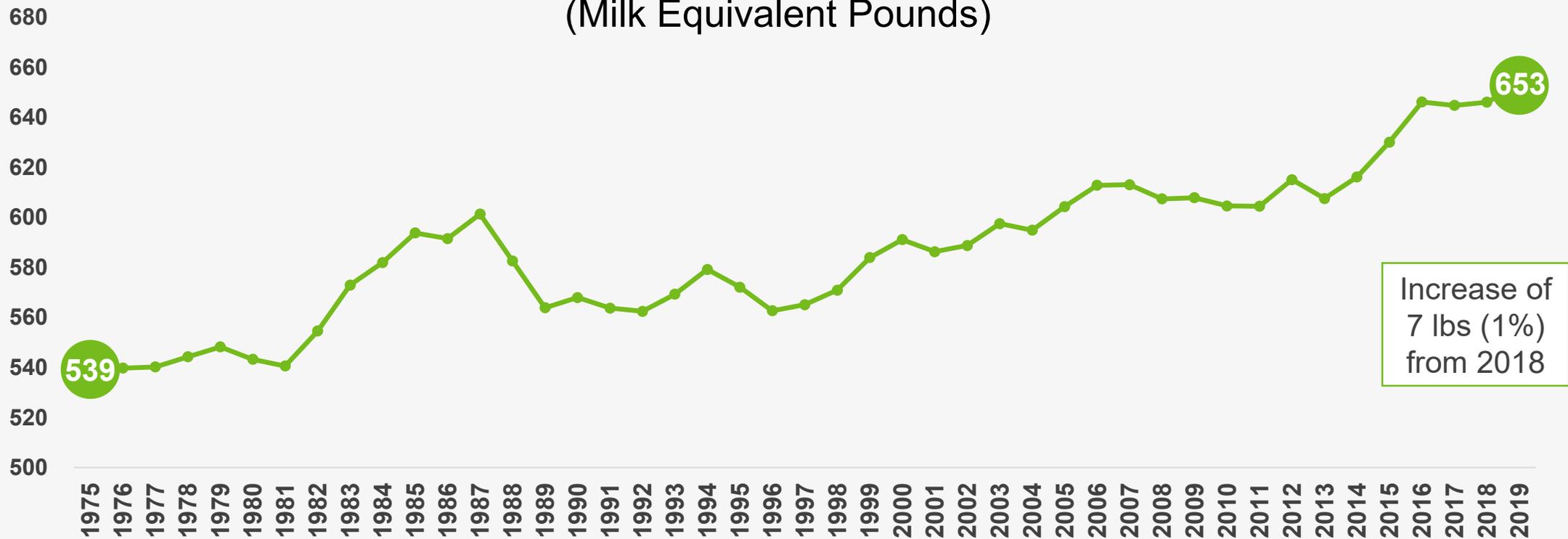


Source: USDA NASS – Milk Production; NMPF – Commercial Disappearance of Milk in All Products, Milk Equivalent, Total milk solids basis 1980-2017

AMERICANS ARE CONSUMING MORE DAIRY PRODUCTS

While Fluid Milk is Down, Other Dairy has More than Offset Decline

U.S. DAIRY PER CAPITA Consumption (Milk Equivalent Pounds)





United States Department of Agriculture

**U.S. Department of Agriculture
Report to Congress**

on the

**Dairy Promotion
and Research Program**

and the

**Fluid Milk
Processor Promotion Program**

2017 Program Activities

PROVEN ROI FOR THE FARMER

The aggregate all-dairy benefit cost ratio (BCR) was 4.35 for the period 1995-2017,

“meaning that, on average,

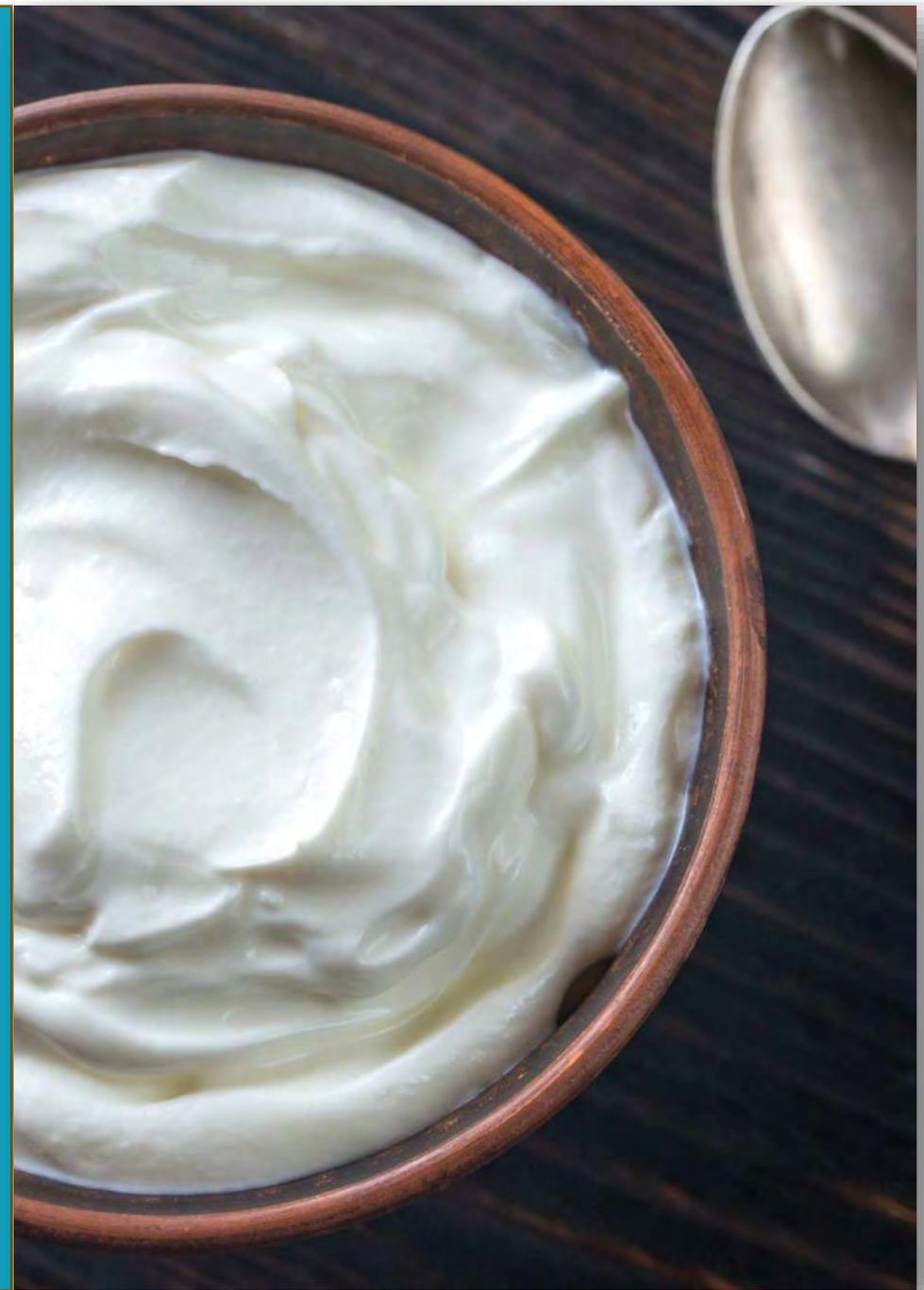
producer profit increased by \$4.35 for each dollar invested in demand-enhancing activities...

