

Promotion IN ACTION



July 23, 2021

IN THIS ISSUE:

[Midwest Dairy surveys show win with Conflicted Health Seekers](#)

[Dairy Experience Forum recap](#)

[Creating a business case for school milk](#)

[DBIA grant available for dairy processors](#)

[Scholarships awarded to future dairy leaders](#)

[Midwest Dairy participates in AURI Bold Open](#)

[MDFRC featured in Hoard's Dairyman](#)

[Grow Trust in Dairy](#)

[Increase Dairy Sales](#)

[USDEC Exports Highlights](#)

COMMENTS FROM OUR CEO

We often talk about the ways Midwest Dairy brings dairy to life through partnerships and projects that focus on building trust and increasing sales. But there's a whole other level of work that goes on behind the scenes that helps formulate our strategies long before we ever begin working with a retailer or launch a new initiative.

Just like new technologies, data and analytics help shape decisions on your farm each day, we look to things like innovation and research to determine how we can provide the best return on your checkoff investment.

In this issue of Promotion in Action, we provide updates on the work of the Midwest Dairy Foods Research Center and how it is seeking to encourage innovation and support efforts to advance the dairy industry. In addition, we share highlights from the mid-winter 2021 Attitude, Awareness & Usage consumer survey Midwest Dairy conducted through Aimpoint Research, which not only helps to quantify the success of our work (Spoiler alert: We've won over Conflicted Health Seekers!) but provides a guide for our internal strategies and tactics.

You'll also read about how Midwest Dairy is joining a DMI pilot to innovate in school milk, exploring new ways to make milk easier for schools to acquire, store and serve.

Our team is committed to making informed decisions that provide the greatest impact in growing demand for dairy.



MOLLY PELZER

Midwest Dairy consumer surveys indicate win with Conflicted Health Seekers, opportunity to reach Gen Z



Understanding the correlation between consumer trust in dairy and consumer dairy consumption habits is essential in shaping the work of Midwest Dairy. It provides a road map that drives our work – showing us our strengths, areas for improvement and even narrows down what consumers we can have the most impact with.

Midwest Dairy began measuring dairy's trust impact with consumers in our region in 2019. Three years in, we are clearly able to identify where we've made great progress and can see where we can shift our efforts to further gain trust and drive sales.

In 2021, two consumer Attitude, Awareness & Usage (AAU) surveys are being conducted with the help of Aimpoint Research, a strategic intelligence firm. One survey took place in early March and the second will be administered in late summer.

We're pleased to report the highlights of the first survey of 2021 which shows areas where we've made significant progress but also identifies issues and audiences for a new focus.

- Our work has led to **Conflicted Health Seekers again viewing dairy more positively than they did in both 2020 and 2019**. They claim to be purchasing more dairy. This is a win for Midwest Dairy and validates a need to focus on different consumer segments to optimize sales and trust investments.
- **Consumption of plant-based alternatives continues to rise**. While almost every household in our region reports dairy consumption, many consumers appear to use dairy and plant-based products interchangeably.
- **Consumers still strongly agree that dairy is healthy and nutritious** but have information gaps in areas like environmentally friendly, locally produced, and free from antibiotics and hormones.
- **Personal relationships with health professionals are still the key trusted source** that influence consumption. However, other sources have influence, too, particularly as we look at specific groups like Gen Z or Millennials.
- **Sustainability means different things to different consumers**. While consumers still prioritize animal welfare in the dairy industry, environmental concerns such as greenhouse gas emissions, packaging waste, and water quality are also important. Environmental impact is a key trust indicator.

In evaluating the results of the recent survey, in comparison to those from 2019 and 2020, we recognize the opportunity to shift our efforts to work with Gen Z and parents of Gen Z to achieve similar success we achieved with Conflicted Health Seekers. We'll focus our work on identifying ways we can reshape their opinions and attitudes towards dairy.

