



# THE DAIRY ALLIANCE

Gerri Berdak, CEO

# For Today...

A red, distressed-style stamp with the word "REVIEW" in bold, uppercase letters, tilted slightly to the right. The stamp is circular with a rough, ink-like border.

## National Dairy Checkoff

A red, distressed-style stamp with the word "TRENDS" in bold, uppercase letters, tilted slightly to the right. The stamp is circular with a rough, ink-like border and features a ring of small stars around the text.

## that Benefit Dairy

A red, distressed-style stamp with the word "HOW?" in bold, uppercase letters, tilted slightly to the right. The stamp is rectangular with a rough, ink-like border.

## The Dairy Alliance is Capitalizing on these Trends

 **your  
DAIRY  
CHECKOFF**  
*Dairy Management Inc.*



# National Dairy Checkoff

# aspire



**a**

**ACTION**

**s**

**SUSTAINABILITY**

**p**

**PEOPLE**

**i**

**INNOVATION**

**r**

**REPUTATION**

**e**

**EXPORTS**

## Sustainability



Demonstrate that dairy is an environmental solution –backed by science and proof – and economically additive for farmers, markets and society

## Innovation



Develop technology-powered breakthrough science and innovations that advance U.S. dairy's wellness and product leadership

## Reputation



Revitalize dairy's image and relevance as a source of human nourishment and societal and planetary health

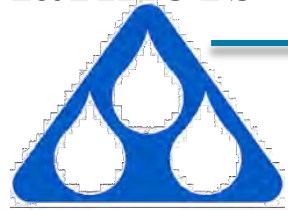
## Exports



Ensure U.S. dairy is a growing, consistent, and preferred supplier in key markets globally

# Your Dairy Checkoff

Created to serve farmers' expanded needs and opportunities



Est. 1995



Est. 1915



Est. 1995

Represents the global trade interests of U.S. dairy to expand export and increase export value



GLOBAL DAIRY PLATFORM

Est. 2006

Demonstrates global dairy sector's contribution to global food systems, healthy diets and sustainable livelihoods



Est. 2008

Brings together dairy leadership to advance U.S. dairy's shared social responsibility platform and collective goals



Est. 2010

Improves nutrition and physical activity for youth in U.S. schools and communities through public and private partnerships



Est. 2015

Works with dairy farmers to reduce U.S. dairy's environmental footprint through innovative manure management solutions