The overall finding of this evaluation is that the dairy promotion under the National Programs has effectively increased U.S. demand (domestic and exports) for dairy products.

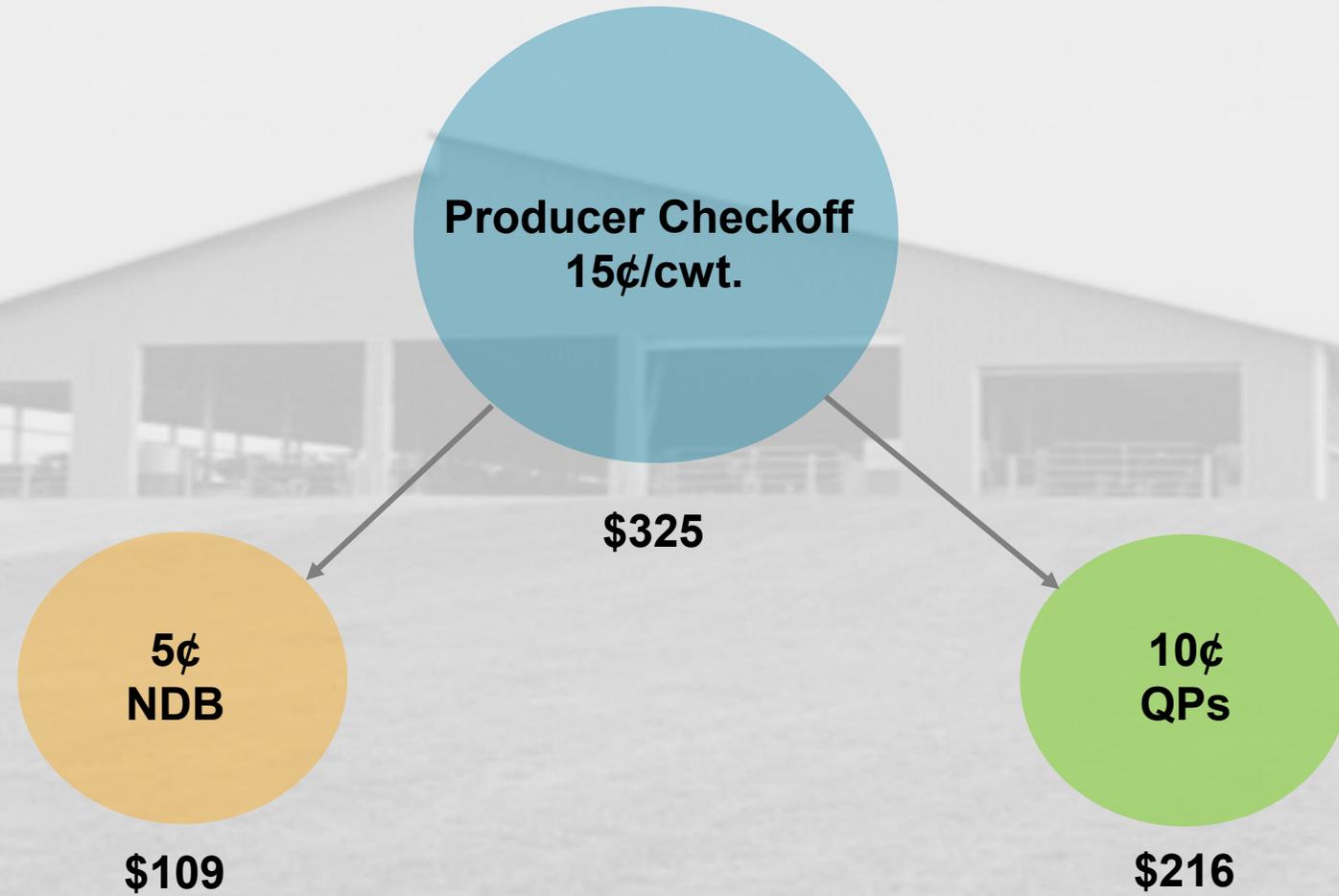
The gains in profit at the farm level were far larger than the costs associated with the National Programs combined.”