To do so, we've updated our "North Stars," the takeaways from the recent survey results that guide our internal strategies and tactics. These updated North Stars are:

- **Lean into Your Strengths**. More than three-quarters of survey respondents have a favorable view of dairy nutrition. They view dairy as healthy and good for them. Parents also overwhelmingly agree that dairy is nutritious and important to their children's diet.
- **Attack the Gaps**. 1 in 3 households surveyed in the Midwest Dairy region has someone with sensitivities to dairy. The use of plant-based products is increasing, and more consumers are purchasing both dairy and plant-based products. Consumers are uncertain about dairy's sustainability and have unanswered questions about the safety of dairy consumption.
- **Focus your Tactics to Build Trust**. With the majority of consumers surveyed recognizing dairy's nutrition, they also need to see additional benefits behind it to consume more (accessibility, convenience). Nearly half of respondents don't agree that dairy farmers protect the environment, and there's still lower confidence in animal care and a belief that the dairy industry is looking out for consumers.

With this fresh road map shaping our work, Midwest Dairy will continue to seek new ways to bring the most positive return on your checkoff investment.

Dairy Experience Forum takes deep dive into top growth opportunities for dairy



The fourth annual Dairy Experience Forum was held virtually July 13, sharing expert insights and opportunities for the dairy community to fuel dairy demand for a strong future. The focus was understanding changing consumer needs and behaviors and how dairy can meet those needs through new innovation, specifically for Gen Z and the export market.

The forum featured a live focus group consisting of Gen Z consumers from various backgrounds who shared their opinions of dairy and what drives their purchasing decisions. Common values when considering dairy were health, sustainability, and transparency. All the consumers noted they were not willing to give up their favorite dairy products, such as yogurt and cheese, however, they said they still have questions about whether dairy is good for their health and the environment, showing an area of opportunity to provide information and help them feel good about enjoying dairy. The group was highly skeptical of what they read online, commenting that they would have to “do more research to learn the truth.” They prefer hearing from reliable, third-party sources versus dairy farmers, so they can be confident the information is factual and unbiased. This highlights a continued need to work with partners to share dairy’s sustainable nutrition story.

Philip Kurien, chief strategy officer of the Family Room, reinforced these themes about Gen Z. He discussed how COVID-19 shifted Gen Z’s emotional priorities and connections to dairy, and how the feelings of belonging, positivity, and freedom can help the industry create more innovative products, and inspire relevant messaging to connect on a more meaningful level, building lifelong dairy consumers and advocates.

Dairy exports are another key growth area. Anoo Pothan, director of consumer insights for the U.S. Dairy Export Council, shared how dairy can meet growing global demand, specifically in areas like Southeast Asia, where U.S. dairy exports reached \$1 billion in 2020. Thanks to a growing middle class, rising purchasing power, and rapid penetration of the internet, this area presents a tremendous opportunity for driving dairy demand.

The day ended with Mick Ebeling, founder and CEO of Not Impossible Labs, who encouraged all attendees to think differently when it comes to solving challenges that sometimes seem unsolvable. With his “help one, help many” approach, Ebeling encouraged attendees to scale big problems down to an individual and commit to finding solutions to help that one person. These insights are important as the entire industry looks at the opportunities ahead for dairy when it comes to building trust, driving dairy demand, and continuing to feed the world in a sustainable way.



The **Dairy** Experience

July 13, 2021 | **VIRTUAL**

Creating a business case for school milk innovation



School milk is in a crisis. It's declining at a rate of 1.7% per year. School meal regulations limit schools to fat-free or low-fat milk, which may not be what students are used to drinking at home. In addition, students report that traditional milk cartons (94% of school milk) are difficult to open and the paperboard mouthfeel can be undesirable.

There are increasing external pressures on school milk. As dairy plants close, delivery frequency declines. That means there are fewer companies willing to bid on school milk. All of this leads to a limited and inconsistent supply, especially in rural and urban dense areas. Increasing demand for sustainable, "zero waste" solutions by school districts, parents, and students also has an impact.

To help improve the school milk experience through innovation, DMI is piloting pilot projects using dispensers, packaging, and aseptic solutions. At Midwest Dairy, we've chosen to participate in the shelf-stable pilot. Midwest Dairy already placed several bulk milk dispensers which, unfortunately, were shut down during the pandemic due to food safety concerns. Therefore, we felt that shelf-stable milk would provide us with the greatest growth opportunity given the volume of requests we've had from school districts and food banks for shelf-stable milk throughout the 2020 pandemic. We are confident that a shelf-stable project could be used in a variety of school settings beyond the traditional meal program including field trips, after-school athletics, and backpack programs for food-insecure students.