Quiz Question:  
**The National Dairy Checkoff Strategy is:**

- A) EMPIRE
- B) ASPRIN
- C) ASPIRE

# Trends That Benefit Dairy...



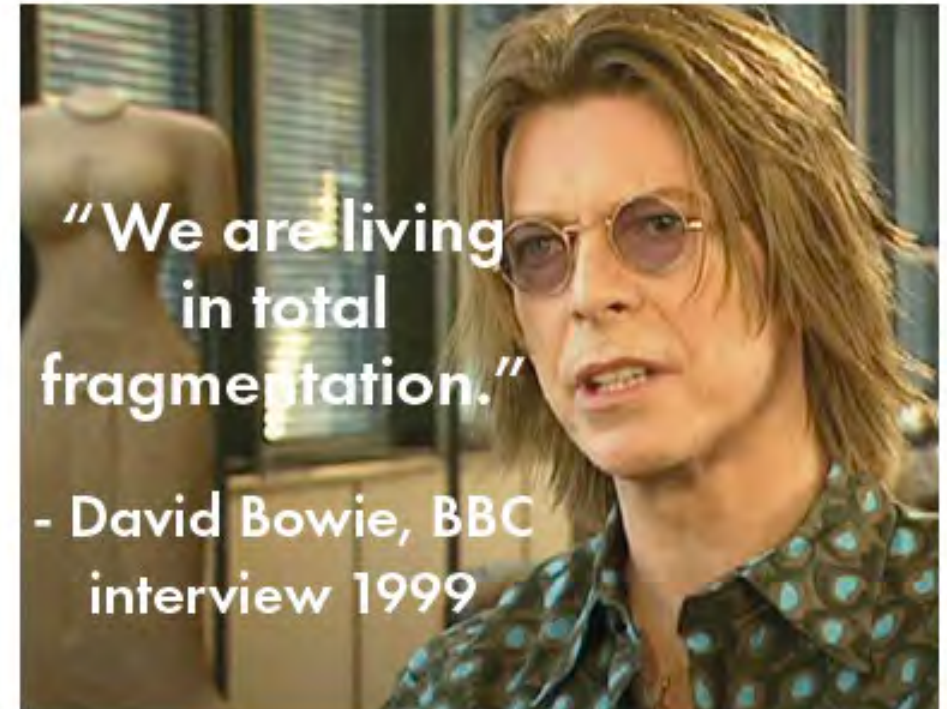


# 1

## Fragmentation of Consumers' Beliefs about Food and Health



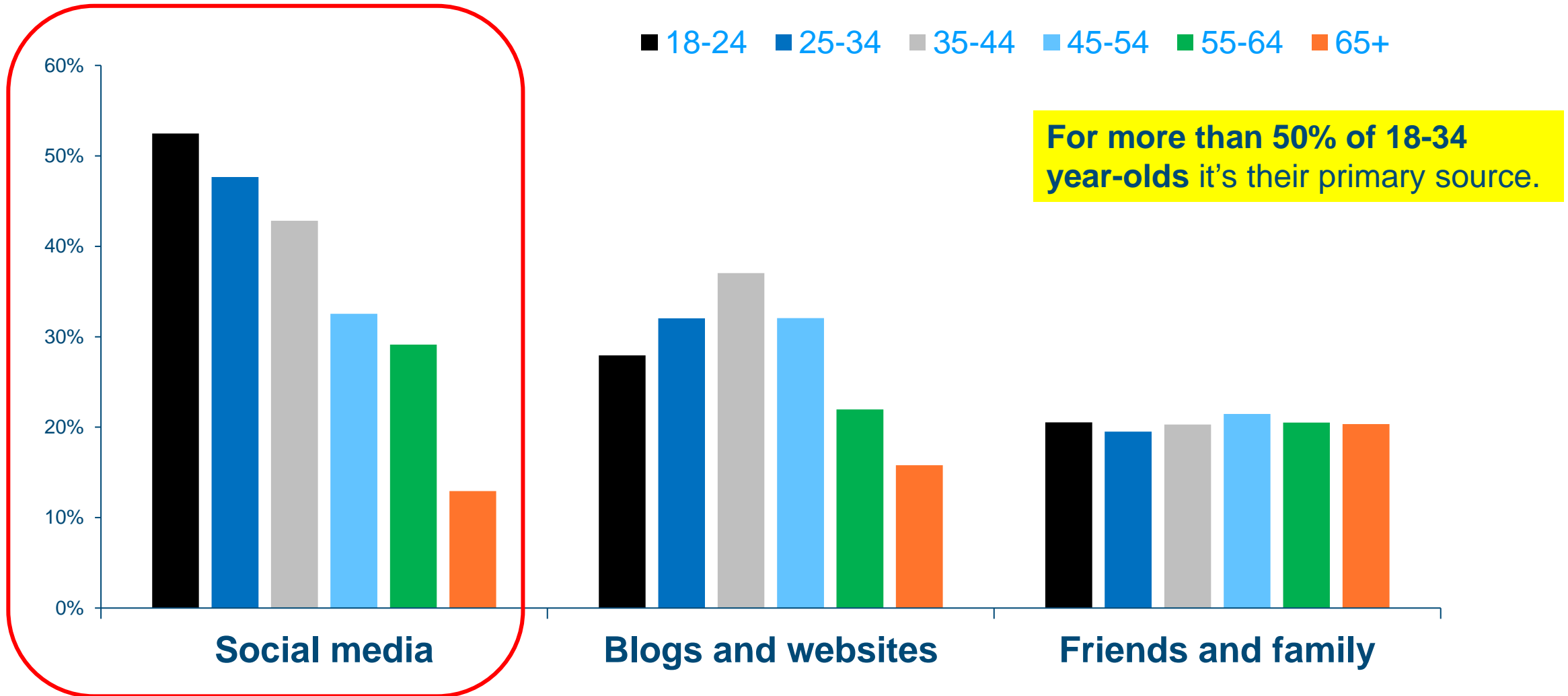
The biggest drivers of change for last 15 years:  
Consumers turning to Dr. Internet for health and  
nutrition advice



Mega-trend was forecast by David  
Bowie back in 1999

# For the Young, Social Media is Mainstream Media

When you want to know more about food and health, which of the following have you used?



# 2

# SUSTAINABILITY = Permission to Enjoy

What the consumer wants is reassurance that they can stop thinking about sustainability and enjoy their favorite foods with a clear conscience.



