

Nebraska Dairy Promotion Highlights

July 1, 2019–June 30, 2020

Midwest Dairy focuses on dairy promotion plans developed at the national level, as well as a variety of statespecific initiatives developed for various local key audiences to drive demand and confidence of dairy foods nationally, regionally and locally. Our goal is to bring dairy to life by giving consumers an excellent dairy experience. The impact of national programs such as partnerships with McDonald's, Domino's, Pizza Hut and Taco Bell help increase sales of dairy through new menu and product innovations, while strategies to work with and through thought leaders and partners help dairy farmers tell their stories to build overall consumer confidence and trust in dairy foods and farming practices.

Domestic and International Partnerships

National partnerships play a foundational role in the dairy checkoff's work and its mission to drive dairy sales and trust by working with, and through, food and beverage industry leaders both domestically and internationally. These partnerships focus on immediate and long-term sales opportunities with a concentrated focus on product, menu and packaging innovation along with advertising.

Domestic Foodservice Partnerships

Checkoff has continued its partnerships with foodservice leaders **Domino's®**, **McDonald's®**, **Pizza Hut®** and **Taco Bell®**. These partners contributed more than 100 million incremental milk pounds in 2019—continuing a



artners contributed more than 100 million incremental milk pounds in 2019—continuing a long-term dairy volume growth trend over the last few years. In fact, the checkoff's foodservice partners have averaged 3% growth in milk equivalent pounds since the cumulative start of each partnership. In 2019, our partners had nearly 4,500 locations within the Midwest Dairy region, with over 210 in Nebraska alone. Additionally, our partners collectively invest ~\$1.5 billion in national advertising to help tell our farmer story.

Checkoff supports partnerships with dairy food scientists and other experts in consumer insights, innovation, marketing and nutrition. They work in collaboration with their foodservice partner colleagues to advance dairy-focused product innovation, menu development, marketing and technology efforts that help drive sales and trust. This includes leveraging dairy in new ways to meet evolving consumer needs, including offering new foods at new opportunities, including breakfast and snacking.

And, even more important, these partners are category leaders—and capture the attention of their competitors nationally and locally. This "catalytic impact" means, for example, when McDonald's revamps their McCafé specialty beverage portfolio, other chains often follow—with no additional investment from the dairy checkoff.



While the COVID-19 pandemic has affected product launches, our partners continue to elevate dairy within their efforts.

- Domino's supported our dairy trust efforts by incorporating dairy's story on pizza boxes, within their mobile Pizza Tracker and digital efforts. Additionally, they expanded Smart Slice pizza to more than 12,000 schools.
- McDonald's continued its focus on menu development including the reintroduction of a reduced-sugar chocolate milk and supporting the national Shamrock Shake event. They also supported trust efforts by showcasing a local Midwest Dairy farmer story on their website and have donated over \$1.5M of dairy products during COVID-19.
- Pizza Hut continues to deliver cheese-centric innovation with products like the Cheez-It pizza, Pizza Hut's spin on a favored consumer snack, Cheez-It. Earlier this year, they launched the Mozz Crunch Pizza, the cheesiest pizza ever, with more than double the amount of cheese versus hand tossed pizza. Finally, they continue to offer the ever-popular Stuffed Crust pizza, which features cheese in the crust.
- Taco Bell continues to innovate with cheese with launches like the Toasted Cheddar Chalupa which features a new, aged cheddar cheese variety. Additionally, they launched a dairy-inclusive beverage, the Pineapple Whip Freeze, helping get dairy into their beverage menu.

Domestic Fluid Milk Partners

Revitalizing the fluid milk category remains a checkoff priority. To accomplish this, we work with targeted fluid milk processors who share farmers' commitment to invest in innovation, packaging and branded marketing efforts to address two core goals:

- Stabilizing the 40-plus year decline in fluid milk sales with a focus on growing "milk as milk" through new products
- Growing milk-based beverages that lets milk "be the competition." This means milk serves as a primary ingredient in coffees, teas, smoothies and other ready-to-drink beverages

Through this initiative, we partnered with four core dairy/food companies: **Dairy Farmers of America®**, **Darigold®**, **Kroger®** and **Shamrock Farms®**. These efforts have led to sustainable change for the category through investments in advertising, staffing and product innovation. In 2019, these partners launched new beverages in growth-driving segments below and continue to support them with marketing:

- Value-added milk from Darigold, which led Borden, Horizon and Meijer to launch similar products
- Indulgent, flavored whole milk, Private Selection "Primo Pastures" from Kroger, which was followed by a premium flavored milk from Dean Foods' TruMoo brand
- On-the-go energy drinks made from milk which we partnered with Shamrock Farms to deliver. Shamrock Farms extended its Rockin' Protein line to include a Rockin' Energy extension (a single-serve energy beverage made with milk)
- Dairy milk + plant blended beverages launched by Dairy Farmers of America, under their Live Real Farms brand, to meet consumer demand for plant-based products and keep them in the milk category







Checkoff has also partnered with the Milk Processor Education Program (MilkPEP) and leading brands to create the Milk Revitalization Alliance. This effort provides retail-specific category leadership and shopper/consumer trend insights to help retailers understand how they can leverage and build the milk category.

