New England Dairy

Growing Sales and Trust of New York Dairy Products in New England

2021 Proposal for Funding from NYS Dairy Promotion Order

September 25, 2020

About New England Dairy

100th Anniversary

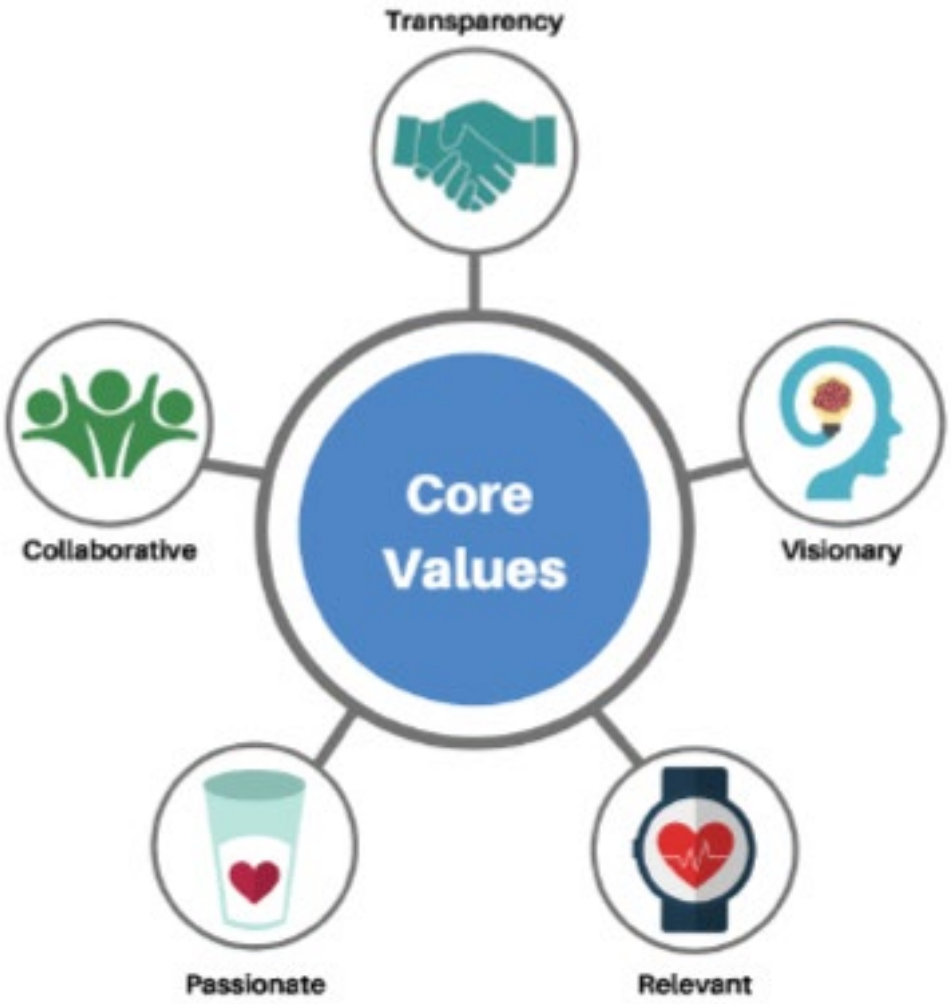
New England Dairy

est. 1920

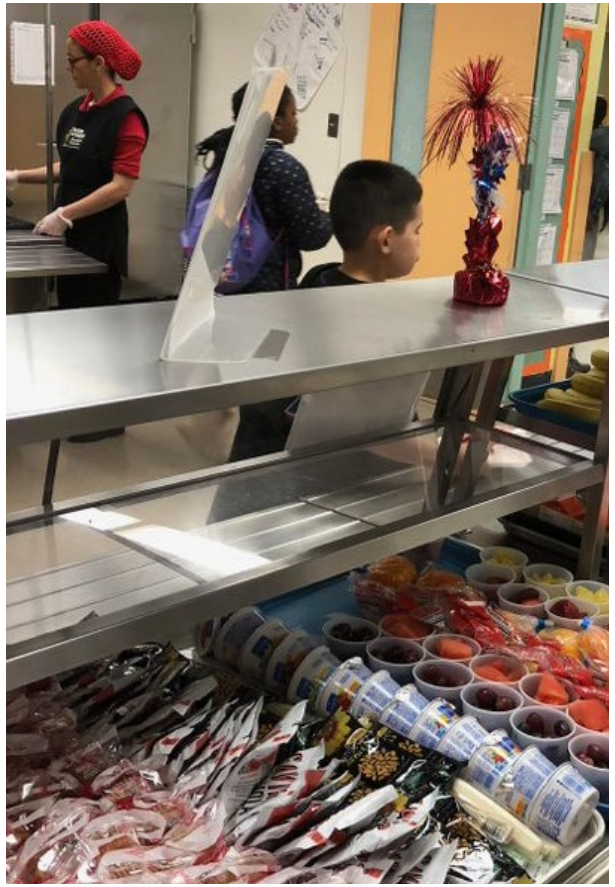
- 5 States
- 13.2 million consumers
- 4,600 Schools
- 1.9 million students

- 20 Staff Members
- 200+ years of experience & expertise

We are Dedicated to Dairy



Why New England as a Market?



