

# July 2023 Update Report for the Connecticut Milk Promotion Board



August 10, 2023

We continue to work on your behalf to build trust and sales for dairy through our work with schools, health professionals, and consumers. This document includes priority work we have completed in recent weeks and highlights upcoming activations.

## **The Great Smoothie Slurp Campaign**

**Budget Spent: \$0**

Work on this project is slated to begin in Q1 2024.

## **Chill Out with Cold Milk**

**Budget Spent: \$0**

The deadline for all schools to submit milk temperature surveys will occur in February 2024. We are in conversation with Meriden Public Schools for a special training and cooler opportunity similar to last year's project with Norwalk Public Schools.

## **School Grants**

**Budget Spent: \$0**

Grants for 11 schools in two districts with the approximate value of \$12,700 were submitted to the board coordinator for approval on July 19, 2023.

## **Health Professional & Nutrition Educator Education Sessions**

**Budget Spent: \$0**

Work on this project is slated to begin in Sept 2023 with speaker outreach to promote dairy nutrition or dairy sustainability for the CT Academy of Nutrition & Dietetics April 2024 meeting.

## **Experiential Consumer Events**

**Budget Spent: \$0**

Research on potential CT events has begun and will be presented in August for consideration and approval to secure the mobile dairy bar for the events.

## **Consumer Digital Engagement Campaign**

**Budget Spent: \$0**

Planning for the paid social posts to engage consumers has begun. Initial posts are expected to be scheduled in August.

## **Adopt a Cow**

**Budget Spent: \$0**

Host farm has been selected and onboarding has begun. This year's participant is Mapleleaf Farm in Hebron, Connecticut. Registration and promotion for the 2023-24 program continues.

## **Digital Dairy Ambassadors**

**Budget Spent: \$0**

A list of possible participants has been submitted to board coordinator for approval.

## **Farmer Engagement Grants**

**Budget Spent: \$0**

The website has been updated to reflect the grant opening date on August 28<sup>th</sup> and the postcard designed.

## **Continuing Education for Farmers**

**Budget Spent: \$0**

Work on this project is slated to begin in September 2023.

## **National Partnership**

**Budget Spent: \$4,166.67**

- Enclosed is the executive summary from the Dairy Management Inc. (DMI) July board meeting, including updates related to the nationwide plan and our nationwide partnership, which we leverage through our work in Connecticut.
- On July 17, 2023, Anne Marie Splitstone, senior vice president for Dairy Management Inc.'s Global Innovation Partnerships, shared updates on four key areas, sustainability, innovation, reputation, and exports, illustrating the impact of working with and through key partners.
- The July [episode](#) of Your Dairy Checkoff Podcast (dairy farmer focused podcast) looks at how dairy sustainability became a priority for dairy farmers and the dairy checkoff.
  - Sustainability is a term that gets used often in food marketing, by politicians and thought leaders but what does it really mean to dairy farmers and the dairy checkoff. Hear why it's important for the dairy farmers to be involved in sustainability practices as well as how the checkoff is helping with dairy farming sustainability practices and measurement as well as current research projects.
- DMI dairy scientist Divya Reddy worked with the McDonald's culinary team and a cheese sauce supplier to create [Cheesy Jalapeno Sauce](#), which will be featured on a breakfast sandwich and burger
- Taco Bell is set to unveil the [Grilled Cheese Dipping Taco](#), made possible through DMI on-site scientist Mike Ciresi
- [The Center for Dairy Excellence in Singapore](#) – created by the U.S. Dairy Export Council – is building connections between U.S. dairy suppliers and customers on the other side of the globe to enhance dairy exports.

# Headlines from July 2023 DMI Board of Directors Meeting

The Dairy Management Inc. Board of Directors met July 18-20 to learn more about strategic program updates and take a deeper dive into the 2024 Unified Marketing Plan refinements and the checkoff’s priority to prepare its people to lead the future of dairy.