International Partnerships

Checkoff has embarked on direct partnerships with companies who supply or purchase US dairy to accelerate international sales. This effort builds on the successful domestic partnership model with foodservice companies and dairy cooperatives and processors by serving as expert consultants to provide marketing, packaging, insights, innovation, supply chain and social responsibility support to advance US dairy.

Global foodservice partners include Pizza Hut® Asia Pacific, KFC® in Latin America and Domino's® which have delivered positive results for US dairy exports:

- Pizza Hut Asia Pacific continues to drive U.S. cheese sales through the launch of several limited time offers, such as the Cheese7 Iberian Pork in Japan and Cheesy7 in Korea.
- KFC also grew US dairy sales in its Latin America and Caribbean market by pairing chicken with USproduced cheese. The "Chicken & Cheese Pop," a mix of popcorn chicken and cheese curds that are breaded with KFC's 11 herbs and spices.
- Domino's Japan launched its Ultra Cheese Portfolio which offers three times the US cheese versus regular pizza. DMI provided marketing support that helped raise awareness among Japanese consumers.

Midwest Dairy Promotion in Action

Midwest Dairy has partnered with Nebraska schools to increase access and consumption of dairy foods and supported student activity through Fuel Up to Play 60, a program designed to help schools meet their wellness goals and encourage youth to consume nutrient-rich foods, including dairy, and achieve at least 60 minutes of physical activity each day. Midwest Dairy also worked with and through partners to increase demand for dairy and reached out to thought leaders, including health and wellness professionals, to help them better understand how dairy foods get from the farm to the store. Additionally, Midwest Dairy pursued research benefiting our product priorities, supported the national Undeniably Dairy campaign and worked to develop young dairy leaders.

The presence of COVID-19 brought disruption and uncertainty to Midwest Dairy's strategic plan, but with quick pivots, Midwest Dairy was able to support our partners in schools, food banks, and at retail to ensure dairy was not only available for students and families, but properly stored and cared for to ensure a positive dairy experience for consumers.

Following are examples of Midwest Dairy's work in Nebraska representing both the implementation of the national plan and activities unique to the state and region.



School Partnerships Support Student Meal Participation and Emergency Meal Distribution through COVID-19, Develop Dairy Champions

Midwest Dairy partnered with Millard Public Schools (MPS) on projects that increase student demand for dairy throughout the 2019–2020 school year. MPS is the third largest school district in Nebraska with more than 24,000 students enrolled from kindergarten through 12th grade. The school recognizes students as customers and provides them with appealing meal options that meet nutrient needs and taste great.

Three projects were implemented during the 2019–2020 school year: new pizza ovens, smoothies and hot chocolate milk. These three projects have resulted in increased dairy sales across the district. From July 2019 to January 2020, yogurt usage increased 430 gallons, cheese volume increased 3,866 pounds and milk usage increased 1,766 gallons compared to the prior year. Daily student participation in both breakfast and lunch increased as well, resulting in increased dairy sales with milk offered at each meal and cheese and yogurt often offered on the menu. In addition, MPS is dedicated to marketing these dairy options to students and parents through social media.

) Millard Public Schools Food Service Department January 31 at 1:05 PM · @



Students from Millard Public Schools enjoy pizza made with ovens funded by Midwest Dairy.

Midwest Dairy quickly pivoted strategy and funds when the pandemic led to school closures in March 2020. To support Nebraska schools continuing to serve to-go meals that include dairy and to ensure a positive dairy experience, Midwest Dairy distributed more than 1,500 insulated cooler bags and 50 barrel coolers to school districts across our 10-state region, including 30 cooler bags to five school districts in Nebraska. These softsided, insulated milk crate cooler bags and barrel coolers were given to school nutrition departments to provide cold milk through curbside or bus-delivered alternative feeding methods. This was critical for the health of Nebraska's children and to continue the 7% of fluid milk that typically flows through the K-12 school channel.