SOURCE: USDA REPORT TO CONGRESS
LATEST REPORT AVAILABLE

Funding Overview



PRODUCER CHECKOFF OVERVIEW





NATIONAL DAIRY BOARD

\$109 Million

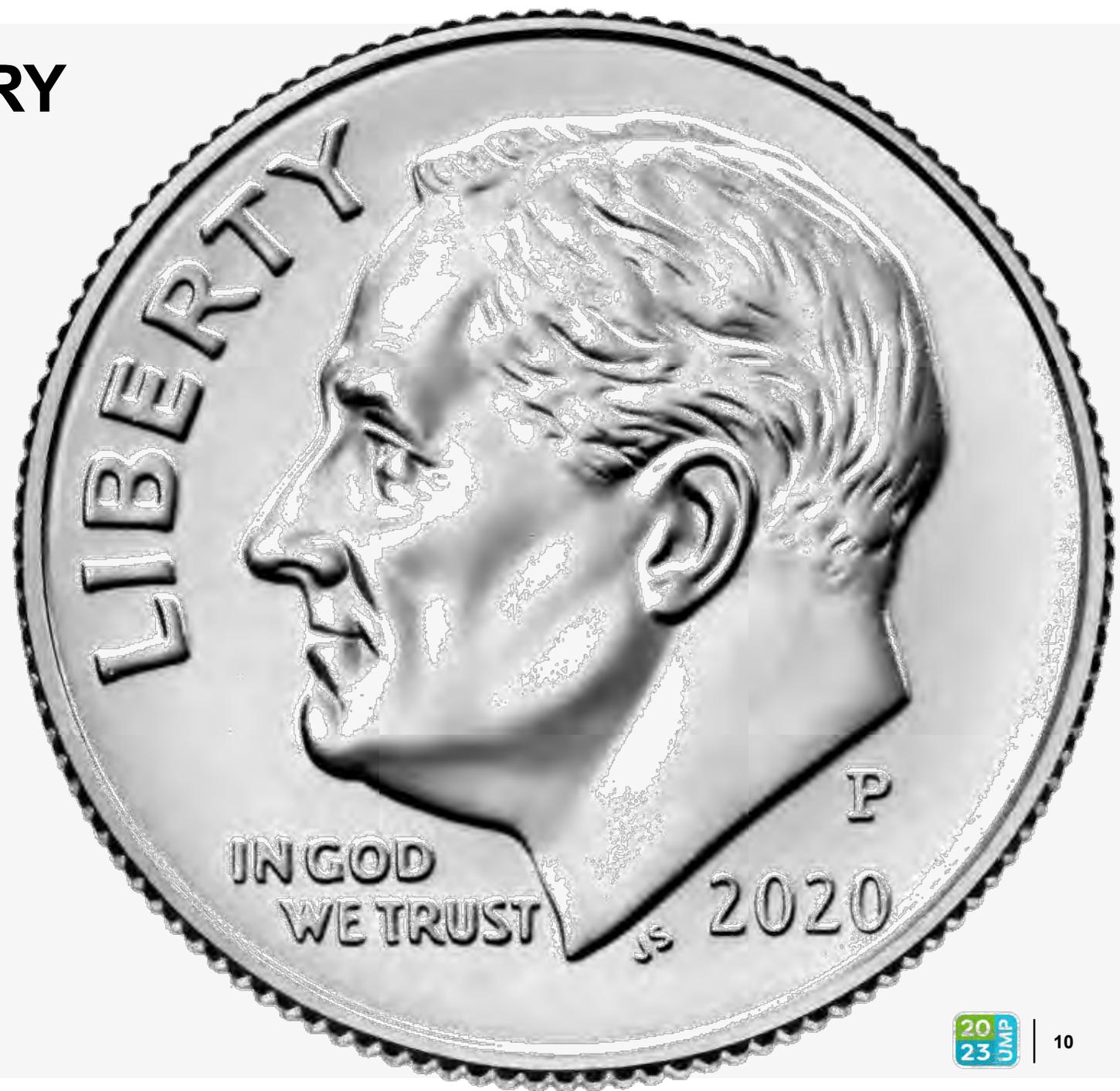
- Science and Consumer Research
- Communications
- Issues Management
- Crisis Preparedness
- Sales Building Partnerships
- US Dairy Export Council

