

Building..... the Farmer: Consumer Connection



2021 ANNUAL
REPORT



**AMERICAN DAIRY
ASSOCIATION**
NORTH
EAST

Building..... the **Farmer** **Consumer** Connection



CEO Message

When I wrote my comments for the 2020 Annual Report I said, “We are by no means out of the woods yet, but you can rest assured that your staff will continue to innovate in response to the difficult market conditions and will keep dairy farmers and dairy products front and center as part of the solution to these unprecedented times.” I never thought that we would still be this entrenched in the pandemic experience in 2022. What I said then is even more relevant now.

Your ADA North East staff has continued to aggressively represent you in the marketplace and has expanded your influence. A few of the program expansions that you should be proud of are your entry in to the world of e-commerce and the expansion of your communications programs in to the Hispanic market. Both areas are growth opportunities for your products. You need to be in front of consumers on their devices when they are looking for meal solutions for their COVID-influenced lives and you need to be talking to the Hispanic population segment that is currently more than 27% of the U.S. population - and growing.

The Gen Z audience that is your key consumer target is very concerned about animal care and the environment. Your programs in classrooms and on social media bring the facts about your farming practices and your personal stories to consumers who will not otherwise have a dairy farm or dairy farmer experience. When they see you using discarded produce to feed your cows or generate electricity, they have a better understanding of your commitment to the environment. When they see you standing in front of your herds and the cows come over to see what the cameras are all about and stand to be petted, they understand your approach to cow care. We use social and conventional media to magnify your influence and we know that consumers have an improved attitude toward you.

Your staff not only makes sure that attractive, sales promoting point of sale materials are in dairy cases throughout the region, but your pictures are in many dairy cases, connecting consumers to you while they are making the decision to buy your products. Your programs in school and commercial foodservice establishments present dairy products in their best light and give consumers new product usage occasions.

Finally, I would like to thank all of the dairy farmers who have supported me over the more than 40 years that I have been in the dairy promotion business. I have informed the board of directors that I will be retiring on June 1, 2022, but I leave with full confidence that your promotion staff will continue to generate exceptional results for you all.

Richard Naczi, Chief Executive Officer
American Dairy Association North East

2021 President, Chairman Message – Reconnecting Farmers and Consumers

While 2021 wasn't quite what we thought it would be, the dairy industry and dairy checkoff have continued to focus and connect the role of dairy products in the lives of consumers.

We have been able to rebuild our place in households due to the pandemic now that families continue to prepare food and eat meals at home – we've reestablished the importance of dairy in people's minds and diets.

When the pandemic began, we refocused our programming to online education for children and families, as well as our health professional partners. Our staff continually improves consumers' virtual experiences with creativity and professionalism, and that in turn increases our reach to consumers to build trust in us and in our products.

We also strengthened our reputation and bolstered accessibility in the retail markets over the past year – both in-store and through e-commerce. When consumers saw problems in the dairy aisle, dairy checkoff's retail team became first-responders. With the deep relationships that have been built over the years, our retail staff worked with dairy case managers to quickly resolve issues that were brought to our attention. In addition, with so many purchases being made online today, checkoff has jumped into the e-commerce arena to make sure dairy is one of the first items online grocery shoppers see, reminding them to add dairy to their online carts.

And finally, as dairy farmers, we have always made environmental responsibility one of our top priorities, but we just didn't talk about it enough. Now that consumers – especially Gen-Z—are so tuned into responsibly and sustainably produced foods, it's our time to refocus and brag about our commitment to meeting consumer expectations.

We are proud of what dairy checkoff and the ADA North East team accomplished last year to reconnect with consumers and build trust in dairy after a very unique time in our nation's history. We look forward to what the future holds for all of us.



Audrey Donahoe, President
American Dairy
Association North East



Jeff Raney, Chair
Pennsylvania Dairy
Promotion Program

2021 ANNUAL
REPORT

Retail Marketing

Keeping Dairy Cases Clean, Cold and Well-Stocked Increases 2021 Retail Sales

ADA North East's retail team tallied more than **7,000 visits to 1,515 stores** in 2021 throughout the region to ensure that dairy cases are kept clean, cold, and well-stocked. This helps consumers have a positive shopping experience and encourages them to spend more of their grocery dollars on dairy products.

80% of milk,
71% of yogurt
and **33% of**
cheese is sold
at retail
locations.



Cross-merchandising
of dairy in other retail
departments can give a
7% boost in sales. In
2021, our team secured
1,628 secondary
placements in
689 stores.

As part of our **Dairy Aisle Performance Program**, the retail team builds long-term relationships with dairy case managers through store visits and audits. During these audits, our team identifies and recommends solutions for hygiene issues in the dairy case—**364 stores in 2021**. When we alert stores to an issue, they quickly respond to correct the problem.