Additionally, Midwest Dairy supported the launch of a COVID-19 Emergency School Nutrition fundraising campaign called Raise a Hand for School's Sake established by GENYOUth, a foundation founded by America's dairy farmers and the National Football League. As of June 2020, 32 Nebraska schools have been awarded funding to continue to serve meals during the pandemic.

Giving Nebraska Consumers an Excellent Dairy Experience



A colorful graphic welcomes visitors to the virtual Moo at the Zoo experience

Moo at the Zoo is a long-standing Nebraska tradition, bringing together consumers, cows and dairy farmers at Omaha's Henry Doorly Zoo and Aquarium to kick off and celebrate National Dairy Month. In June 2020, due to COVID-19, the zoo was closed to visitors; however, the popularity and excitement for Moo at the Zoo presented an opportunity to think differently about how the experience could come to life for consumers. Midwest Dairy, in partnership with the zoo, executed a virtual experience to engage consumers in dairy's story.



Three virtual field trips were developed, highlighting similarities in care and commitment that dairy farmers and zookeepers provide in their work, showcasing care of animals and commitment to sustainability. As of June 2020, the videos have received more than 13.4 thousand views, 214 likes and 44 shares. Facebook and Instagram promotion resulted in 573,853 consumer impressions. The videos are still available for continued access on the zoo's social channels.

In collaboration with the Nebraska Pork Producers Association, Midwest Dairy also worked with Chef Nader Farahbod, from Billy's Restaurant in Lincoln, Nebraska, to bring dairy to life through five cooking demonstrations featuring dairy and porkbased dishes for the second year at the Nebraska State Fair in 2019.

Fairgoers also had the opportunity to talk to the Nebraska Fuel Up to Play 60 student ambassador, Quade Peterson, about his Fuel Up to Play 60 experience. Peterson's involvement increased both awareness for and excitement about the program and its success in shaping healthy habits among student populations. In addition, Nebraska dairy ambassadors connected with fairgoers to talk about dairy farming in Nebraska.

In partnership with the Grand Island YMCA, Midwest Dairy provided support for the Nebraska State Fair Marathon, a new initiative in 2019. The marathon offered chocolate milk for runners at the finish line and Midwest Dairy provided promotional items that highlighted chocolate milk as an excellent source of protein and electrolytes for refueling after workouts.



Chef Farahbod poses for a picture with a fairgoer after he made a delicious macaroni and cheese dish for demonstration attendees.

Midwest Dairy Supports Local Families in Need Through One Time Food Bank Donation and Refrigeration Grants



Farmer Heath Snodgrass (right) poses with Automated Dairy Specialist Manager Connie Bellingtier (left) and Antelope County Food Pantry Manager Bev Anderson (middle) next to a refrigeration unit funded by Midwest Dairy.

Food banks across the region saw unprecedented need as a result of the pandemic, setting records for daily and weekly food distribution and illuminated the urgency of new resources and avenues to connect community members with a sustainable food supply. With unemployment numbers climbing and schools—where many children receive most of their daily meals—closed this spring and summer, the demand for sustainable food was at a record high.

To provide more dairy products to those facing food insecurity, Midwest Dairy donated \$500,000 to food banks in the 10 states it represents—which included a donation to the Food Bank for the Heartland in Omaha and the Lincoln Food Bank. Experts and research suggest that food insecurity will continue rising during and after the pandemic, making every dollar food banks receive even more valuable in this unprecedented time of need.

In addition, Midwest Dairy provided eight commercial-sized

refrigerators to food pantries in rural communities in Nebraska on behalf of Midwest dairy farm families, allowing safe and increased distribution of dairy foods.



Midwest Dairy Partners with Local Physician to Promote the Role of Dairy in a Healthy Lifestyle



Dr. Laura Armas highlights the benefits of including dairy in your diet

According to the Center for Food Integrity research, consumers look to family doctors as the number one most trusted source of information for food-related issues. Farmers are number three on the list of trusted sources of information and registered dietitians are number four.

Based on these insights, Midwest Dairy focused on working with physician partners and influencers in health and wellness who provide advice to patients and clients regarding healthy choices for optimal wellness. In Nebraska, we partnered with Dr. Laura Armas, a physician-endocrinologist at the Nebraska Medical Center in Omaha, who specializes in osteoporosis and diabetes. Dr. Armas is an advocate for dairy and has done extensive research and

published several research articles in medical journals on calcium absorption.