Midwest Dairy has been selected for a shelf-stable milk pilot in the Minneapolis/St. Paul area and we were pursuing a project with the St. Paul Public Schools, which has been put on hold because we've been unable to confirm a processor partner due to current processor capabilities. We are currently exploring two other opportunities with processors. Our plan was to start pilots at the beginning of the 2021-22 school year. We're now hopeful that a pilot could start in the second semester (January) of 2022.

DBIA grants available for dairy processors in Minnesota, South Dakota, Iowa, Illinois



The **Dairy Business Innovation Alliance (DBIA)** is a partnership between the Center for Dairy Research (CDR) and the Wisconsin Cheese Makers Association (WCMA) that develops and administers programs providing technical assistance as well as grants to dairy farms and businesses in Illinois, Iowa, Minnesota, South Dakota, and Wisconsin.

As part of the previous grant program, about 26 dairy entrepreneurs from the five-state region were selected in June to receive up to \$50,000 each (\$1.19M total) in awards from DBIA Program.

For the next grant cycle, the DBIA is seeking to support dairy product manufacturers that want help in developing an innovative idea or tackling a challenge with the potential to advance the dairy industry. Through this Program, the DBIA will distribute up to \$1 million in reimbursable grants ranging from \$50,000 to \$250,000. Some examples of grant proposal ideas include creating new revenue streams, developing new uses for dairy ingredients or products to solve challenges, etc. To be eligible for this grant, the dairy processor applicants must be located or have locations within the DBIA region of Illinois, Iowa, Minnesota, South Dakota, and Wisconsin.

For more information, please check out the [website](#).

Scholarships awarded to future dairy leaders



Nebraska Division

The Midwest Dairy Nebraska Division announced three recipients of scholarships intended to assist with the costs of an accredited college.

Recipients were chosen based on past and present leadership involvement in their school and local community, as well as past and present involvement in the dairy community. In the application, recipients described what they see as the biggest challenge facing the dairy industry and how their future career plans address those challenges.

Congratulations to the following 2021 scholarship recipients:

- **Taylor Larson**, awarded \$1,500, from Creston, Nebraska, is headed into her second year at Northeast Community College, majoring in Business and minoring in Entrepreneurship. Taylor is the daughter of Bob and Kelsey Larson.
- **Tyler Gilliland**, awarded \$1,000, from Wayne, Nebraska, will be a junior with a major in Dairy Production and minor in Precision Agriculture at South Dakota State University. Tyler is the son of Terry and Shelley Gilliland.
- **Garrett Lange**, awarded \$500, from Wynot, Nebraska, plans to graduate in 2025 from South Dakota State University with a major in Agricultural and Biosystems Engineering. Garrett is the son of Roger and Alison Lange.

To be eligible for this scholarship, applicants must contribute to Midwest Dairy checkoff as of January 1 of the current calendar year. The dairy farm must be located in the state of Nebraska and owned by the applicant or applicant's parents/guardians/grandparents/sibling.

Applications and requirements for the 2022 Midwest Dairy Nebraska Division Scholarships will be available on December 1, 2021.

Mo-Kan Division

This summer, Midwest Dairy is continuing in its commitment to developing dairy advocates and leaders by awarding a total of **\$6,000 in scholarship funding** to students in Missouri and Kansas. The seven Mo-Kan Division scholarship recipients each attend a local college or university and will apply their awards toward studies in agribusiness, animal science, applied technology, engineering, and more.

The scholarship recipients, selected for their outstanding displays of school and community leadership, involvement in the dairy community, academic performance, and overall character, are:

- Maryna Buessing of Axtell, Kansas, Fort Hays State University
- Nathaniel Freund of Concordia, Missouri, Fort Scott Community College
- Jacob Klipp of Hanover, Kansas, Fort Hays State University
- Taylor Klipp of Hanover, Kansas, Northwest Missouri State University
- Jandie Peterson of Trenton, Missouri, Southwest Baptist University
- Simon Schmitz of Axtell, Kansas, Kansas State University – Polytechnic Campus
- Beth Steinlage of Goff, Kansas, Emporia State University

Over the past decade, Midwest Dairy has awarded scholarships to **more than 500 students** with backgrounds and/or active involvement in the dairy industry. Many scholarship winners have committed their careers to improve, represent and advocate for the dairy community.