UNITED DAIRY INDUSTRY ASSOCIATION

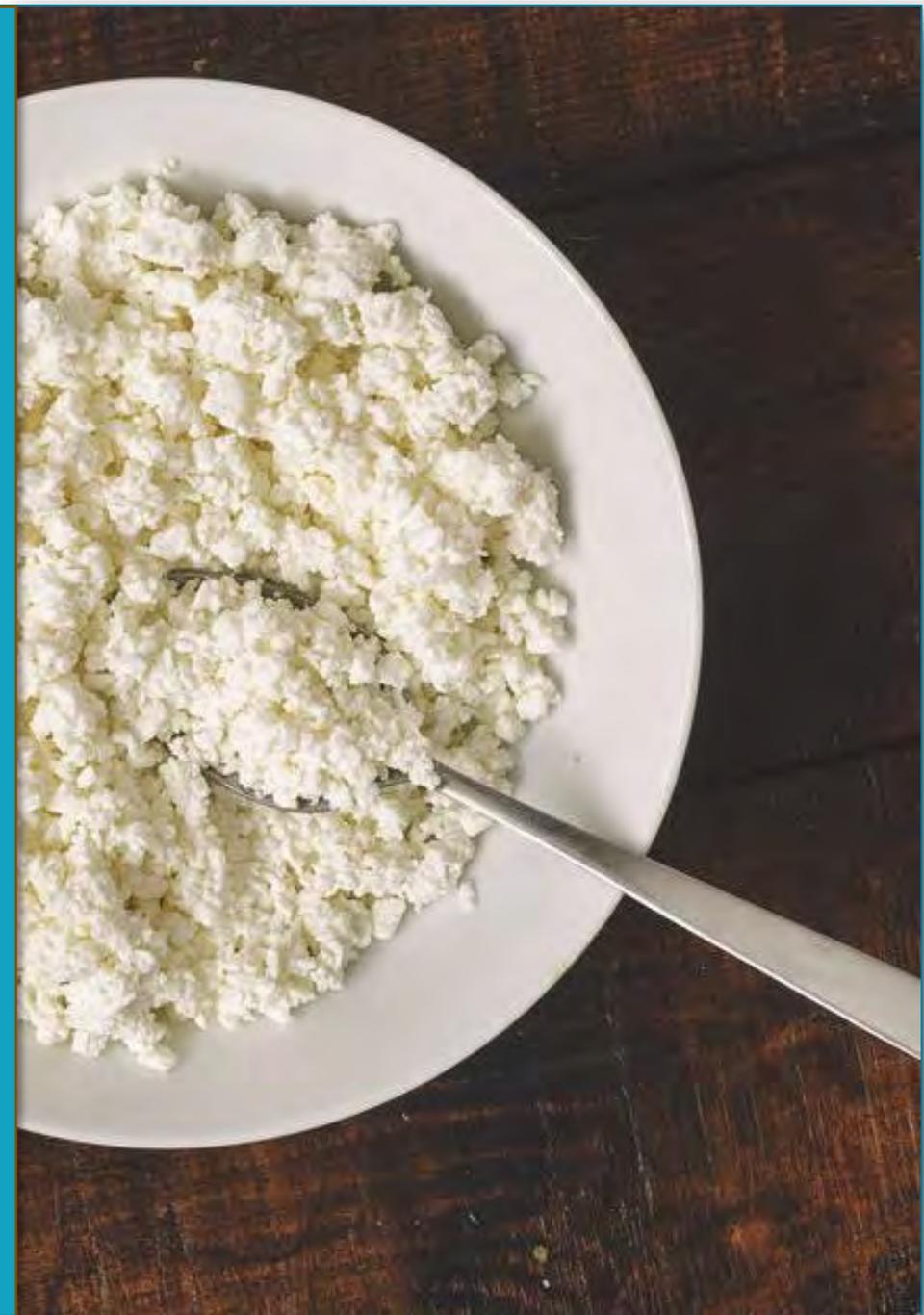
SR \$216 Million

Local Activation

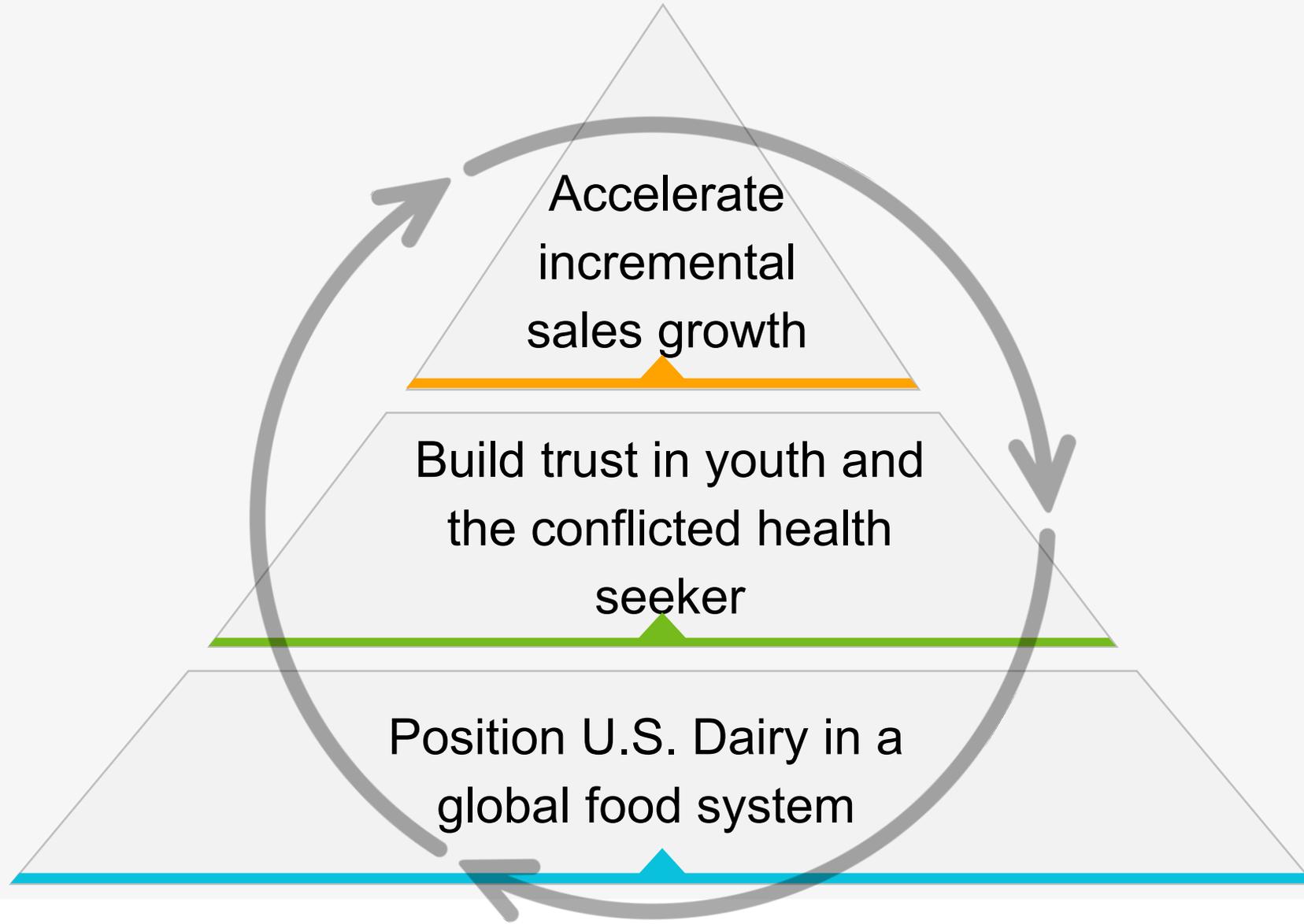
- Local programs
- Schools/FUTP60
- Sales building partnerships
- Nutrition affairs
- Crisis preparedness
- Issues management