This past fall, Midwest Dairy hosted Dr. Armas and other health and wellness influencers on a dairy farm tour to learn about dairy farming practices firsthand. As a result, Dr. Armas created a series of videos that promoted dairy foods as a powerhouse of nutrition for optimal bone health. The videos were used in projects to promote the Pints to Gallons Campaign in Nebraska to raise funds for the purchase of milk for families in need through the Food Bank for the Heartland and as part of the Go Big Breakfast Campaign, a project in partnership with the Nebraska Department of Education promoting alternative breakfast programs in Nebraska schools.

Midwest Dairy Presents Research to Promote Dairy's Role in the Diet

Due to COVID-19-related social distancing recommendations, the Nebraska Academy of Nutrition and Dietetics (NAND) adjusted their annual two-day conference to a half-day virtual conference. During the conference, National Dairy Council's Matthew Pikosky PhD, RD, vice president of nutrition research at Dairy Management Inc., presented on the dairy food matrix and shared about dairy's role in the diet with Nebraska dietitians.

The dairy food matrix is an emerging area of research that explains how unique combinations of nutrients and bioactives work together in synergy to impact health. Dr. Pikosky highlighted the unique components of the dairy matrix and showcased research that supports how consuming milk, cheese and yogurt is linked to lower risks of cardiovascular disease, type 2 diabetes and overall bone health.



DMI's Matthew Pikosky showcases the Dairy Food Matrix, reinforcing dietary guidelines recommendation for three daily servings of dairy at the NAND virtual conference.



The presentation reached more than 200 dietitians in attendance at the virtual conference, nearly the same number that typically attend the annual conference in person. The session was also recorded and is available for NAND members to view to reach additional dietitians with information about dairy's role in nutrition.

Midwest Dairy Convenes Future Dietetic Professionals in Virtual Discussion, Training

Midwest Dairy, in partnership with Hy-Vee and the Nebraska Beef Council, hosted a virtual media training for 16 dietetic interns from the University of Nebraska Medical Center and the University of Nebraska Lincoln Dietetic Internship Program. The dietetic interns have received an undergraduate degree in nutrition science and are completing an internship to achieve a registered dietitian credential. Many are also working on a master's degree. The virtual media training equipped the interns with tools and resources to answer consumer and client questions about dairy foods. The interns represent a younger generation of consumers and future health professionals that have questions about dairy and will work with conflicted health seekers as they enter their professional career.

Midwest Dairy Partners with Food Bank and Schools to Secure Milk for Families in Need

The Nebraska Pints to Gallons campaign, in its fifth year, is an example of Midwest Dairy working through partners to share Undeniably Dairy messaging and support local families in need. Midwest Dairy, in partnership with the Food Bank for the Heartland and Together Inc., organized the Pints to Gallons campaign with the goal of increasing awareness about the important role milk and dairy foods play in a healthy diet, while working with local schools and community partners to raise funds to purchase fresh milk for local families in need. In 2020, Nebraska schools raised more than \$14,000 to be donated to Food Bank for the Heartland to purchase milk throughout the year for families in need.



Midwest Dairy Foods Research Center Provides Research Expertise to Dairy Industry

The Midwest Dairy Foods Research Center (MDFRC) is a collaborative effort between dairy farmers and landgrant universities with a mission of delivering research and education that benefit consumers and fuel a strong market for Midwest Dairy. Mary Temme, 2020–2021 Nebraska Division chairwoman, is a member of the MDFRC Operational Advisory Committee, which is responsible for recommending overall policies, program goals, research plans and objectives.



Through the MDFRC, Midwest Dairy continues to invest in product and food safety research, as they are of critical importance to the dairy industry. The funds awarded to researchers are not only used to conduct research projects, but also to support graduate students who manage the research, as they are the future generation dairy leaders. Since 2017, research projects have focused on controlling or eliminating spoilage-causing microorganisms from high-risk cheeses and on dairy processing equipment surfaces.

There has been a strong need for non-thermal (without heat) processing from the processors which led to



exploring Sonication (using sound waves) to kill microbes in dairy products. To achieve low microbial counts in dairy powders suitable for the export market, it is very important to control the microbial count in raw milk at the farm. Dr. Andreia Bianchini Huebner, part of the Food Engineering Specialist team at the University of Nebraska Lincoln, is evaluating different farm interventions to study their effect on the microbial counts in raw milk. Apart from food safety research, Midwest Dairy has funded several product research studies that focus on extending the shelf life of dairy products, extending the potential of lactose and lactose-rich ingredients by converting them into dietary fibers and other sweeteners and exploring the functional and structure building properties of whey proteins. Expansion into any market beyond fluid milk has been possible because of science and research, and checkoff plays an important role by investing in quality research and developing future dairy ambassadors.