Dairy Aisle Reinvention Program provides “makeovers” to the dairy aisle by using customized signage that directs shoppers to the real dairy in the dairy case; incorporates farm-to-table features; installs yogurt dividers and cheese pushers; and highlights nutrition information and product use ideas. Our retail team completed **192 installations** in 2021.

*“Your team is so well received
in our stores. You’re a major help to
us for our customers – thanks!”*

*– Weis Senior Category Manager
Tom Domaracki*

Yogurt dividers keep the yogurt containers organized and easy to find. The dividers feature tabs to pull the product forward; are ventilated to keep product cold, and help store employees to clean and stock.



Spring-loaded **cheese pushers** provide easy access to shoppers' favorite products by keeping chunk cheese front and center in the dairy case. Retailers have invested more than **\$400,000** to purchase this equipment.



Local Dairy Farm Families Promote Milk Sales in Tops Markets Retail Campaign

Six New York farm families worked with ADA North East to be part of the "Tops Loves Local" campaign designed to build trust in dairy by connecting millions of consumers with those who are producing the milk sold in local grocery stores.

Featured farms include Black Brook Farm, Shortsville; Breezyhill Dairy, Strykersville; Lawnhurst Farm, Stanley; Maple Lawn Farms, Lyons; Orleans Poverty Farm, Albion; and Richmond Farms, North Collins. ADA North East distributed more than **700 shelf signs** and **100 window clings** that include dairy farm photos for display in 168 Tops stores across the region.

The campaign kicked off on **National Farmers Day** in October with a video clip shared on Tops social media channels, featuring the families. A dairy feature was also highlighted in Tops' **2.4 million printed circulars**.





E-Commerce promotion added to retail programming: **half of U.S. shoppers buy groceries online**

Additional programs initiated on Instacart (largest third-party online platform that works with ALL retailers in our market) enjoyed a **5.7% increase** in milk sales and a **3.8% increase** in block cheese sales.

E-Commerce Program Takes Off in 2021

Half of all U.S. shoppers are buying groceries online at least occasionally. ADA North East began pursuing online e-commerce shopping opportunities as the pandemic changed consumers shopping habits. By using online “clickable” banner ads along with online contests and campaigns, we encouraged the sale of fluid milk and cheese.

In 2021, online grocery sales reached \$97.7 billion as more than 70% of U.S. households (93 million) received one or more orders during the year.

Local campaign examples activated in 2021 include:

“**You’re Gonna Need Milk for That,**” in which we joined with MilkPEP to promote milk with Olympic and professional athletes on Instacart that targets ALL retailers.

“**Make Milk Moments,**” ADA North East’s holiday campaign, which encouraged families to use milk and dairy in their holiday recipes and enter an online sweepstakes contest.

“**Chill with Cheese**” – a holiday campaign with Tops Markets to drive cheese sales.



June Dairy Month Retail Campaign Gets Milk to Families in Need

Dairy farmers and ADA North East partnered with local retailers in June to support Fill a Glass with Hope® and the Great American Milk Drive™ which provides fresh milk to families in need through local Feeding America foodbanks. Consumers had the opportunity to donate at checkout to support the campaign.

Fill a Glass with Hope: \$126,130

Fill a Glass with Hope was initiated by Pennsylvania dairy farmers and is a partnership with ADA North East, Pennsylvania Dairywomen's Association and Feeding Pennsylvania. Since 2015, more than 27 million servings of milk have been distributed in Pennsylvania, and we launched the program in New York in 2019.



Weis Markets – \$60,000 plus \$10,000 donated by Kraft/Heinz



Amanda Condo from Dotterer Dairy in Mill Hall, Pa., recorded in-store public service announcements.



Price Chopper – \$29,181
ADA North East president Audrey Donahoe of ATRASS Farm in Clayville, N.Y., joined a live Q&A session on Facebook.



Shoppers Food & Pharmacy – \$26,949
Matt Hoff of Coldsprings Farm in New Windsor, Md., in recorded in-store videos.

Great American Milk Drive supported by Milk Processor Education Program



Safeway - \$122,817

Shelby Green from Coldsprings Farm in New Windsor, Md., joined Maryland Dairy Princess Ellie Feaga and former Washington Football Team player Tim Hightower at an event in Washington, D.C., to publicize The Great American Milk Drive.

ADA North East keeps dairy forefront in nearly **14,000 schools** across the six-state region.



Youth Programs

Selling more dairy through school meals

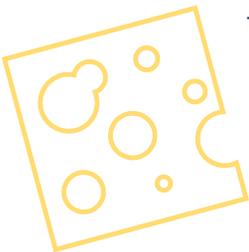
Students Said Yes to Yogurt and Cheese!