New England Dairy Board Member

Mike Barnes

Mount Upton, NY

State and Regional

CHECKOFF ORGANIZATIONS

ONE PLAN

+

ONE TEAM

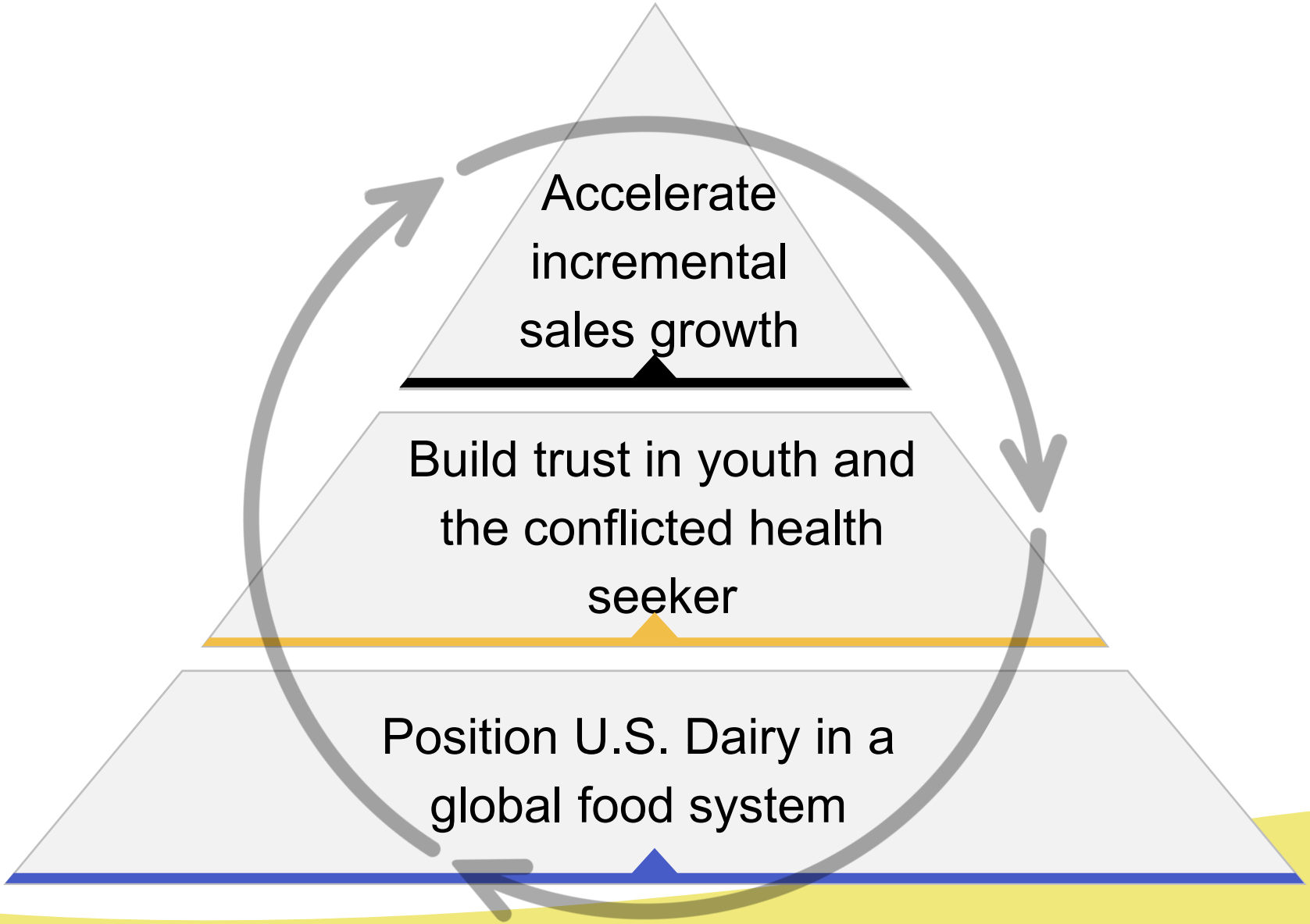
+

ONE VOICE

=

GREATER IMPACT & READY FOR FUTURE

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

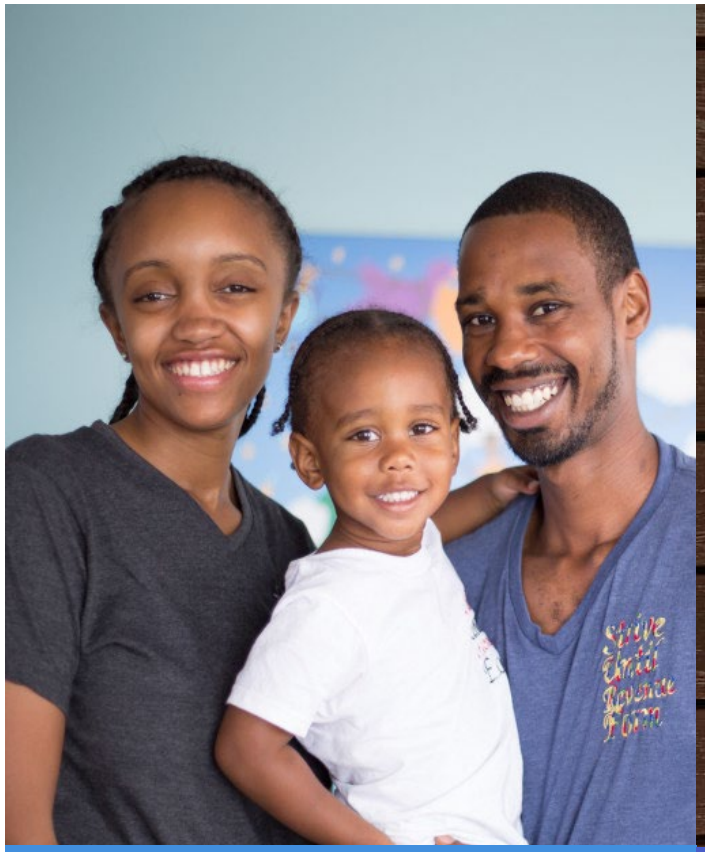
A Nimble Portfolio Approach; Compressed Time

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
• Existing commercial partners support innovation and reputation outcomes • Leadership recognition for U.S. Dairy • U.S. Dairy's story in market	• New growth platforms and digital media vehicles • High-Impact H&W and Environmental Science • Commercial and NGO partners, thought leaders	• Dairy 2030 Future Initiative • Innovation Ecosystem • Supply Chain Data System