Students enrolled at or admitted to an accredited college or university can apply for one of Midwest Dairy's divisional scholarships starting in January of 2022. Applicants must be from or currently active on a dairy farm in the Midwest. Required application materials include a written application and essay, two letters of recommendation from school or community leaders, and an official transcript from the student's current educational institution. For more information about Midwest Dairy divisional scholarships, please visit MidwestDairy.com.



Taylor Larson of Creston, Nebraska



Garrett Lange of Wynot, Nebraska



Tyler Gilliland of Wayne, Nebraska

The 2021 Midwest Dairy Mo-Kan Division scholarship recipients. Left: Maryna Buessing Center (top to bottom): Nathaniel Freund, Jacob Klipp and Taylor Klipp Right (top to bottom): Jandie Peterson, Simon Schmitz and Beth Steinlage

Midwest Dairy participates in 2021 AURI Bold Open

Bold Open is an event organized by the Agricultural Utilization Research Institute (AURI) in partnership with MBOLD, a Minnesota coalition of the state's largest food and agriculture companies, research institutions, and innovators formed to address major challenges facing the food and agriculture sectors.

The 2021 Bold Open provides an opportunity for Minnesota food and agriculture companies to propose protein innovation industry challenges in search of novel solutions from entrepreneurs, researchers, and innovators from around the globe.

The prospective innovators are invited to join the event to learn about 10 unique challenges that will be presented by the companies and interact with participating companies during the virtual event on July 21 & 22. Midwest Dairy is one of the challenge providers in the 2021 Bold Open event. The topic that Midwest Dairy will pitch is "[**Effective Communication on “Why Dairy” for Millennial Parents and Gen Z Consumers**](#)".

We seek clear information (what, where, how, and when) to communicate facts in an effective manner to the target audience. The collaborators of the project, Jennifer Voegelé, Martha Kemper from Midwest Dairy's Dairy Experience Team, and Vaishu Sankarlal from Research will be reviewing the proposals submitted for the challenge.

To learn more about the other challenges pitched at the event, click on the [**link**](#) here.

Midwest Dairy Foods Research Center featured in *Hoard's Dairyman*

As part of an ongoing series featuring the six dairy research centers established by Dairy Management Inc., *Hoard's Dairyman* featured [**Midwest Dairy Foods Research Center \(MDFRC\)**](#) in their July publication.

The article discusses how the MDFRC came into existence with all six land grant universities joining hands to achieve a unified goal of conducting research and education to benefit the Midwest dairy industry. The article also talks about the unique process laid out at MDFRC to bring the technical problems and solutions together at the same place. As part of the article, the Interim Center Director Dr. Jayendra (Jay) Amamcharla, Kansas State University, and Associate Director, Dr. Stephanie Clark, Iowa State University were interviewed. Dr. Clark shared some of her recent research work covering all the way from farm to feed.

To view the full article, please click on the [**link**](#).

Collaborations to increase dairy sales



Midwest Dairy continues partnership with Hen House during National Dairy Month

Midwest Dairy’s collaborative efforts with [Hen House Markets](#) – local, full-service supermarket with nine stores operating throughout the Kansas City metro area – continue this National Dairy Month. Hen House, an affiliate of Balls Foods, partnered with Midwest Dairy to produce and publish a day in the life [feature video](#) with Hamilton, Missouri, dairy farmer Sean Cornelius and a recipe [instruction video](#) featuring Hen House Markets celebrity chef, Jasper Mirabile, making fresh mozzarella and ricotta cheese.

Hen House also shared four dairy-inspired social posts on its [Facebook page](#) and distributed two email newsletters to shoppers. The promotion is expected to generate more than **400,000 impressions** with consumers. Midwest Dairy will continue its partnership with Hen House in October.

Arkansas Books, Breakfast and Beyond Challenge winners announced

Whether in the classroom, in reconfigured school dining areas, through grab and go meals, bus stops or even home deliveries, over 90% of Arkansas school districts managed to continue to provide vital nutritional support to their students beginning last March, compared to about 30% of districts nationwide, according to the Arkansas Department of Education.