## GOOD THINGS COME IN RENEWABLE & RECYCLED MATERIALS!

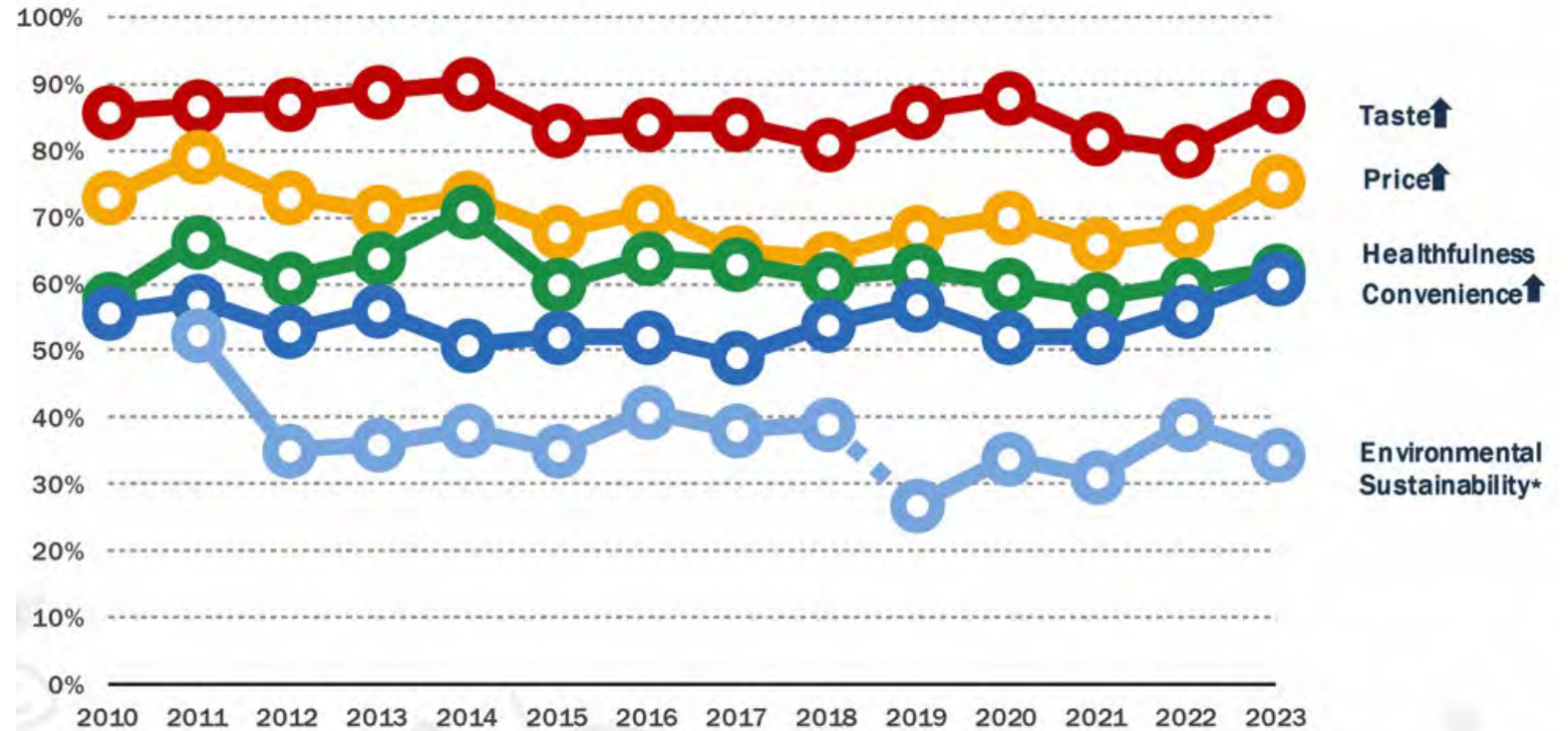
Clover was the first dairy in the U.S. to switch to a 100% plant based, renewable carton. And now we're the first milk brand in the U.S. to launch a post-consumer recycled (PCR) gallon milk jug, made with 30% recycled household plastic!

## OUR COMMITMENT TO HEALTH STARTS IN THE SOIL

### Powering trucks with poop



Purchase Drivers Over Time  
(% 4-5 Impact out of 5)



# 3

## Digestive Wellness – A Driver of Innovation

### Wide Appeal

Around 1/3 of us are experiencing digestive discomfort.

### Digestion is a powerful trend that is shaping markets

Trend has created and is driving new categories – plant-based alternatives and lactose free milk.

### Milk products are an innovation opportunity

...particularly in the kids market.

### 3 DRIVERS:

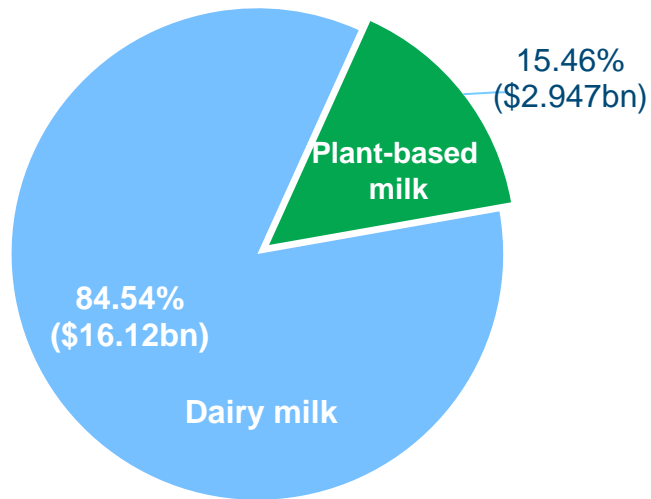
- ✓ Science - the idea that the gut can influence body & mind is growing
- ✓ Media attention - especially social media
- ✓ NPD is familiarizing consumers with the digestive wellness concept