IT TAKES A VILLAGE: 2020-2023 TEAMS

2020-2023 Integration Team	Position U.S. Dairy in a Global Food System	Build Trust in Youth & Conflicted Health Seeker	Accelerate Incremental Sales Growth	Farmer & Community Relations	Culture
Bill Brennan	Katie Brown	Quinton Baily	Marla Buerk	Tammy Baker	Bill Brennan
Marla Buerk	Marla Buerk	Sarah Baird	Mark Leitner	Jenni Browning	Michele Cooper
Beth Engelmann	Madlyn Daley	Michele Cooper	Mike Konkle	Stan Erwine	Karianne Fallow
Karianne Fallow	Sarah Hanson	Jenny Karl	Matt McKnight	Nate Janssen	Scott Higgins
Sarah Hanson	Pete Kent	Courtney Miller	Rick Naczi	Lucas Lentsch	Heather Oldani
Pete Kent	Scott Kinney	Heather Oldani	Amy Wagner	Sarah Littlefield	Nadine Sudnick
Lucas Lentsch	Greg Miller	Eve Pollet	Norrie Wilson	Scott Higgins	
Matt McKnight	Camellia Patey	Serena Schaffner	Paul Ziemnisky	Heather Oldani	
Rick Naczi	Molly Pelzer	Chad Vincent			
Barb O'Brien	Jean Ragalie-Carr	Dwyer Williams			
Heather Oldani	Karen Scanlon				
Jean Ragalie-Carr	Sharon Toth				
Chad Vincent					
Anne Warden					
Paul Ziemnisky					

Insights-Driven, Farmer-Informed

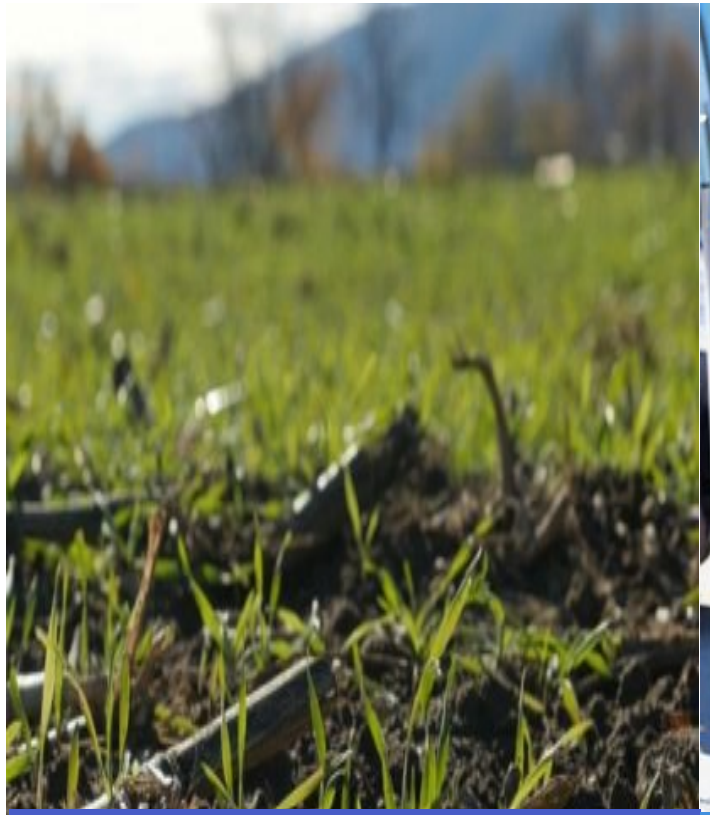


Home is the new hub

Holistic health and wellness

Virtual and digital experiences

Insights-Driven, Farmer-Informed



Sustainability and social awareness are table stakes

Blurring of channels

Consumer perception is reality

Goal 1: Accelerate incremental dairy sales inside and outside of schools

DPO Advisory Board Priorities:

Increase the consumption of New York milk and dairy products by youth (lunches, breakfasts, and other offerings)

Promote uniqueness of, and Increase sales of, New York milk, dairy products and / or ingredients throughout the entire food supply chain through various distribution channels including but not limited to, e-commerce, curb-side sales, etc.