ADA North East helped increase cheese and yogurt sales in schools by providing new recipes and service options for breakfast and lunch. Students enjoyed breakfast and lunch options like yogurt parfaits, pumpkin spice smoothies, and Buffalo chicken cheese dip!



218,460 students participated in “Yogurt All Ways” program and sales increased by **305%** translating to **35,014** additional four-ounce servings of **yogurt** or **8,754** pounds of **milk!**

304,736 students participated in “Just Say Cheese!” increasing sales by **68%**, which translated to an additional **112,516** additional pounds of **cheese!**



*Just say
CHEESE!*



World School Milk Day – Celebrating Milk’s Important Role in School Meals

– Partnered with General Mills to get students excited about milk!

We shared the campaign digital toolkit with more than 1,100 school food nutrition directors across the region through eblasts, school nutrition articles, and getting kids engaged through Fuel Up to Play 60, which is part of ADA North East’s ongoing school nutrition programs.





“New York Thursdays” Connects Students with Farmers

Students watched a video produced by ADA North East that featured New York dairy farmer Josh DeBoover of DeBoover Family Farms in Phelps, N.Y., and our National Football League partner, Buffalo Bills player Harrison Phillips, to learn where the milk and dairy served in their school comes from.

Schools with the most video views were entered to win prizes for their students, which included the virtual farm tours hosted by Kelly Reynolds of Reyncrest Farms, Corfu, N.Y., and Nate Chittenden of Dutch Hollow Farm, Schodack Landing, N.Y., and a virtual NFL experience with current and former players and dairy advocates. More than **2,300 students** viewed the tours.



New York State Dairy Princess Shelby Benjamin and New York State Alternate Dairy Princess Elizabeth Hyman visited LeMoyne Elementary School in Syracuse, N.Y., as part of the New York Thursdays program.

Fueling Athletes with Chocolate Milk

ADA North East communicates the connection between chocolate milk and athletic performance to the regions' high school athletes through it's "Refuel with Chocolate Milk" program.



We also share sports nutrition information with more than 15,000 high school coaches and athletic directors each month developed by our 16-member Sports Nutrition Advisory Panel.

Chocolate milk is the official beverage of:



'Team Milk' Olympic Athlete English Gardner Fueled by Milk

English Gardner, U.S. Olympic gold medalist sprinter is part of Team Milk, the MilkPEP (Milk Processor Education Program) campaign that includes U.S. Olympians, Paralympians and hopefuls who are fueled by milk. She also partnered with ADA North East to support local dairy farmers and share the importance of milk in her training regimen as she prepared for her second Olympic Games last summer.

Farmers Learn Their Impact Through ‘Milk to Metro’ Journey

Four dairy farmers and two dairy princesses joined ADA North East for a “Milk to Metro” trip to New York City to observe how the milk they produce on the farm is used by urban consumers and to promote local dairy products. The tour also allowed them to see how ADA North East works in an urban setting to sell more dairy through our school, health professional, sports marketing, and retail programs.



“It was so eye opening to hear how interested the kids were in where their food comes from. They were excited to find out that some of my cows are the animals that produce the dairy products they they eat for breakfast, lunch and dinner.”

– Elizabeth Maslyn, Hemdale Farms, Seneca Castle, N.Y.

The group visited the **Anna M. Short School PS 146** in Manhattan that participates in ADA North East school nutrition programs, including Breakfast After the Bell, Fuel Up to Play 60, and the New York Thursdays program that features locally sourced milk and other food products on school menus.

Johanna Bossard, of Barbland and White Eagle Dairy, in Fabius, N.Y., visits with a student during the Milk to Metro trip.

Other Tour Stops Included:



The Armory Track in Washington Heights, where hundreds of thousands of athletes compete each year and dairy checkoff’s “Refuel with Chocolate Milk” campaign is promoted, includes the sale of chocolate milk in The Armory’s Café.

The Chobani Café in Soho features innovative yogurt and probiotic recipes, dairy-based coffee creamers, and lactose-free Greek yogurt foods.

Beecher’s Cheese in the Flatiron District that makes handmade cheeses.



Bossard and Val Lavigne of Unc Brock Farm, Schaghticoke, N.Y., enjoyed a chocolate milk at the Armory Track in NYC.

Consumer Media Outreach

Dairy Farmer Clocks Nearly 11 Minutes of Airtime on Pittsburgh News Station to Build Consumer Trust

Dairy farmer Jason Frye of Pleasant Lane Farm in Latrobe, Pa., was featured for nearly 11 minutes on KDKA-TV's "Pittsburgh Today Live" in a two-segment interview to celebrate National Dairy Month. ADA North East coordinated the segment with the news station to build trust with consumers by discussing sustainability and animal care issues. The segments racked up more than 100,000 viewer impressions!