# Plant-based milk Alternatives are Heading to Maturity

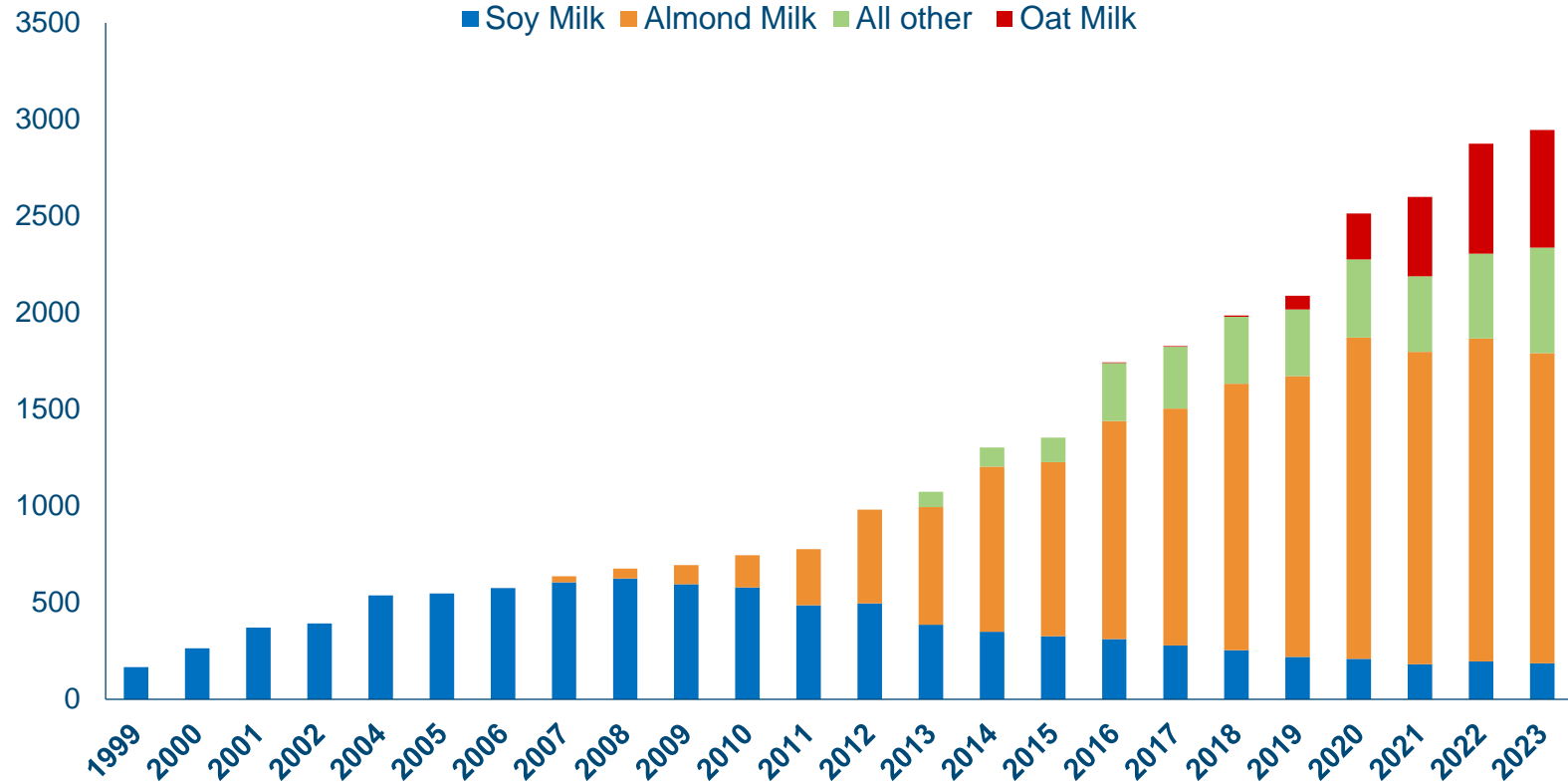
Evolution of US plant-based alternative category, 1999 to November 2023 (\$m)

The market stalled in 2023 for the first time in its history.  
 Plant alternative volume is down 8% compared to 2022.  
 Even oat volume growth was minimal in 2023 compared to 2022

Plant-based is a premium niche within the total US liquid milk market - 15.5% share by value, 10% by volume