Dairy In School Meals

- ✓ 1.9 million students in New England
- ✓ 77% of daily milk intake for low-income children comes from school meals
- ✓ Schools account for about 7% of fluid milk sales
- ✓ 6 New England Dairy school nutrition experts

New England Dairy Focus:

1. **Increase participation in school meal programs**
2. **Increase dairy sales with school meals**

Protecting Dairy in Emergency School Meals

"Thank you so much for the coolers! There are so many moving pieces every day and it is partners like you that help keep us moving in a positive direction! We all really appreciate it!"

Future Opportunities for Dairy in Schools

Increased Breakfast in the Classroom Programs

Identifying New Ideas

Continuation of Recent Pilot Programs

NY Priority: Increase the consumption of New York milk and dairy products by youth (lunches, breakfasts, and other offerings)

Proposed Cost of Project	
Program Costs:	$ 94,541
Salaries/Benefits:	$ 130,090
Travel Costs:	$ 5,044
Operating Expenses:	$ 34,748
Total:	**$ 264,423**

Goal 1: Accelerate Incremental Dairy Sales outside of Schools

Opportunity Channels

Food Assistance Programs

- *59% increase in food insecurity in New England*

Dairy Supply Chain

Processors, retailers, ecommerce

Increase Milk to Market to Home

- Multifaceted approach to increasing dairy consumption in food assistance organizations and dairy supply chain:
  - Sharing insights for marketing applications
  - Best Practice resources to facilitate moving more dairy through food assistance programs.
  - Consumer tools and resources with creative solutions for family meal preparation

NY Priority: Promote uniqueness of, and increase sales of, New York milk, dairy products and / or ingredients throughout the entire food supply chain

Proposed Cost of Project	
Program Costs:	$ 22,028
Salaries/Benefits:	$ 93,909
Travel Costs:	$ 1,230
Operating Expenses:	$ 8,385
Total:	**$ 125,552**

Goal 2: Build Trust in Dairy with New England Target Audiences

DPO Advisory Board Priorities:

Improve the image of dairy products and / or dairy producers among consumers, thus improving the acceptance and consumption of New York milk and dairy products.

Improve communication to dairy producers to inform them how they can assist in improving the consumption of New York milk and dairy products by highlighting the sustainability story.

Our Audiences and What Matters to Them

Consumers (Millennial moms)