Keeping Cows Cool Media Stories Hit the Airwaves

We placed 127 media stories featuring local dairy farmers to showcase the measures they used to ensure their cows stayed cool during the hot summer months. Our efforts resulted in more than 650,000 television and print newspaper media impressions, in addition to



a potential online media reach of more than 6 million, that helped build trust in dairy. We choose story topics with hooks the media loved, as an opportunity to talk about the great care dairy farmers take of their animals.

Casey Porter of Porterdale Farm, Adams, N.Y. was one of nine dairy farmers who shared their commitment to animal care by demonstrating how they keep their animals cool in a heatwave.



Defending Dairy in the Media with Third Party Spokespersons

We monitor media 24/7 for issues that could impact dairy and are always able to act swiftly to defend dairy. Additionally, by developing relationships with respected nutrition experts we can call on them to use their expertise and influence as third-party spokespersons to stand up for and further build credibility in dairy as a third-party spokesperson.

Let's Talk Turkey: Defending Dairy in the Media
Letter: Dairy foods are safe, wholesome and endorsed

In response to a letter disparaging dairy in The Buffalo News on Thanksgiving Day, ADA North East quickly collaborated with dairy nutrition advocate Kathy Border, EdD RD, to submit a response in support of dairy.

Famous Food Bloggers Spend a Day on the Farm to Get the Real Scoop on Dairy

Josh and Chelsea DeBoover of DeBoover Farms in Phelps, N.Y., and Phoebe and Dave Bitler of Vista Grande Farm in Fleetwood, Pa., welcomed 12 food blogger influencers and dietitians in-person to build trust in dairy with their nearly 700,000 social media followers.



The tours offered a behind-the-scenes look into local dairy so the bloggers could gain a better understanding of dairy farmers' innovative and sustainable production practices.

The dairy farmers also joined the bloggers for farm-to-table dinners that included wine and cheese pairings, allowing for one-on-one conversations and mutual learning.

“The tour led to great questions and hopefully the bloggers will continue to influence more understanding of our industry and greater use of our products.”

— Phoebe Bitler, Vista Grande Farm, Fleetwood, Pa.



Hulu Streaming Ad

ADA North East placed a 30-second ad featuring Breezyhill Dairy's Almeter family from Strykersville, N.Y., on Hulu, one of the leading online streaming networks that offers live and on-demand television and movies. The spot ran in November and December, targeted New York City consumers, and ran simultaneously on YouTube, Facebook and Instagram — garnering **4.45 million** impressions.

Featuring the sustainable nutrition messaging — “Milk — Good for You, Good for the Planet” — the ad showcased how dairy farmers are committed to responsibly producing a safe, abundant and affordable food supply.



Whole Milk + Coffee = A Match Made in Heaven – Celebrating National Coffee Day with Latte Art in Pennsylvania and New York Media Markets

To promote whole milk as the best option for great tasting lattes and for creating latte art, we partnered with five major television stations – Baltimore,