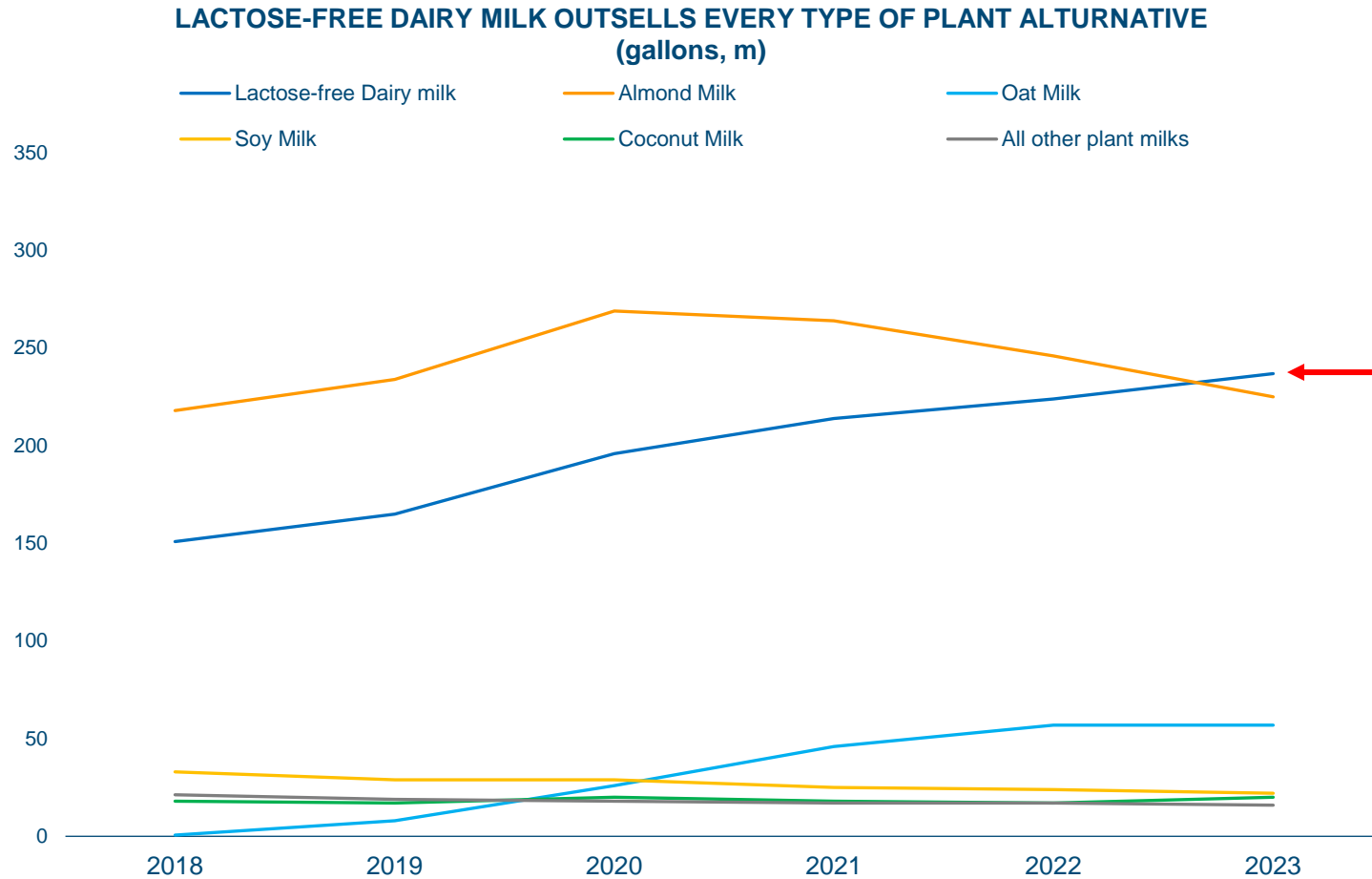


Source: Circana, SPINS



Source: Circana, SPINS

# Lactose-free is a Bigger Success than any One Type of Plant Alternative



Source: Circana, SPINS



- Lactose-free dairy milk outsells any one type of plant milk in the US and is growing faster
- For the mainstream consumer, plant alternatives are akin to margarine and lactose-free dairy akin to butter – more natural and with a shorter ingredient list.

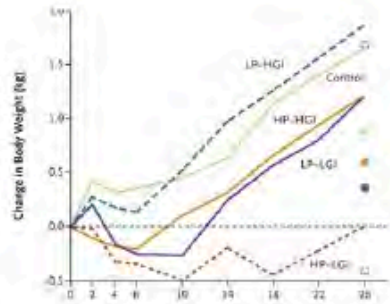
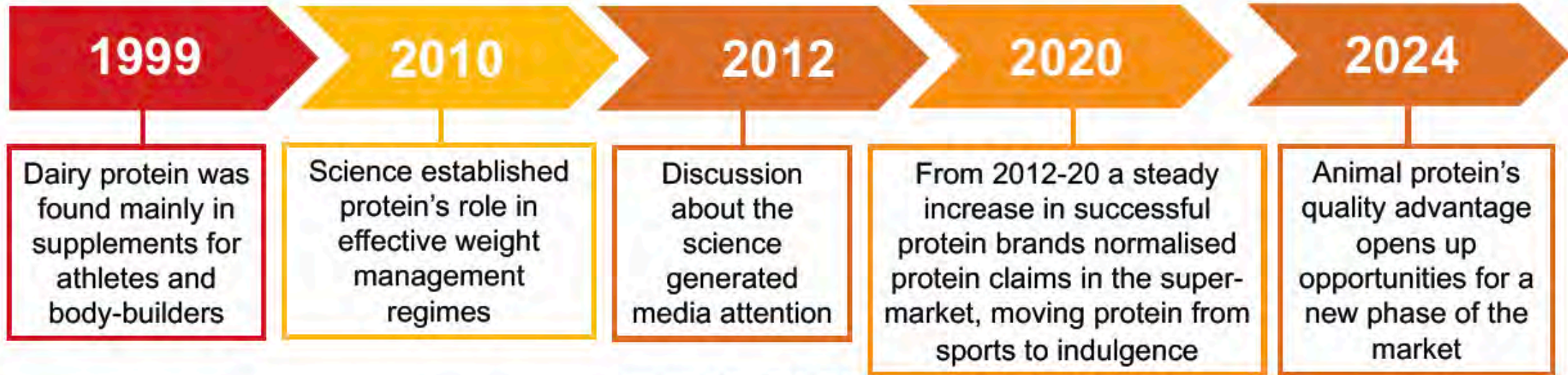
# 4

# Animal Protein Powers On



# Protein has undergone a 23-year evolution

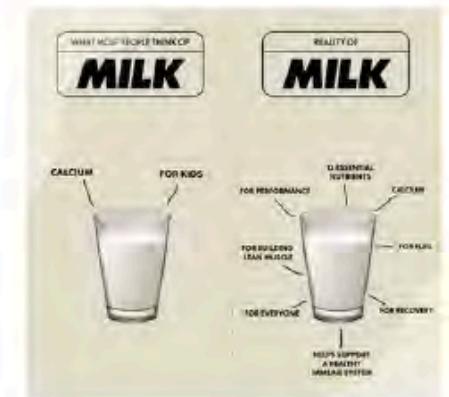
What next for protein?