Youth

Thought Leaders

Holistic Health & Wellness

Sustainability

Moving Consumers from Conflicted to Dedicated

Unsure
Conflicted

→

Learn
Experience
Engage

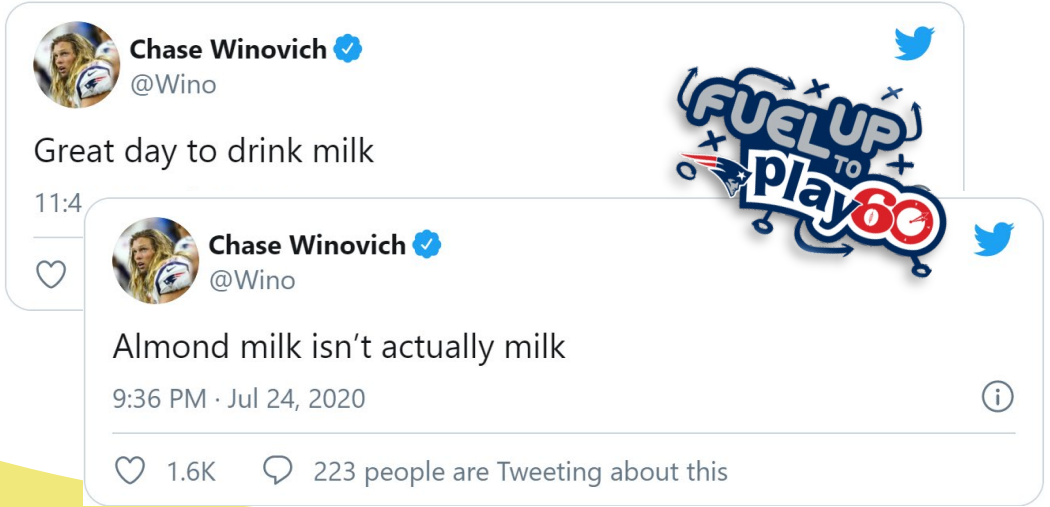
→

Trust
Dedication
Purchase

- **Comprehensive Influencer Strategy**
- **Virtual Culinary and Wellness Event Series**
- **Community Events** featuring our Mobile Dairy Bar

Influencer Strategy: Raising Third-Party Voices

FUTP 60 Player Ambassador:
Chase Winovich



Abby Corse
The Corse Farm

Dr. Joan Salge Blake, registered dietitian, Boston U professor

Virtual Culinary and Wellness Events

Hilary Walentuk, Nutrition Specialist, New England Dairy

newenglanddairy PB&J Frozen Yogurt Bark Recipe Demo

This frozen yogurt bark takes all the flavors of a peanut butter and jelly sandwich and turns it into a frozen, delicious treat packed with high-quantity protein. 🥜🍓🙌

This recipe is super easy to make and utilizes inexpensive, nutritious staples. It's also kid-friendly and is a great snack option for summer.