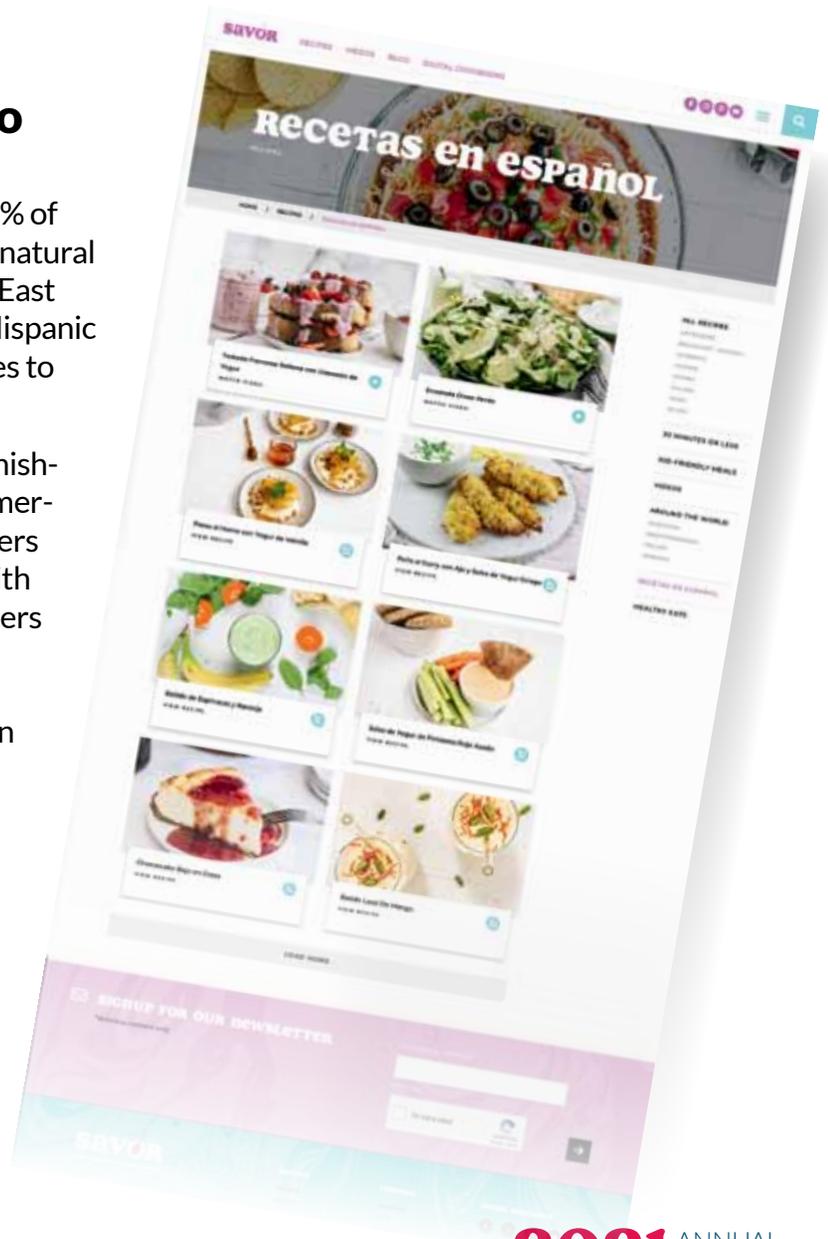
Buffalo, Harrisburg, Pittsburgh and Syracuse - to highlight latte art on National Coffee Day. Featuring national Latte Artist Michael Breach, each news clip directed viewers to AmericanDairy.com for latte recipes that contain at least **66% milk!**

Dairy Recipes Developed to Reach Hispanic Audiences

With Hispanic consumers representing 13% of milk sales, 13% of yogurt sales and 12% of natural cheese sales in the Northeast, ADA North East launched a marketing campaign to reach Hispanic families, “Leche Autentica,” which translates to “real, authentic milk.”

We developed a “Recetas en Espanol” Spanish-language blog on ADA North East’s consumer-facing website, SavorRecipes.com, that offers Hispanic-language recipes and we work with well-known Hispanic social media influencers to reach thousands of their followers. Our Spanish language initiatives garnered more than **17 million social media impressions** in first eight months!

Scan here to connect to recipes.



Dairy Takes Center Stage at State Fairs

Maryland State Fair – U-Learn Dairy Stations and Undeniably Dairy Shake-Off

Maryland dairy farmers were well represented at the Maryland State Fair with the U-Learn Farm dairy stations led by Maryland Dairy Princess Elizabeth Karides and her promotion team.

ADA North East supports the learning stations by providing dairy promotional materials and information, along with sharing “Susan,” the life-size model cow for photo opportunities.



Baltimore's FOX 45-TV's "Traffic and Weather Together Justin and Jimmy Jubilee!" was the overall Undeniably Dairy milkshake winner. The People's Choice Award racked up more than 3,500 online votes with 100.7 The Bay radio's Blue Moo Milkshake grabbing the most votes!



2021 Pennsylvania Farm Show Goes Virtual

Young dairy farmers who annually exhibit at the Pennsylvania Farm Show demonstrated their dairy cattle skills in ADA North East's video "How Dairy Cattle Exhibitors Prepare for the Pennsylvania Farm Show" during the virtual 2021 Farm Show.

Pennsylvania Dairy Princess Gabrielle Swavely represented the state's dairy farmers during ADA North East's virtual Undeniably Dairy Shake-Off Milkshake Contest that drew nearly 4,000 online votes!

Video Tribute to Past Butter Sculptures

ADA North East created a butter sculpture tribute video to feature the buttery artworks sponsored by Pennsylvania dairy farmers dating back to 1991. Dairy farmer, ADA North East board member and Dairy Management Inc. chair Marilyn Hershey, Cochranville, Pa., hosted the video along with dairy farmer Brett Reinford of Mifflintown, Pa., who also discussed the butter recycling in his farm's methane digester.



New York State Fair – Butter, Milkshakes, Media and GIFs Galore!

The annual butter sculpture was themed “Back to School, Sports, and Play...You’re Gonna Need Milk for That,” and featured three scenes – teens in a school cafeteria, on a soccer field, and at home gaming, showing dairy as an important part of meals and snacks to power learning and fuel physical activities. The butter was recycled at Noblehurst Farms in Pavilion, N.Y.