For the Books, Breakfast and Beyond Challenge Midwest Dairy, along with multiple partners, asked school districts to share their stories describing the creative ways they continued to serve nutritious meals and dairy products to students throughout the pandemic.

We are pleased to announce these winners of the 2021 Books, Breakfast and Beyond Challenge.

- First Prize: Monticello School District
- Second Prize: Lonoke School District
- Third Prize: Batesville School District
- Honorable Mentions: White Hall, Forrest City, Cedar Ridge and Heber Springs School Districts



Top: Dairy farmer Sean Cornelius is interviewed at his farm in Hamilton, Missouri, for Hen House’s "A Day in the Life of a Dairy Farmer" video. Right: Celebrity chef Jasper Mirabile presents a ricotta cream parfair in his Fresh Mozzarella and Ricotta recipe.



July trust highlights



Throughout June and July, many events served to build trust in dairy throughout Midwest Dairy's states. From proclamations honoring National Dairy Month to public events, consumers continue to connect with dairy and build their confidence in the benefits of the industry.

- On June 9, Midwest Dairy, along with the Western Iowa Dairy Alliance (WIDA), hosted Lieutenant Governor Adam Gregg at Perry Creek Dairy in Merrill, Iowa, where he presented a proclamation signed by Governor Kim Reynolds declaring June as **National Dairy Month in Iowa**. Gregg expressed the importance of dairy to the state of Iowa and why citizens need to continue showing support for the industry in the future. Gregg completed his visit with a tour of the farm, accompanied by owner Alan Feuerhelm and Midwest Dairy's Mitch Schulte.
- The final weekend of National Dairy Month featured a partnership between Midwest Dairy and [Missouri Farmers Care](#) at the June 27 St. Louis Cardinals game. The organizations hosted **20 social influencers and partners** and six farmers in a suite at Busch Stadium. Dairy farmer Ted Bruemmer of Wardsville, Missouri, threw out the ceremonial first pitch before the matchup with the Pittsburgh Pirates. Bruemmer's wife, Megan, and children also joined the on-field ceremony. Bruemmer's appearance was accompanied by a public address announcement that reached **more than 25,000 fans**, sharing the pride of Missouri farm families in "caring for their animals, producing healthy and delicious food and engaging in sustainable practices." All children at the game were given a Missouri Farmers Care poster featuring Cardinals' pitcher Jack Flaherty to commemorate their experience. Flaherty's pose is complete with a milk mustache.
- Midwest Dairy celebrated National Dairy Month in Iowa through an array of events to help consumers connect with the dairy industry, as well as agriculture as a whole. Consumers walked away from these events with a new understanding and an appreciation for Iowa's dairy farmers and the work they do to bring fresh, real dairy products from their farm to the consumer's table. The list of National Dairy Month events included:
 - Annual Western Iowa Dairy Alliance Open House - Perry Creek Dairy - Feuerhelm Family, Merrill, Iowa
 - Annual Hilltop Dairy Days Open House - Hilltop Dairy - Skubal Family, Mt. Pleasant, Iowa
 - Expo on the Ridge - Cinnamon Ridge Dairy - Maxwell Family, Donahue, Iowa
 - Annual Northeast Iowa Dairy Foundation Breakfast on the Farm - Calmar, Iowa
- This summer, food, and lifestyle influencers are partnering with Midwest Dairy and [Grant's Farm](#) to build consumer trust in dairy. Alaina Hinkle and Liz Rotz, two influencers from St. Louis, Missouri, converted visits to the farm into social media and blog posts, reaching a **combined network of nearly 35,000 consumers**. The content, which can be viewed on [Hinkle's Honest Grub](#), [Honest Foodie blog](#), and [Rotz's personal website](#), highlights the influencers' visits to Grant's Farm and serves to further distribute a 14-minute [farm tour video](#) made in collaboration with Grant's Farm featuring dairy farmer Brian Riegel of Washington, Missouri. The video has garnered **more than 11,000 views on Facebook**. The posts come as a product of two "Friday Nights at the Farm" hosted at Grant's Farm that attracted **1,557 guests**. Hinkle and Rotz attended these Undeniably Dairy-sponsored events on June 4 and 25. Since May 28, **more than 91,000 guests** have visited Grant's Farm.
- Arkansas Governor Asa Hutchinson proclaimed June as Dairy Month. Farmers, agricultural leaders, industry partners, and members of the community joined together at the state's capital to celebrate. Arkansas Department of Agriculture created a video of the celebration that continues to be shared on social media with **over 285 views**. The Arkansas Dairy Month video can be viewed on [Facebook](#).
- On June 24, Missouri Governor Laura Kelly presented a proclamation in recognition of the state's **\$668 million dairy industry** to dairy farmers at Hildebrand Farms Dairy. The proclamation declared June 2021 to be **Dairy Month in Kansas** and encouraged all residents to recognize dairy producers and the dairy industry for their contributions to the nutritional well-being of all people.
- Elli Nyberg, a registered dietitian working on her Ph.D. who also runs a consulting business, presented on behalf of dairy at the South Dakota School Nutrition Association conference in July. Her presentation reached **42 school nutrition professionals** and included insights on dairy's role in a healthy and sustainable diet, as well as highlighting topics of interest such as lactose intolerance solutions, comparison of cow's milk vs. plant-based alternatives, and the full nutrient package that chocolate milk offers. She also showcased ideas for increasing milk and dairy consumption in schools and encouraged participants to consider applying for smoothie kit funding in the next round of Fuel Up to Play 60 grants. This is just one way Midwest Dairy partners with health professionals to advocate the health benefits of dairy.