2021 Unified Marketing Plan



2020-2023 PRIORITIES ARE INTERDEPENDENT, DRIVING TOWARD SALES



THE 2021 PLAN LIVES WITHIN THE 2020-2023 FRAMEWORK

2020-2023 Objectives



Position U.S. Dairy in a global food system

- Global organizations recognize U.S. dairy's role in sustainable food systems
- Dietary Guidelines for Americans recommend three servings of dairy a day
- U.S. Dairy's social responsibility platform is supported by global and domestic food companies



Build trust in consumers and youth

- Target audiences understand U.S. Dairy's commitment to personal wellness, sustainable agriculture and communities
- Prioritize efforts around sharing U.S. Dairy's sustainable nutrition story in all that we do



Accelerate incremental sales growth

- Continue to build upon successful catalytic partnership model in priority channels
- Increase pre-competitive efforts to enable scale and reach
- Enable path to market for non-traditional players and unlock emerging dairy growth opportunity platforms

DMI 2020 UNIFIED MARKETING PLAN

A Nimble Portfolio Approach; Compressed Time

SHORT TERM IMPACT NOW	MID-TERM IMPACT NEXT	LONG TERM TRANSFORMATION
Present – 1 Year	Present – 2 Years	2 – 5 Years
In-year UMP execution and impact	Test & learn new opportunities; lay ground for 2021-2023	Set stage for long-term industry impact; guide future UMP
85% people, resources, funding	10% people, resources, funding	5% people, resources, funding
Global positioning, Trust, Sales	Global Positioning, Trust, Sales	Global Positioning, Trust, Sales
<ul style="list-style-type: none"> Existing commercial partners support innovation and reputation outcomes Leadership recognition for U.S. Dairy U.S. Dairy's story in market 	<ul style="list-style-type: none"> New growth platforms and digital media vehicles High-Impact H&W and Environmental Science Commercial and NGO partners, thought leaders 	<ul style="list-style-type: none"> Dairy 2030 Future Initiative Innovation Ecosystem Supply Chain Data System

COVID-19 & THE GROWING IMPORTANCE OF SUSTAINABLE NUTRITION



ENVIRONMENT



WELLNESS

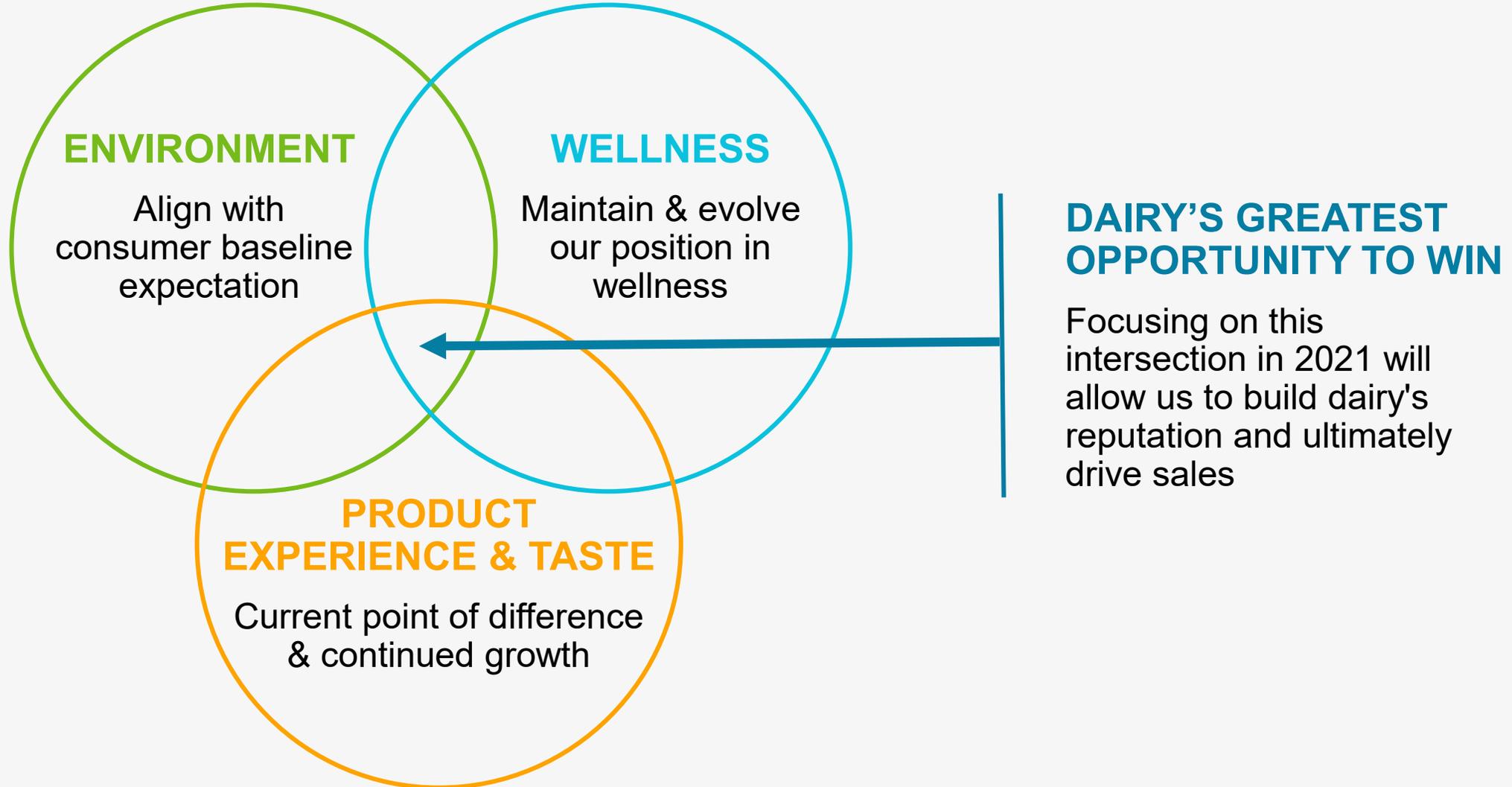
58%

of Americans believe we should respond to climate change with the same urgency as we have responded to coronavirus

78%

of people believe that your diet has a major impact on how well your body fights/protects against illness

DAIRY'S GREATEST OPPORUNITY TO WIN IN THE FUTURE



2021 STRATEGIES & AREAS OF FOCUS



STRATEGY 1: IMPACT NOW

Elevate dairy's reputation in 2021 through disruptive, “big boulder” actions.