The new Milk Moves Me exhibit also promoted milk’s role in fueling performance by offering an interactive experience for Gen Z fairgoers. Nearly **7,300 consumers** visited our interactive booth where they created their own GIF - an animated digital image - featuring Team USA Olympic bronze medalist Ariel Torres.

Syracuse.com named the butter sculpture and the #MilkMovesMe GIF/photo booth as two of the top selfie spots at the fair!

New York State Alternate Dairy Princess Elizabeth Hyman conducted one of many media interviews to showcase New York’s dairy industry during the fair. Media results included:

- 1,115 story placements
- Nearly 11 million traditional media impressions
- 122 million online media website consumer reach



Meeting Consumers Where They Are - in the Classroom

Virtual Farm Tours Reach 430,000 Views Since 2018

ADA North East's virtual farm tour program continues to grow to reach more students, teachers and families. Virtual Farm Tours in 2021 reached more than **61,000 students**, and previously recorded tours have reached more than **430,000 views** since the program began in 2018. Continued improvements to the tours make them more accessible and educational to build trust in dairy. Thanks to the four dairy farmers who hosted tours in 2021 to help students make the connection with those who are producing the milk and dairy products they enjoy at school and at home.

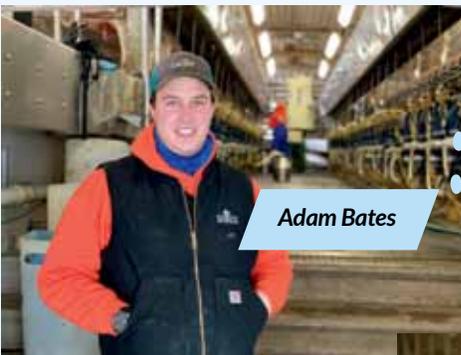


Stacey Copenhaver

2021 hosts included Stacey Copenhaver of Talview Dairy, Lebanon, Pa.; Emilie Mulligan of Mulligan Farm, Avon, N.Y.; Adam Bates of Stauffer Farm, North Lawrence, N.Y.; and Ed Facer of Star Rock Farm, Conestoga, Pa.



Ed Facer



Adam Bates

"Our class had an opportunity to travel to a farm without leaving our classroom. The kids loved seeing the cows and really have an understanding, even at a young age, that the animals are well taken care of and that transpires to the products that we get are good and healthy for us."

— Herman Avenue Elementary
Kindergarten teacher Meg Gremli

"The students had such great questions, and it was fun to be able to answer them in real time throughout the tour. I really enjoy helping people understand where their food comes from and being able to tell them what I do on the farm every day."

— Emilie Mulligan



Emilie Mulligan

In addition to the tours, ADA North East also provides teacher-created lesson plans which meet Common Core Standards. These lesson plans were created for elementary, middle and high school classes to increase student knowledge of dairy farmer environmental and animal care practices.

Dairy Education Curricula Reaches More than 8 Million Students!

Local dairy farmers worked with ADA North East to develop three free standards-based lesson plans about dairy farming and dairy foods to give teachers and students clear and factual information about modern dairy farming. Teachers across the region received the lessons in print and electronically.

PRINT AND DIGITAL REACH

	CLASSROOMS	STUDENTS
ELEMENTARY	93,000	2,790,000
MIDDLE SCHOOL	79,000	3,950,000
HIGH SCHOOL	35,375	1,768,750

Reached **8,508,750** students in **207,375 classrooms!**



New Dairy Checkoff Website Launches to Educate Consumers, Provide

Resources for Farmers, Schools and Retail Partners

ADA North East launched a new information-packed, user-friendly website that has current, science-based dairy information for consumers, as well as for checkoff partners working in schools, human nutrition and retail. Dairy checkoff news and resources are also available for dairy farmers and for dairy promotion groups to share with consumers. Visit AmericanDairy.com to check it out!



American DairyENGAGED – Tools for Advocates to Share the Dairy Story on Social Media

ADA North East launched American DairyENGAGED on Facebook to help dairy farmers and advocates learn how to share their dairy story by providing daily content, videos, tips and tricks, recipes, and other social media “hacks.” The group has 890 members. To join the online group, search for American DairyENGAGED on Facebook.

Kelly O'Hara of Oakwood Dairy, Auburn, N.Y., talked about in-field technology and efficiency that reduces skips and overlaps, saves on fuel costs, and allows for the creation of management zones in the fields.



Three Dairy Farms Host Tours to Build Trust with Environmental Community

Three Cayuga County, N.Y., dairy farms joined Partners for Healthy Watersheds, of which ADA North East is a founding member, to host tours to show more than 30 elected officials and other environmental leaders how farmers are committed to protecting local water resources using best quality practices.