Find the full recipe at the link in our bio. 🔗

5w

219 views

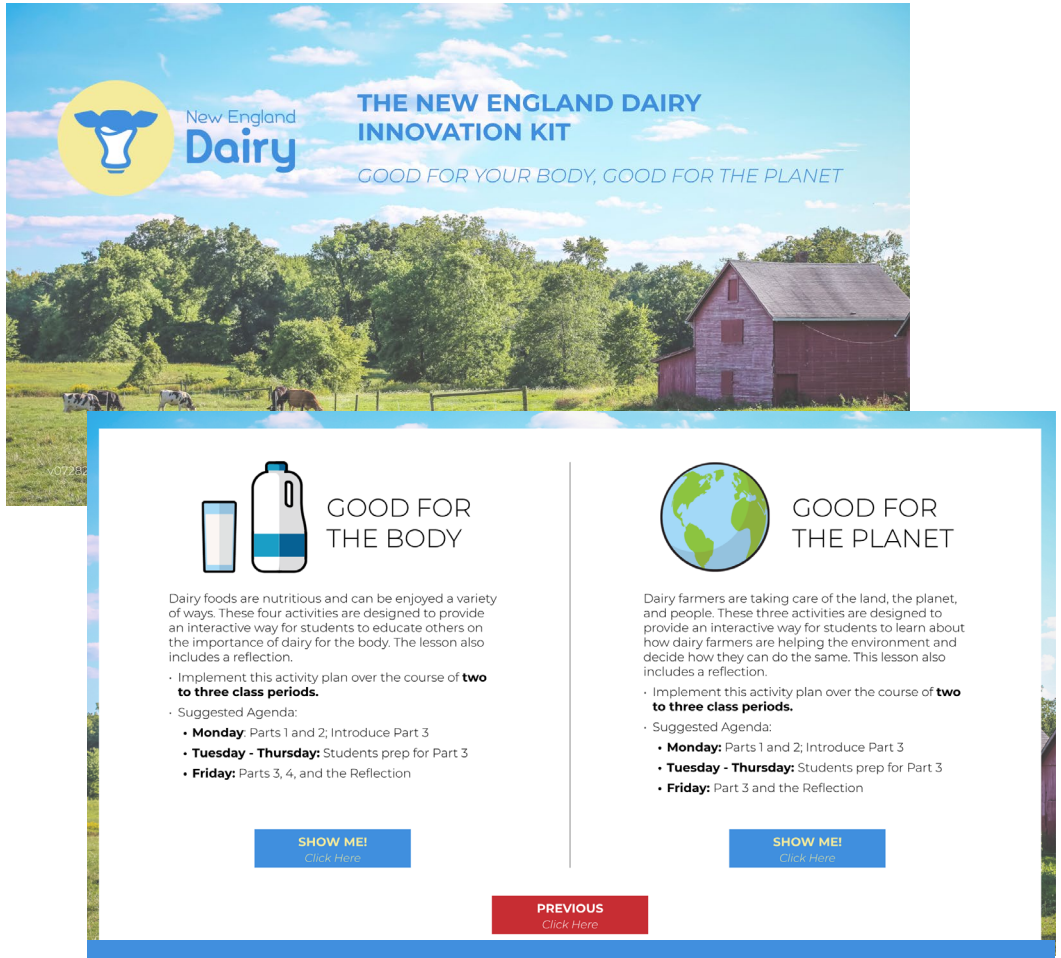
AUGUST 7

Add a comment... Po

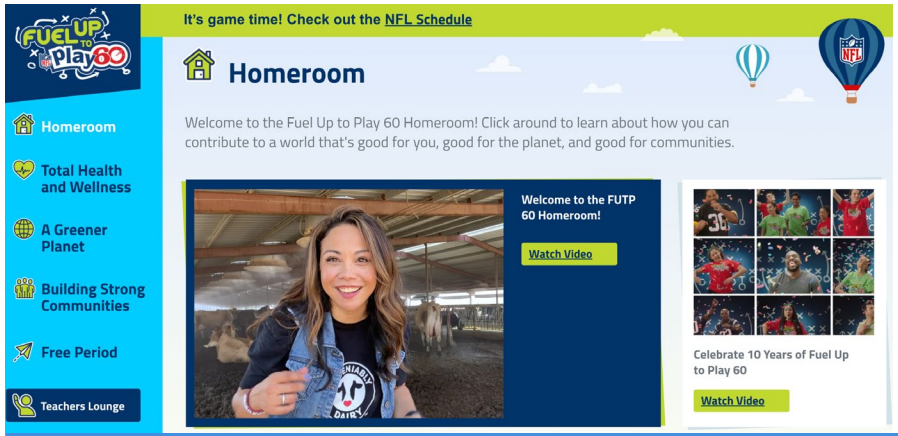
Mobile Dairy Bar: The New Dairy Experience

- "Taste, Learn, and Meet" experiences
  - Reconnect with love of dairy
  - Virtual handouts, educational video
  - Meet a dairy farmer
  - Instagram photo booth
- Farmers markets
- Food truck events, e.g. brewery
- School events
- Road races, sporting events
- Conferences

Engaging Students in a Virtual World



New England Dairy Innovation Kit



Wellness Resources

Virtual Farm Tours and Meet & Greets with Dairy Farmers

Thought Leaders – Expanding Our Scope

- Deeper integration in university programs with new focus on sports programs and environmental departments
- Expansion of our health professional outreach with target on pediatricians
- Development of a quarterly science newsletter for clinicians and wellness professionals
- Continuing education series

NY Priority: Improve the image of dairy products and / or dairy producers among consumers, thus improving the acceptance and consumption of New York milk and dairy products.

Proposed Cost of Project	
Program Costs:	$ 249,130
Salaries/Benefits:	$ 327,594
Travel Costs:	$ 13,156
Operating Expenses:	$ 89,321
Total:	**$ 679,201**

Dairy Farmers: Partners in Promotion

- Connected to program
  - At events
  - Farm tours
  - Media
  - Social media and blogs
- Telling their stories
  - Identify, train, and deploy new "spokes-farmers"
- Navigating issues
  - Monitor, anticipate
  - Set record straight
  - Support farmers

Jessica Dizek of Mapleline Farm was interviewed by media during a food pantry milk donation event

Issue/Crisis Levels			
Level 1: Catastrophic	Level 2: Full	Level 3: Enhanced	Level 4: Routine

NY Priority: Improve communication to dairy producers to inform them how they can assist in improving the consumption of New York milk and dairy products by highlighting the sustainability story.