## Everything To Know About Eating A High-Protein Diet For Weight Loss

### 18 Delicious High-Protein Foods That'll Help You Lose Weight

**Eric Hunsicker** (@eric\_hunsicker) 09/06/2023  
Boost muscle growth, curb snacking, & burn fat w/ a high-protein diet. 🍌 Struggling to lose fat? Reach out to learn your goals faster! 📩 #HighProteinDiet #MuscleGrowth #HealthyEating #ProteinScience #ProteinPower #FitnessGoals #NutritionTips





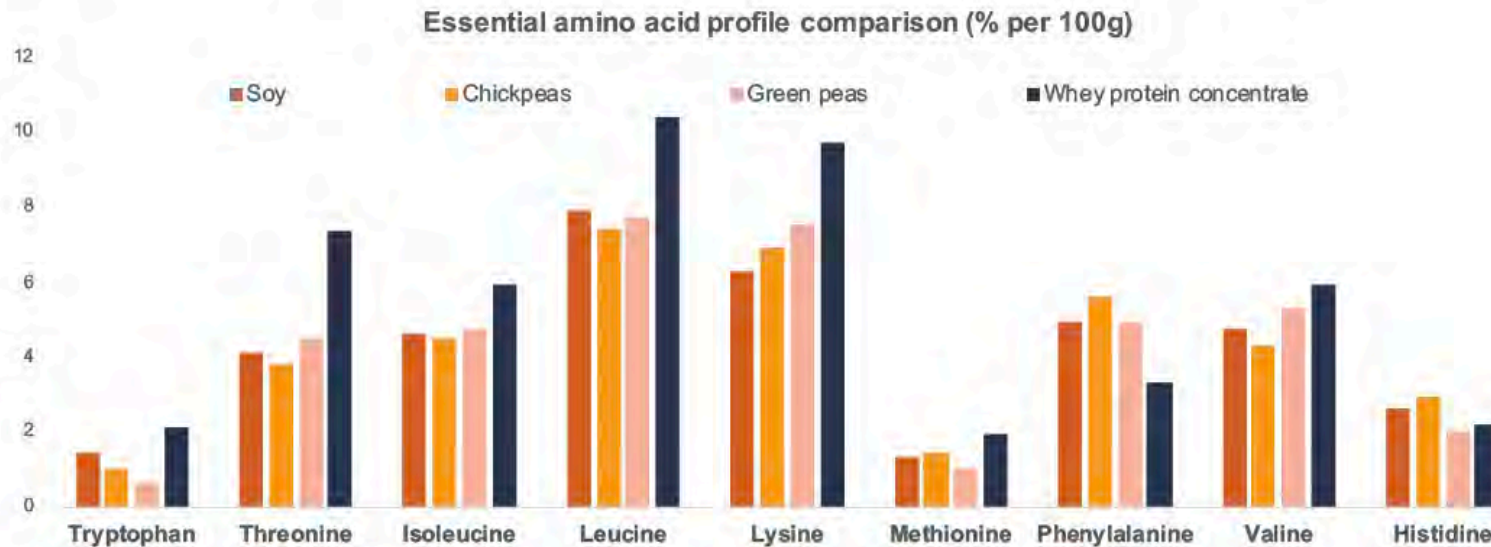
# Dairy Protein's Quality Advantage

Animal foods are the **highest quality** protein.

Most **plant proteins** are **incomplete**.

Animal proteins are also sources of **important nutrients** which are absent from most plant proteins.

Chart 32: Whey protein has a superior amino acid profile to any plant protein



Source: Compiled by NNB from various journals

DIAAS scores of various proteins (%)

Protein source	DIAAS*
Milk protein concentrate	141
Whey protein concentrate	133
Skim milk powder	123
Whey protein isolate	125
Soya flour	105
Soy protein isolate	98
Pea protein isolate	73
Wheat	54

DIAAS=Digestible Indispensable Amino Acid Score  
Reference: Mathai et al. Br J Nutr. 2017.



Quiz Question:

**Which three trends were mentioned?**

- A) Digestive Wellness, Animal Protein, Sustainability
- B) Anxiety, Digestive Wellness and Dr. Internet
- C) Sleep, Animal Protein and Digestive Wellness



# How is The Dairy Alliance Capitalizing on these Trends?



**THE DAIRY  
ALLIANCE**

# **PRIORITIES AND OUTCOMES IN 3 YEARS...**

**Grow Dairy Volume**



**More Milk and  
Dairy Sales in  
the Southeast**

**Transform Dairy**



**More Processing  
and Innovation in  
the Southeast**

**Build Reputation**



**More Southeast  
Dairy Loving  
Consumers**

**Amplify Checkoff At Work**



**Farmers Happy  
with the Success  
of Their Checkoff  
Investment**

# Grow Dairy Volume

# Strategies for 2022 – 2025



Advance content marketing effectiveness and continue to refine SE consumer personas, integrating messages across channels, activating influencers, PR, increasing SEO, improving measurements