Dairy Farmers 'Take Over' Social Media for Alliance for Chesapeake Bay

New York and Pennsylvania dairy farmers participated in a "take over" of the social media outlets of the Alliance for the Chesapeake Bay to share their practices to protect local water quality and their downstream neighbors with the group's followers.

Participating farmers included Mike McMahon from E-Z Acres Farm in Homer, N.Y.; Chris and Laura Landis of Worth the Wait Farm in Stevens, Pa.; and Katie Dotterer of Cow Comfort Inn Dairy in Union Bridge, Md.



Red Sunset Farm Named National Sustainability Award Winner

Dave and Marie Graybill of Red Sunset Farm, Mifflintown, Pa., were named an "Outstanding Dairy Farm – Sustainability" winner for the 2021 Innovation Center for U.S. Dairy Annual Sustainability Awards.

In the last decade, 13 of the nearly 80 national winners from across the country have come from the ADA North East region.

National News

Local Farmers are National Dairy Checkoff Leaders

Four dairy farmers from the ADA North East board of directors also serve as officers on national dairy checkoff boards. They are:

- Marilyn Hershey, Cochranville, Pa., Dairy Management Inc. Chair
- Skip Hardie, Groton, N.Y., Dairy Management Inc. Secretary
- Jennifer Heltzel, Martinsburg, Pa., National Dairy Promotion and Research Board Treasurer
- Audrey Donahoe, Clayville, N.Y., National Dairy Council Chair and United Dairy Industry Association 2nd Vice Chair



Audrey Donahoe

Partnerships Drive Cheese Sales

Dairy Checkoff Scientists Re-Invent Taco Bell Favorite – Cheese Quesalupa

Thanks to dairy checkoff's on-site scientists, Taco Bell re-released the fan-favorite Quesalupa with more cheese than the previous recipe (also developed by checkoff scientists). Available for a limited time, the menu item's flaky flatbread shell is stuffed with whole milk mozzarella and Pepper Jack, in addition to sour cream and cheddar toppings.

Overall, checkoff's foodservice partnership with Taco Bell as well as Domino's, McDonald's and Pizza Hut, have averaged 3% growth (milk equivalent pounds) since the cumulative start of each partnership.

Dairy Exports Grow in 2021

Dairy Farmer-Funded U.S. Dairy Export Council Lifts Dairy Export Sales

U.S. dairy exports came through with double-digit growth in 2021 to surpass all-time records for volume and value. The U.S. Department of Agriculture announced record sales of \$7.75 billion in 2021, accounting for more than 17% of U.S. milk production. Today more than one in six tankers of milk produced on U.S. farms is turned into products and ingredients sold overseas.

The U.S. Dairy Export Council (USDEC) is a non-profit, independent membership organization that represents the global trade interests of U.S. dairy producers, proprietary processors and cooperatives, ingredient suppliers and export traders. Dairy Management Inc. founded USDEC in 1995 and, through the dairy checkoff program, is the organization's primary funder.

U.S. DAIRY EXPORTS BY THE NUMBERS

1 IN 6 
TANKERS OF MILK
BECOME PRODUCTS AND
INGREDIENTS SOLD
OVERSEAS

\$7.75 BILLION
IN ANNUAL U.S. DAIRY EXPORT SALES
2ND LARGEST
U.S. MARKET EXPORT 

 **1/4**
TOTAL U.S. CHEESE
EXPORTS SOLD
TO
MEXICO IN 2021

Dairy exports came through with **more than double-digit growth** in 2021 to surpass all-time records for volume and value!

Sources: U.S. Department of Commerce, U.S. Dairy Export Council

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SELLING MORE DAIRY IN QUICK-SERVE RESTAURANTS

National Dairy Checkoff's Shift from Advertising to Partnerships Pays Dividends

Dairy checkoff's partnerships with quick-serve restaurants — McDonald's, Domino's, Pizza Hut and Taco Bell — have played a critical role in the highest ever per capita consumption of dairy products. The partners' annual advertising investment is \$1.5 billion compared to checkoff's \$18 million — reaching nearly 10 billion customers in more than 33,000 outlets!

 13,682 U.S. Locations
8 BILLION U.S. Consumers

 6,561 U.S. Locations
5.9 MILLION U.S. Consumers

 6,799 U.S. Locations
1.9 BILLION U.S. Consumers

 6,355 U.S. Locations
1 BILLION U.S. Consumers

Reaching Gen Z Audience to Build Trust in Dairy Farmers, Dairy Products During National Dairy Month



During National Dairy Month, Dairy Management Inc. launched new checkoff-led strategies specifically geared toward the Gen Z audience. Gen Z includes ages 10 to 23, and makes up 20% of the U.S. population. Collectively, the Gen Z generation has more than \$100 billion in spending power.