Proposed Cost of Project	
Program Costs:	$ 30,356
Salaries/Benefits:	$ 96,872
Travel Costs:	$ 1,913
Operating Expenses:	$ 12,718
Total:	**$ 141,859**

Goal 3: Engage in and leverage national programs influencing increased consumption of milk and dairy products

NY DPO Advisory Board Priority:

Participate in national programs influencing increased consumption of milk and dairy products.

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2020-2023 Objectives

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- 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
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Accelerate incremental sales growth

- Continue to build upon successful catalytic partnership model in priority channels
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NY Priority: Participate in national programs influencing increased consumption of milk and dairy products.

Proposed Cost of Project	
Accelerate Additional Dairy Sales	$228,263
Build Trust in Dairy	$136,078
Position Dairy in a Global Food System	$74,624
Total:	$438,965*

*Includes 3% Administrative costs

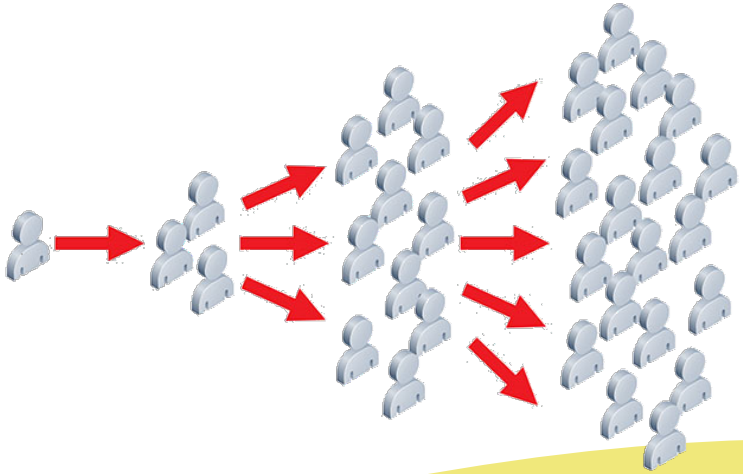
Committed to Measurement

Trust Measures	Sales Measures
Reach 645,000 students with dairy resources & programming	Reach 1,370 schools with marketing & resources
Increase reach (impressions) and engagement (likes, shares) across media by 5%	Increase dairy & meal sales in granted schools by 5%
Reach 570 thought leaders through dairy resources, experiences and programming	
Achieve at least an average 85% positive perception of dairy following activations	

Maximizing Impact

Innovation and Partnerships
• Collaborative opportunities to drive sales of dairy outside of schools
• Scalable opportunities for dairy sales in schools

Elevating Dairy and Dairy Farmers
• Dairy nutrition & sustainability messages
• Dairy farmer engagement opportunities
• Consumer media impressions



2021 Budget Request
Growing Sales and Trust For New York Dairy in New England

- **Total 2021 Proposed Cost: <u>$1,650,000</u>**

Increase the consumption of NY milk and dairy products by youth:	$264,423
Increase sales of NY milk, dairy products and ingredients throughout entire food supply chain.	$125,552
Improve the image of dairy products and/or dairy producers among consumers	$679,201
Improve communication to dairy producers to inform by highlighting the sustainability story	$141,859
Participate in national programs influencing increased consumption of milk and dairy products.	$438,965

Benefit to NY Dairy Farmers and NY Dairy Industry

New England is an important market for New York milk.

We are an established dairy partner who knows New England consumers and supply chain.

Create a robust regional market for milk while protecting the right to farm.

New England Dairy Facts

Servings per container: 20

Amount per serving:

- **Promotion experts exclusively dedicated to dairy**
- **Comprehensive promotion strategy**
- **Grounded in audience insights**
- **Plan informed by farmers**
- **Build trust and sales for dairy**
- **Critical partnerships in New England dairy supply chain**
- **Leverage national resources and expertise to bring the best to NY and New England**
- **National network of like-minded colleagues**

Measurement, impact and results for NY farmers

Thank you