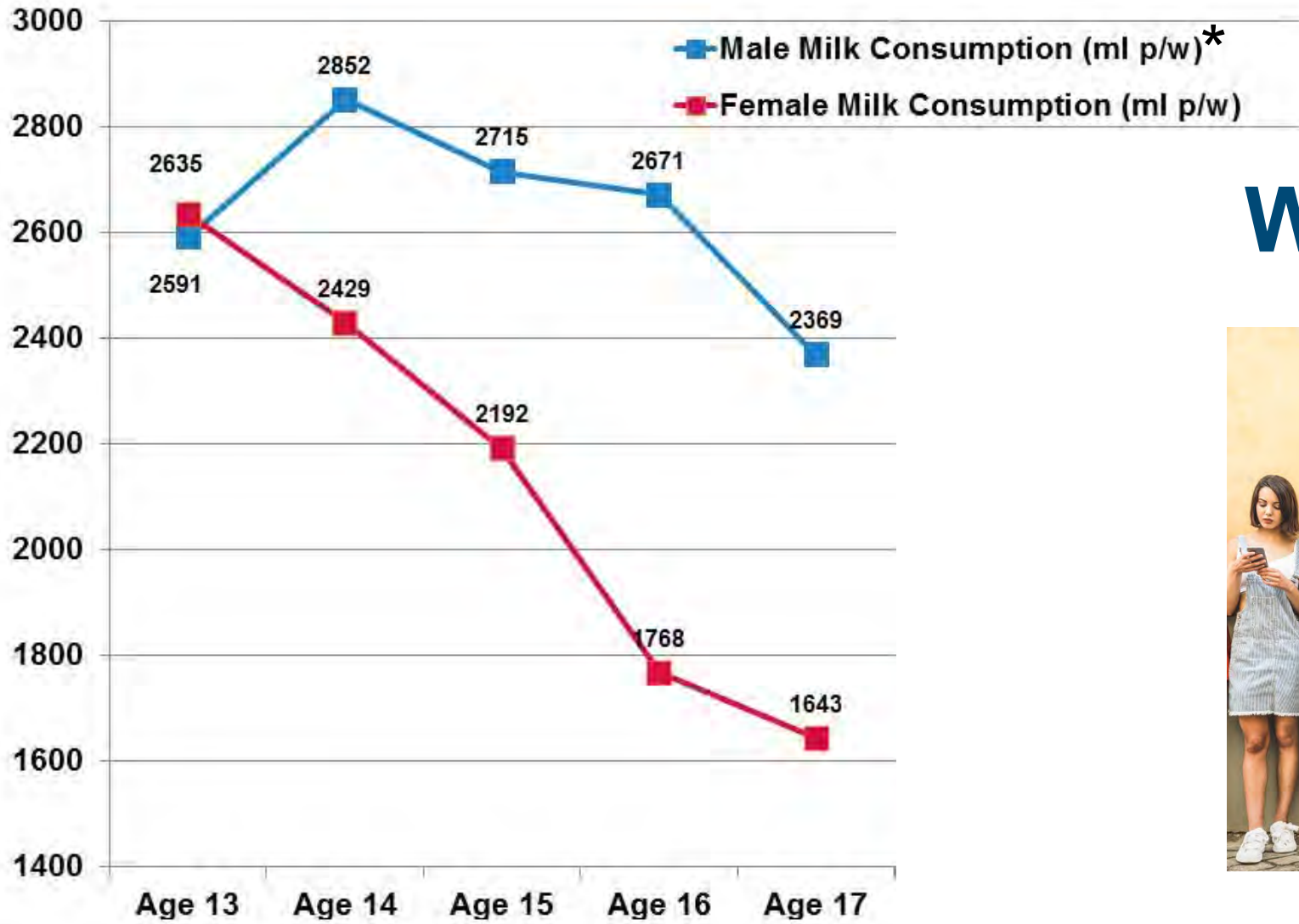
Ties to: Consumer Fragmentation

Proactively address consumer barriers to purchase – while promoting the benefits of milk/milk beverages

Ties to: Sustainability + Benefits of Protein Quality

Drive milk volume through targeted channels (schools, ecommerce, foodservice) that reach GenZ and millennial moms

Ties to: Reaching Youth – Gen Z



# Why Gen Z?



\*  
Milliliters per week

# Our 2022- 2025 Messaging + Channels

## WHAT WE SAY

Pulsing key claims throughout the year with an always-on focus on protein and sustainability

SUSTAINABILITY

BENEFITS OF QUALITY PROTEIN

Quality Protein & Performance

HYDRATION

WELLNESS

## HOW WE SAY IT

A combination of paid, owned and earned media working in conjunction with special programming for schools and retail.

Influencers – Sports & Lifestyle Dunk Challenge, sports sponsorships

SMEs - Youth and Community Wellness

Earned - Public Relations

Organic - Social, Blogs

Schools, Colleges and Universities

Paid Media and E-Commerce

Business Development

JANUARY

MAY

SEPTEMBER

DECEMBER



**THE DAIRY  
ALLIANCE**



**milk pep**



**MILK HELPS BUILD MUSCLE.**

gonna need milk.com >

got milk?

**HIGH-PERFORMANCE PROTEIN.**

got milk?

**MILK'S PROTEIN HELPS YOU RECOVER.**

got milk?

gonna need milk.com >

**MILK HYDRATES BETTER THAN WATER.**

YOUR LOGO

YOUR CTA >

YES, MILK HAS ELECTROLYTES.

MILK HYDRATES BETTER THAN WATER.

**MILK HYDRATES BETTER THAN WATER.**

YOUR CTA >

YOUR CTA >

YOUR CTA >

YOUR CTA >

YOUR LOGO

**MILK HELPS MUSCLES HEAL FASTER.**

**MILK'S PROTEIN HELPS BUILD STRONGER MUSCLES.**





## **Southeast Modern Family**

**Faith, Family, Sports and Food sums up the Southeast**

**Millennial Families 25-45, raising Gen Z**

**Leading active lifestyle defined by both physical and mental strength**

**Sports is the generational linkage in the SE in driving future milk consumption**



Here's a Snapshot of our Sports Influencer Work...