STRATEGY 2: IMPACT NEXT

Initiate a 3-5-year plan to develop high-impact, breakthrough science, product experiences and growth platforms

STRATEGY 1: IMPACT NOW

Elevate dairy's reputation in 2021 through disruptive, “big boulder,” big investment actions that highlight dairy's environmental commitments, unique health and wellness benefits and relevant product experiences.



TAKE DAIRY'S STORY TO MARKET



Take dairy's story to market in a highly visible and compelling way that moves the next generation of diverse consumers and thought leaders to view dairy more favorably.



LEVERAGE NEW & EXISTING COMMERCIAL PARTNERSHIPS

#ScaleForGood



Leverage new and existing commercial partnerships to advance dairy's health and wellness and environment story; create product experiences that meet diverse consumers' need states in the U.S. and abroad.

ESTABLISH LEADERSHIP RECOGNITION FOR U.S. DAIRY



Establish recognition for U.S. dairy's leadership within sustainable food systems and agricultural sustainability via ongoing dairy community alignment and engagement.

STRATEGY 2: IMPACT NEXT

Initiate a mid-term plan to develop high-impact, breakthrough science, product experiences and growth platforms (e.g. consumable products/packaging, data) and partnerships that will positively transform the way consumers view dairy and ensure dairy's competitive advantage.



ENVIRONMENTAL SCIENCE & PRACTICE



Advance foundational research and model development that supports progress toward measuring and achieving environmental goals.



HEALTH & WELLNESS SCIENCE



Accelerate pre-competitive research to prove and advance growth opportunities in new dairy consumer spaces (Stress, Sleep, Weight, Disease Prevention, Energy, Immunity, Beauty).



NEW INNOVATION MODELS



Identify, prove concept and activate “disruptive” innovation territories that reframes the health/environment dairy experience, while helping identify and secure investment.

COMMERCIAL & NGO PARTNERSHIPS, THOUGHT LEADERS



Continue to advance commercial, NGO and thought leader partners to deliver against targeted growth platforms and environmental/ health & wellness proof points.

**A Deeper Dive:
Building Trust In & Sales of
Dairy With & Through Science**



2021 STRATEGIES & AREAS OF FOCUS



STRATEGY 1: IMPACT NOW

STRATEGY 2: IMPACT NEXT

- Elevate dairy's reputation
- Creating milestone moments
- Building impactful content
- Proving dairy's and farmers role



ELEVATING DAIRY'S REPUTATION

Take dairy's story to market with compelling content that leverages science and inspires and moves millennial parents and Gen Z to see dairy and dairy farming as essential



CREATING MILESTONE MOMENTS

Launch integrated earned-centric activations that create talk value for dairy and dairy farmers

Partner with relevant cultural influencers that bring credibility to dairy's story with millennial parents and Gen Z

Customize channels that effectively reach, engage key audiences – e.g., digital, ConnectedTV, in-app media

Repurpose & evolve existing assets (e.g., FUTP 60) to earn greater reach with parents, educators, youth

Digital First – Gaming, Social Platforms



America's Dairy Farmers & Pizza Hut Celebrate 2020 HS Grads



Launch of FUTP60 Homeroom for e-Learning World



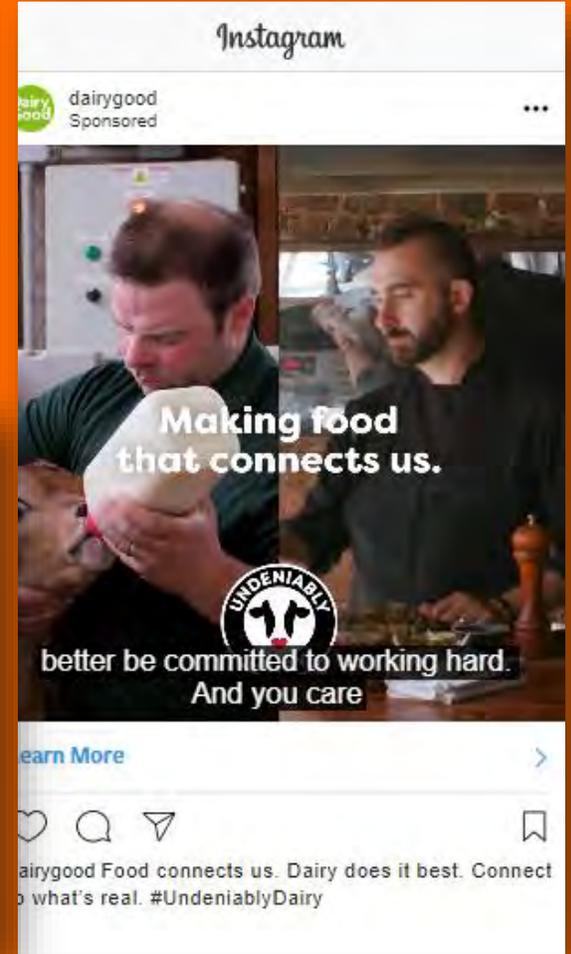
BUILDING IMPACTFUL CONTENT

For those consumers exposed to the Jimmy Fallon Pizza Hut, Fox & Friends Interview with dairy farmer Katie Dotterer-Pyle and Fox-produced “farmers are essential” content, positive perceptions increased across all trust benchmarks

- **+10 point increase** in “Dairy farmers will be an essential part of nourishing communities for years to come”
- **+9 point increase** in “I have trust in dairy farmers”
- **+9 point increase** in “Dairy is good for you/your family’s health”
- **+9 point increase** in “Dairy foods brings joy to your life”
- **+8 point increase** in “Dairy is important to the economic value of our country”
- **Positive increases** in stated purchase intent across dairy foods



NYC AND NEW YORK DAIRY FARMERS PLAY KEY ROLE IN MARKETING CONTENT, ACTIVATIONS





Is Whole Milk Healthy?