Captain Sparklez, one of the country's most popular video gamers, shared insight on the best ways to reach Gen Z through gaming. California dairy farmer Nevin Lemos and DMI's Barb O'Brien and Anne Warden also further discussed why it's so important to reach younger audiences through online outreach efforts.



'Reset Yourself with Dairy' Campaign Geared Toward Gen Z Audience

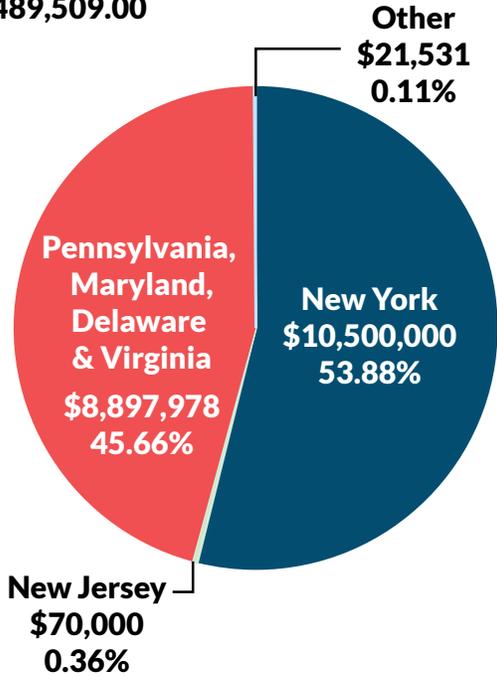
Dairy Management Inc. launched a new Undeniably Dairy campaign, "Reset Yourself with Dairy," to reach Gen Z consumers where they live and play. The campaign draws on the fact that dairy provides comfort and is simple nutrition to help with immunity, energy and gut health.

**RESET
YOURSELF
WITH
DAIRY**

2021 Financials

INCOME

\$19,489,509.00

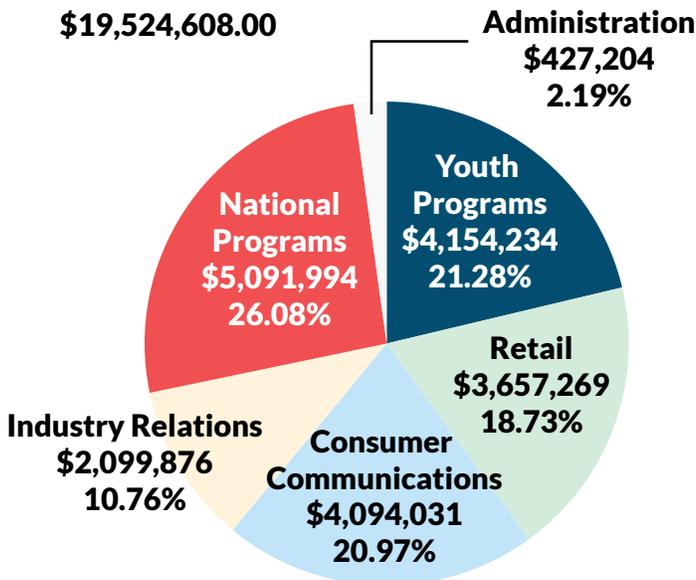


INCOME

New York	\$10,500,000	53.88%
New Jersey	\$70,000	.36%
Pennsylvania, Maryland, Delaware & Virginia	\$8,897,978	45.66%
Other Income	\$21,531	.11%
\$19,489,509		

EXPENSES

\$19,524,608.00



EXPENSES

Youth Programs	\$4,154,234	21.28%
Retail	\$3,657,269	18.73%
Consumer Communications	\$4,094,031	20.97%
Industry Relations	\$2,099,876	10.76%
National Programs	\$5,091,994	26.08%
Administration	\$427,204	2.19%
\$19,524,608		



2021 Board Members

American Dairy Association North East and Pennsylvania Dairy Promotion Program are the dairy farmer-funded organizations funded by participating dairy farmers' checkoff investment to build demand and sales for milk and dairy foods throughout the local region. Representing 9,000 dairy farm families in Delaware, Maryland, New Jersey, New York, Pennsylvania and northern Virginia, we develop and implement local programs to drive milk and dairy sales at retail in schools. The organizations conduct consumer education about dairy through events, traditional and social media and in collaboration with health professionals through National Dairy Council®. We work closely with Dairy Management Inc.™, the national dairy checkoff, to support nutrition research, national partnerships and developing export markets for dairy to bring a fully integrated promotion program to the region.

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