## 2023 Q2 SALES UPDATE

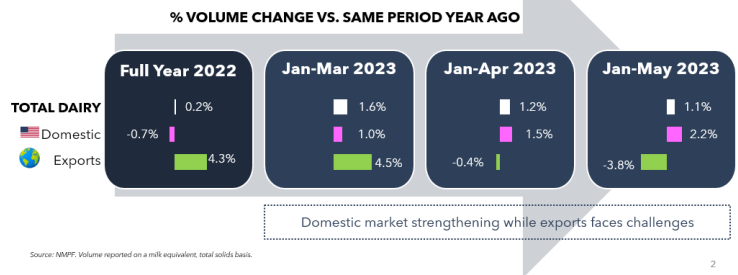
### SOME MOMENTUM GROWING AT RETAIL

DMI’s Madlyn Daley provided a market trend and sales update, sharing year-to-date sales along with marketplace and economic factors affecting sales at retail and beyond.

In 2022, domestic sales faced largely inflation-related challenges that were more than offset by international demand for U.S. dairy. That trend has flipped in 2023 (January through May) as weaker demand and increased competition shows a downturn in exports, which was more than offset by an improving U.S. market.

At retail, dairy is seeing some growth in recent weeks in some key categories, including yogurt, butter and butter blends, whipping cream, cottage cheese, and half and half and light creamers.

**Domestic Faced Inflation Struggles in ‘22; Exports More than Offset the Decline. In 2023, Weaker Demand and Increased Competition Led to U.S. Exports Downturn Which Was More than Offset by an Improving Domestic Market.**



## DMI CEO REPORT

DMI CEO Barbara O’Brien shared an overview of the 2024 Unified Marketing Plan and shared checkoff bold moves that will enhance remaining 2023 plans, and help guide 2024 strategic plans.

These bold moves will drive ASPIRE priorities:

- **Science for the future** – modernizing the checkoff’s science disciplines and discovery science capabilities, further enabling the dairy research network and building the successful partnership model to work with and through others to advance farmer priorities.
- **Secure outside investment** – bringing other people’s resources to our work to magnify checkoff’s investment in nutrition, research and development, and environmental research; leverage branded partners to advance checkoff’s marketing; and catalyze product innovation in health and wellness areas that offer the greatest opportunity to long-term sales.
- **Leverage modern technology** – helping to unlock critical science by proving new applications and processing technologies and to optimize modern social listening and influencer platforms.
- **Deepen partnerships with state and regional promotion organizations and enterprise organizations** – working across the checkoff to maximize domestic and global presence and sales; and creating a path to test, validate and scale new strategies and programs.
- **Reimagine relationships with youth and parents** – embarking on a new youth strategy that will improve perceptions of dairy’s relevance and importance, and design programs to address consumption both at home and school.

# Headlines from July 2023 DMI Board of Directors Meeting

## YOUTH AND SCHOOLS EVOLUTION

### CHECKOFF LEADS INDUSTRY-WIDE STRATEGY TO SECURE DAIRY'S ROLE IN SCHOOLS & EDUCATION

DMI's Anne Warden shared an update on the checkoff's collaboration across the Federation to shift its youth strategy to reach the next generation both at home and in schools.

This strategy, driven by a first-of-its-kind study to investigate drivers of dairy consumption and perceptions in schools, surveyed 1,500-plus students and their parents across the United States to identify the greatest opportunities to maintain and grow dairy's relevancy. Research findings showed:

- Dairy consumed at home and at school each drive the other. Research found that 50 percent of dairy consumption at schools is explained by factors at home ... and 50 percent of dairy consumption at home is explained by factors at school.
- Improving students' product experience and growing its availability (e.g., location, times of the day) offer the greatest impact within schools. Better types, formats and packaging of available products will increase consumption. This includes empowering students and parents to have a greater role in influencing school menus.
- Formal nutrition education is limited in schools, but opportunities exist to make an impact in spaces like STEM (science, technology, engineering and math curriculum) and the meal setting. Nutrition education (specifically dairy) is not sufficiently covered in health or physical education classes. In all, 82 percent of students have PE available at their school, but the focus is on fitness with nutrition taught informally, if at all. Less than half (45 percent) of students have nutrition education available at their school. This underscores the need for the checkoff to look at nutrition education in new ways.
- Students' mental well-being is a critical priority to students and their parents. Sharing dairy's attributes relative to wellness (including calm and energy) increases dairy's relevancy among some students.
- Students in grades K-5 consume the most milk and dairy, yet are the hardest to influence. Younger children's consumption is far more influenced by what is happening at home than what is happening at school.
- Lower-income students represent a key growth opportunity. Currently, low-income students are 20 percent less likely to have innovative packaging options for milk. Also, they are less likely to have a variety of dairy products available at their school.