Turns out, full-fat milk may be better for you than you think.

Keep in mind: Price and stock could change after publish date, and we may make money from these links.

September 11, 2020



America is drinking a lot more whole milk these days. Whole milk brands have had a 13% growth in sales in the first seven months of 2020 over the same period a year ago, according to the National Dairy Council. Since dairy milk consumption in general has been down year after year, an increase of a whopping 13% is rather monumental. But before you start worrying about the impact of all this whole milk to our national girth, you should know about some of the surprising benefits of whole milk.

Recently, researchers have found that some populations who eat mainly whole-fat dairy have less heart disease risk, less type 2 diabetes risk, and have lower body weights. "The newest research is showing that not all fats are created equal. Dairy fats have a unique makeup of short-, medium- and long-chain fatty acids which could explain why their fat content does not predict risk like other

American Academy of Pediatrics



DEDICATED TO THE HEALTH OF ALL CHILDREN™

The Washington Post



eat right Academy of Nutrition and Dietetics

FNCE 2020

Food & Nutrition Conference & Expo™

The New York Times

The Guardian

U.S. DAIRY'S ESSENTIAL ROLE IN SUSTAINABILITY

Key milestones in establishing recognition for U.S. dairy's leadership:

- Leverage science to share regular stories on dairy's unique wellness, environmental benefits with media, thought leaders, Dietary Guidelines
- Secure high-profile speaking opportunities for U.S. dairy farmers/leaders
- Maximize digital channels and paid media to speak to U.S. dairy's commitment to nourishing people, planet, community
- Customize issues "heat map" and dashboard to monitor and proactively protect U.S. dairy's reputation

**Leveraging Commercial
Partners to Build Sales & Trust
for Dairy**



2021 STRATEGIES & AREAS OF FOCUS



STRATEGY 1: IMPACT NOW

STRATEGY 2: IMPACT NEXT

- **Driving Sales & Trust through foodservice partnerships**
 - **Delivering national and local results**
 - **Revitalizing fluid milk**
- **Evolving partnerships for digital and science**



DRIVING DAIRY SALES AND TRUST THROUGH PARTNERSHIPS FOR 10+ YEARS

FLUID MILK

DFA

SINCE 1918
DARIGOLD

FRESH FOR EVERYONE™
Kroger

SHAMROCK
EST. 1922
- F A R M S -

DOMESTIC FOODSERVICE

Domino's

McDonald's

TACO BELL

Pizza Hut

INTERNATIONAL FOODSERVICE

Pizza Hut

KFC

Domino's

DAIRY COOP EXPORTERS

DFA

SINCE 1918
DARIGOLD

SEAL OF ARIZONA
UDA
United Dairymen of Arizona

DairyAmerica

aiipi

COMPLETED

fairlife

QUAKER
- ESTD 1877 -

Hood

Lactaid
BRAND

Maryland & Virginia
Milk Producers Cooperative Association

SOUTHEAST MILK

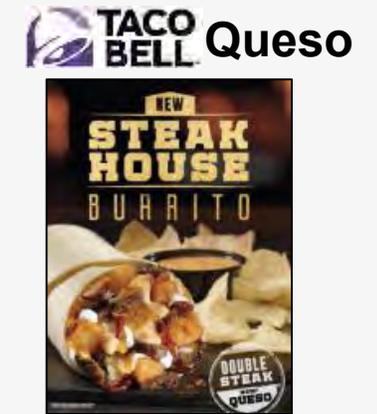
FOODSERVICE PARTNER SUCCESSES Sales

- Over 9.6B milk pounds sold in 2019
- +2.2B equivalent lbs. growth since start of partnerships, average annual growth of 3%
- Yielding 3:1 return on checkoff investment



FOODSERVICE PARTNER SUCCESSES **Catalytic Effect**

Our partners are category leaders inspiring competitors to follow their actions



FOODSERVICE PARTNER SUCCESSES *Trust*

- Partners invest ~\$1.8B in dairy focused advertising annually
- Partners invest >20:1 DMI's investment



NEW YORK PARTNER IMPACT: IMPACTFUL AD SPENDING & DAIRY VOLUME GROWTH



2009



2009



2012



2014

Restaurants

National: 31,939

New York: 1,077

Ad Spending

National: \$1.8B

New York: >\$100M

Milk Equivalent Volume Growth

National: 2.2B

New York: >100M

CHECKOFF PARTNERSHIPS GROWING BEYOND DOMESTIC

Pizza Hut Asia-Pacific



RESULTS: Increased US cheese sales 64% across 14 markets in 2019

KFC Latin America & Caribbean



RESULTS: Launched new chicken & cheese innovation--1st in region-- promoting "Made with U.S. cheese"

Domino's Japan



RESULTS: Increased US cheese sales 25% in 2019

Fluid Milk Partnerships



INVESTMENTS IN RESEARCH HELP DRIVE THE FLUID MILK VISION

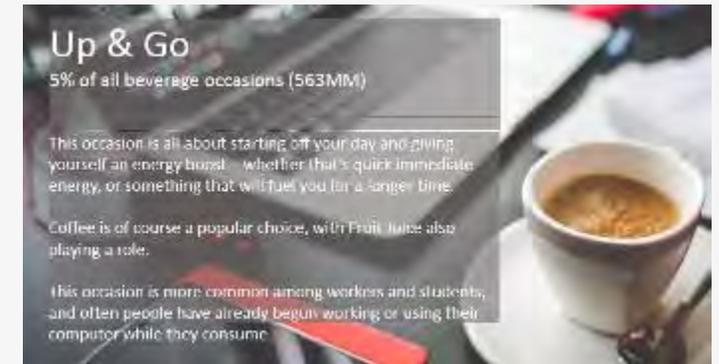
Global Trend Study



Beverage Growth Pockets



Beverage Occasion Landscape



Gen Z Insights



Innovation Concepts



Messaging Test

Claim Territories	
Protein & energy	Organic
Clean label & processing	Natural
Local	Grass-Fed
Calories, fat, sugar, sodium	Fresh
Nutrition	Taste and Texture
Sustainability	Chocolate Specific Claims