Governor Kelly presents the National Dairy Month Proclamation in the free-stall barn at Hildebrand Farms Dairy before a group of dairy farmers Department of Ag officials, Kansas State University facility, and industry stakeholders.



Dairy princesses interacted with families by asking dairy trivia questions at Northeast Iowa Dairy Foundation's Breakfast on the Farm.



Social influencer Liz Rotz milks a model cow with her family at Grant's Farm's interactive dairy exhibit.



Wardsville, Missouri, dairy farmer Ted Bruemmer poses with his family and former Cardinals pitcher Mike Crudale after throwing out the ceremonial first pitch at the Cardinals-Pirates game on June 27, 2021.



USDEC exports highlights

U.S. Dairy exports see growth in May 2021

Dairy exports for ingredients continue to rise with three categories being especially notable. A surge was seen in non-fat dry milk/skim milk powder (NFDM/SMP), especially in Mexico, the Middle East/North Africa, and China. As these areas increased their demand, exports of NFDM/SMP rose by 12% in May. This sets a record for NFDM/SMP exports in a single month for the United States. Total cheese export volume was down in May, however, the reopening economy post-COVID-19 is causing domestic demand to increase. As businesses and restaurants settle into reopening, and global demand begins to accelerate with the reopening of other countries, the U.S. is poised to increase cheese exports in the coming months. Finally, whey exports were up 28% this May compared to May 2020. Many countries increased their demand of this product, including China, the United Kingdom, South Korea, and Brazil. This can be partially attributed to a growing interest worldwide in health and fitness, boosting demand for whey protein. Coming out of the global pandemic, it is promising to see dairy demand growing through the reopening of businesses and countries, causing optimism towards U.S. exports.

Arkansas, Southern Missouri
& Oklahoma
Stacy Dohle
417-298-2780
sdohle@midwestdairy.com

Iowa
Mitch Schulte
319-775-3451
mschulte@midwestdairy.com

Minnesota
Lucas Sjostrom
320-249-8701
lsjostrom@midwestdairy.com

North Dakota
Beth Bruck-Upton
402-707-9135
bupton@midwestdairy.com

Illinois
Kendra Anderson
309-825-2196
kanderson@midwestdairy.com

Northern Missouri & Kansas
Ron Grusenmeyer
816-873-0351
rgrusenmeyer@midwestdairy.com

Nebraska
Tracy J Behnken
531-207-4291
tbehnken@midwestdairy.com

South Dakota
Tom Peterson
605-251-2439
tpeterson@midwestdairy.com



MidwestDairy.com

You can [unsubscribe](#) from this email.

This email was sent by Midwest Dairy – 2015 Rice Street, St. Paul, MN 55113