Over the next several months, national and local checkoff staff will align across dairy's value chain and create strategies that support a localized approach, with a focus on engaging a wider range of partners in an evolved Fuel Up platform. This includes a commitment by the Innovation Center for U.S. Dairy Board that recently renewed its commitment to health and wellness and created an action team focused on short-term school milk challenges and product/packaging/service strategies to improve the in-school experience.

## NMPF NATIONAL DAIRY FARM PROGRAM UPDATE

### HISTORY & UPDATES TO NMPF ANIMAL CARE PROGRAM

National Milk Producers Federation's Jim Mulhern and Beverly Hampton Phifer shared an update on the National Dairy FARM (Farmers Assuring Responsible Management) program, reviewing the history of the program and its evolution over the last 15-plus years. Highlights shared include overall industry adoption and compliance with 99 percent of the U.S. milk supply participating in the animal care program; dairy buyer trust with 20 of the top 37 dairy companies publicly supporting the program; and international recognition with ISO certification. In addition, we will work with NMPF to address outstanding questions and share in a separate communication over the next few weeks.



For more information about the program, visit their [website](#) or [email](#) the team.

# Headlines from July 2023 DMI Board of Directors Meeting

## CHECK OUT WHAT'S HAPPENING NOW



### GENERAL MILLS LAUNCHES HÄAGEN-DAZS CULTURED CRÈME

Initially launched through Target stores and now rolling out with other retailers nationwide, checkoff partner General Mills licensed the Häagen-Dazs brand to create a **thick, creamy yogurt** that is reminiscent of ice cream. The recipe uses a unique blend of dairy cultures that offer a smoother taste experience, unlike the slightly sour flavor or traditional yogurts. DMI will share results when available.

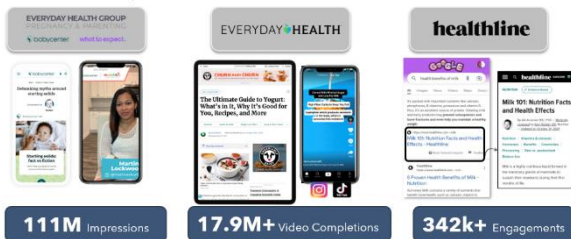
### MCDONALD'S INTRODUCES NEW DAIRY-FRIENDLY MENU ITEMS

In June, the chain introduced its limited-offer "**Grimace Birthday Meal**," featuring a berry-flavored purple shake. The shake has been a hit with McDonald's customers – and was a top trending topic on TikTok!

McDonald's also introduced a cheesy jalapeno sauce debuting on both the **Cheesy Jalapeno Bacon Quarter Pounder** (which also includes two slices of cheese) and the Sausage Egg McMuffin breakfast sandwich! DMI food scientists supported both offerings by working with McDonald's culinary team and dairy suppliers.



### CHECKOFF ADVANCES DAIRY'S TO CONSUMERS & THOUGHT LEADERS



Consumers learned more about dairy's health benefits, including older Gen Zers (those that are likely to be parents) and Millennials (parents of young children), through extensive DMI partnerships with science-driven media outlets and influencers that included *EveryDay Health* and *Healthline*. This includes consumer-relevant myths and facts around milk and dairy nutrition, including a "Milk 101" that outlines nutrition facts and health benefits and the "ultimate guide to yogurt."



In addition, DMI advanced dairy's commitment to environmental stewardship and animal care with new digital and social content launched in June. Efforts include a long-form article sharing farmers' commitment to [cow care and comfort](#) at [usdairy.com](#) that shares how farmers address animal care through housing, ventilation, nutrition and technology advancements.

In addition, online and connected TV spots will launch in August that take a humorous look at the extremes consumers would have to take to be as sustainable as dairy farmers.

### MAKING EVERY DROP COUNT FOCUS ON SHARING DAIRY SUSTAINABILITY STORY

Dairy farmers are currently learning more about how the checkoff advances dairy's sustainability story through the Making Every Drop Count initiative. You can find the latest information about how the checkoff reaches consumers and thought leaders in national dairy trade print and digital editions, in social feeds, earned media and more.