FLUID MILK REVITALIZATION SUCCESS

Stimulating Industry Investment in Innovation, Infrastructure, Advertising

Cumulative New Product Sales
+1.3B Pounds

Incremental Sales from Science
1.4B Pounds

Infrastructure Investment
+\$1B

Incremental Consumer Spending
+\$250M



“Full Fat”
Whole Milk

“Recovery”
Chocolate Milk

“Lactose Free”
Digestive Health



REVITALIZING MILK AT FOOD SERVICE VIA MCDONALD'S

Equipment
\$400M



New Products
+20



Ad Spending
\$200M



Inspiring Retail
RTD Coffee
\$3.5B



Partnerships Future Plans



EVOLVING PARTNERSHIPS TO DELIVER SALES, TRUST & SCIENCE PROOF

2008: PAST



- Business model evolves to fill unmet consumer demand
- Domino's and McDonald's partnerships commence with focus on science & innovation

2020: PRESENT



- Expanded partnerships
 - International QSR
 - Fluid Milk
 - Dairy exporters
- Trust

2021+: FUTURE



- Deliver against total plan
 - Product Experience (product innovation, marketing)
 - Positioning (relevance, reputation)
 - Proof (H&W, Environment science)

PARTNERING TO WIN IN THE DIGITAL SPACE

E-Commerce



Retailer Media

SHOPRITE HALLOWEEN OMNICHANNEL TEST

PRE-SHOP (MilkPEP/DM) → **SHOP (ADANE)**

Promote CM to target consumers to drive traffic to dairy aisles. Intercept at online and in-store dairy aisles to drive purchase.

<p>ShopRite.com Media via CitrusAd</p> <p>Banner Media to drive traffic to CM aisle from 1MM shoppers per week on ShopRite.com through run of network, category and key word targeting</p>	<p>Dairy Category Digital EndCap</p> <p>Promote CM Halloween program on Dairy Category landing page via large Digital EndCap that leverages SHOPPABLE recipes</p>
<p>Digital Marketing via Cinmar</p> <p>Utilize ShopRite's first party loyalty data to geo-target shoppers where they are with Digital Media that drives them to the CM aisle</p>	<p>A/B Doors</p> <p>Test Chocolate Milk Destination Doors vs. Current Doors (TBD)</p>
<p>ShopRite Social Media</p> <p>Drive awareness of Halloween program amongst ShopRite's 1.2million social media followers with recipes that drive them to Shoprite's CM aisle for purchase</p>	<p>In-Store</p> <p>Stop shoppers in the aisle with Dairy Clings to drive purchase</p>
<p>iBotta</p> <p>Target Value ShopRite Shoppers with digital offer</p>	<p>Recipes via chicory</p> <p>Geo-target shoppers in cooking mindset to shoppable recipes to drive traffic to ShopRite cart</p>

CHOCOLATE MILK
DELICIOUS DRINK OF HALLOWEEN

Protein, Calcium & Scary Delicious.

BETTER TOGETHER
Have on Subway Grocery

WHAT'RE COOKIES WITHOUT MILK?!
Have on Subway Grocery

MILK & COOKIES
Get 'em together on Subway Grocery

BETTER TOGETHER
Have on Subway Grocery

WHAT'RE COOKIES WITHOUT MILK?!
Have on Subway Grocery

MRA

Social Platforms

SUBWAY Grocery

A collection of Subway Milk & Cookies promotional materials. It includes images of various milk and cookie products, social media posts, and promotional graphics. The graphics feature the Subway logo and the text "MILK & COOKIES", "BETTER TOGETHER", and "WHAT'RE COOKIES WITHOUT MILK?!".

BETTER TOGETHER
Have on Subway Grocery

WHAT'RE COOKIES WITHOUT MILK?!
Have on Subway Grocery

MILK & COOKIES
Get 'em together on Subway Grocery

BETTER TOGETHER
Have on Subway Grocery

WHAT'RE COOKIES WITHOUT MILK?!
Have on Subway Grocery

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DMI PILOTING NEW SCHOOL MILK PROGRAMS

Dispensing, Aseptic & A-la-Carte Innovation



siips
chocolate lowfat milk
VITAMIN A & D ADDED
1% MILKFAT
8 FL. OZ. (237 ML)

siips
mocha lowfat milk
VITAMIN A & D ADDED
1% MILKFAT
8 FL. OZ. (237 ML)

siips
caramel lowfat milk
VITAMIN A & D ADDED
1% MILKFAT
8 FL. OZ. (237 ML)

DFA Partnership

Modernize A-la-Carte via Flavored Milk



STRAWBERRY LOW-FAT CHOCOLATE

COLOMBIAN ESPRESSO LATTE MOCHA LATTE VANILLA LATTE

Chill-Rite Partnership

Improve Experience With Dispensing System



FARMER OWNED
DARIGOLD
SINCE 1918

1% LOWFAT
MILK
ULTRA PASTEURIZED
VITAMINS A & D
HALF PINT (236ML)

FARMER OWNED
DARIGOLD
SINCE 1918

0% FAT FREE
CHOCOLATE MILK
ULTRA PASTEURIZED
VITAMINS A & D
HALF PINT (236ML)

Darigold Partnership

Prove Business Case for Aseptic

PARTNERING TO PROVE DAIRY AS AN ENVIRONMENTAL SOLUTION

Packaging



Transportation



Power





DAIRY MANAGEMENT INC.™

Industry-wide Partnerships





Thank You for Your Partnership