# We Know It's Working! In 2023...

**+862%**

Increase in our reach for campaigns over last year (724 Million vs 84 Million)

Publicity value \$10.9M

**615M  
Units**

Incremental Units Sold (as of end of October 23)

**306M**

People Reached through Sports Marketing Campaigns

**+16%**

Increase in **school milk sales** where programs were implemented in 2023 -bulk milk dispensers, dairy optimization grants, and trainings



**Quiz Question:**  
**How many million people did The Dairy Alliance reach in 2023?**

- A) 203 Million
- B) 515 Million
- C) 724 Million

# Transform Dairy

## Strategies for 2022 – 2025



**Sell the Southeast as an opportunity by developing a roadmap to potential volume, processing and innovation growth**



**Develop a resource portal that guides entrepreneurs, brands & startups to successfully innovate with milk and dairy**



**Expand and leverage our dairy network, including industry & universities, to continue to attract investment in Southeast dairy**

Ties to: Digestive Wellness, Protein Quality and other Health and Wellness Trends

# Investment is Possible!

# Dairy Herd Management

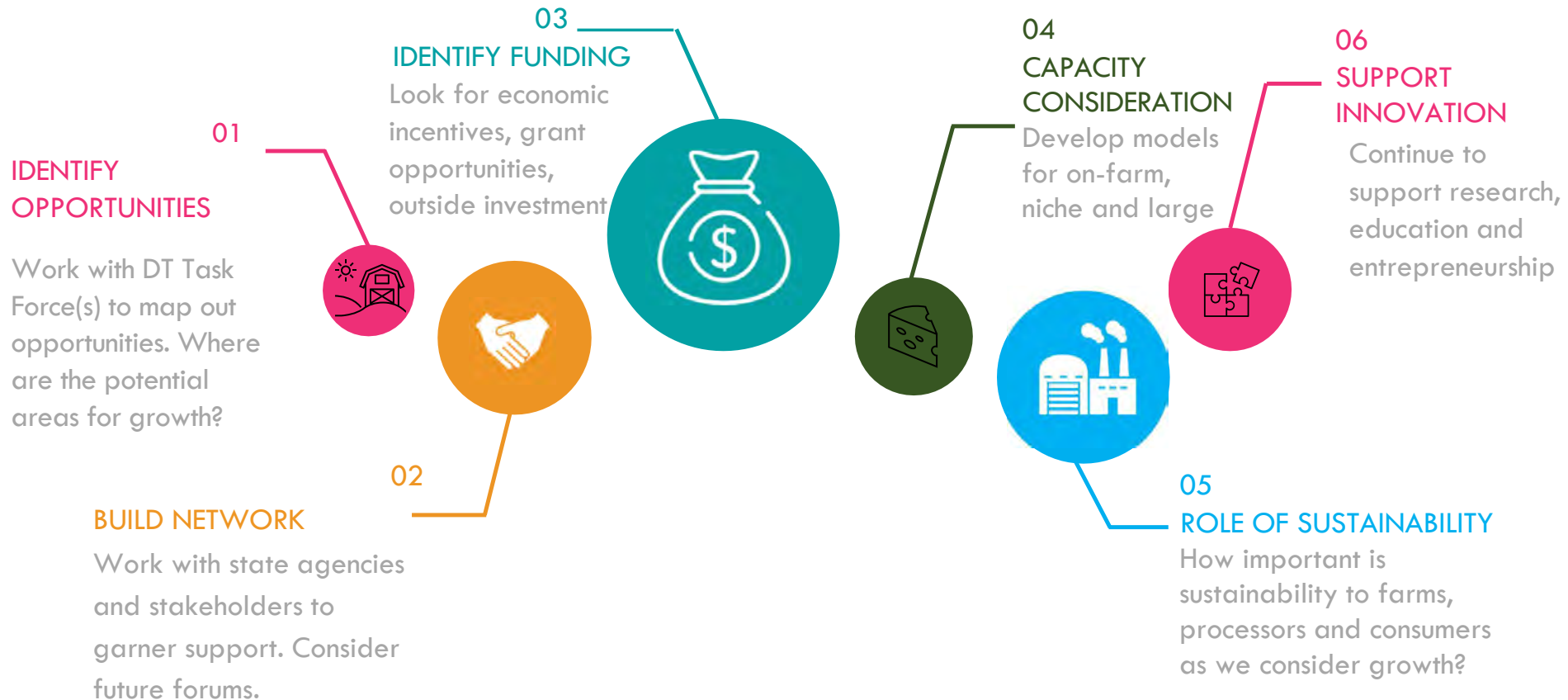
BUSINESS

Walmart Announces Plans to Build \$350 Million Milk Processing Plant in Southern Georgia



Ahead of What's Next ▶  
**Progressive  
GROCER**

# A Path to Market is Needed



# Sustainability Partnerships that Support Farmers is a Big Opportunity for the Southeast





# Quiz Question:

**To sell the Southeast as an opportunity, The Dairy Alliance will:**

- A) Build a new office
- B) Knock on doors
- C) Develop a roadmap to potential volume, processing and innovation growth



THANK YOU!!!