Dairy Ambassador Program Shapes Industry Advocates

Six students were selected this year to be dairy ambassadors for the state of Nebraska. Dairy ambassadors are selected given their interest in improving leadership and communication skills while advocating for the dairy industry. These college students have an interest in dairy production and will engage in conversations with consumers, school-age children and peers. Many of the conversations involve learning more about the dairy industry and practices used within the industry. While serving as a dairy ambassador, they will have the opportunity to network with dairy industry partners, visit dairy farms and tour agribusinesses in Nebraska.

The 2020 Nebraska dairy ambassadors are:

- Morgan Marotz, an elementary education major with minors in coaching and special education at Wayne State College, from Wahoo, Neb.
- Jaycie Meggison, an agriculture business and financing major at the University of Nebraska-Lincoln, from Blair, Neb.
- Abigail Langdon, an agriculture business and financing major at the University of Nebraska-Lincoln, from Clarkson, Neb.
- Lindsey Marotz, an elementary education major at the University of Nebraska-Lincoln from Hoskins, Neb.
- Daniel Serdar, an animal science major at the University of Nebraska-Lincoln, from Woodstock, III.
- Erin Muntz, a University of Nebraska-Lincoln animal science major, from Louisville, Neb. This is Muntz's second year serving as a dairy ambassador.



The 2020 Nebraska dairy ambassadors from left to right: Morgan Marotz, Jaycie Meggison, Abigail Langdon, Lindsey Marotz, Daniel Serdar, Erin Muntz.





Board Leadership Steers Midwest Dairy Nebraska Division



Nebraska Division board officers for 2020–2021 are (left to right): Joyce Racicky, vice chairwoman; Mary Temme, chairwoman; and Jodi Cast, secretary/treasurer.

The Nebraska Division board of Midwest Dairy elected its 2020– 2021 officers during a division meeting that was held in June. The following dairy farmers were elected: Mary Temme, Wayne, was elected chairwoman; Joyce Racicky, Mason City, was elected vice chairwoman and Jodi Cast, Beaver Crossing, was elected secretary/treasurer. Mike Henn, Norfolk, was seated as a new member of the Nebraska Division board.

Temme was also newly elected to represent Nebraska on the Midwest Dairy Corporate board. Lowell Mueller, Hooper, was chosen to continue representing Nebraska on the Midwest Dairy Corporate board.

Midwest Dairy Partners with B&R Stores to Pilot Grab 'n Go Coolers to Increase Dairy Sales



A cooler near the front of the store makes grabbing dairy easy for B&R shoppers

Midwest Dairy has partnered with B&R Stores, a grocery chain with 20 stores in Nebraska under the banners of Russ's, Super Saver and Apple Markets, on a pilot project to add secondary grab 'n go coolers to three stores in order to increase milk sales near the front end of the store. Each cooler contains grab 'n go single serve milk as well as commonly-purchased quart size milk to make it easy for shoppers to add more dairy to their cart. The secondary cooler pilot began in August of 2019. Initial sales results of these items, with just three coolers in place for only 30 days, delivered a unit sales increase of 28% over prior month sales. In February 2020, sales data showed a unit growth of 49% in chocolate quarts, 15% in white quarts and 23% in strawberry single serves. March 2020 total dollar sales for dairy items was up 17%, and total units sold was up 4% from March 2019. In addition to these initial positive sales results, Midwest Dairy has also built a relationship with the organization's social media manager and has provided dairy-specific social media content throughout the year for B&R stores to share on their social media channels to engage with shoppers.



Undeniably Dairy National Campaign Builds Trust in Dairy

As part of its mission to protect and grow sales and trust in dairy, Dairy Management Inc. (DMI) and the Innovation Center for US Dairy launched an industry-wide initiative in 2017, Undeniably Dairy. In its third year, Undeniably Dairy serves as the dairy community's industry-wide, multi-stakeholder campaign that helps consumers and other stakeholders recognize the important role dairy plays in their lives.

Undeniably Dairy does this by building on consumer insights that indicate people increasingly want to know more about where their foods come from. The campaign connects people with the farmers and the dairy community behind the real, nutrient-rich and responsibly produced milk and dairy foods they love, while also bringing a bit of dairy joy during culturally relevant moments.



Each year, Undeniably Dairy leverages an integrated multi-channel approach to expand reach, raise awareness and build participation and ultimately trust through:

- Integrated communications—A comprehensive approach that includes media and other channel
 partnerships, digital (websites, search and social strategies), earned and social media and through events
 and experiences.
- Influencer outreach—Establishing and/or strengthening relationships with critical media, reputational (e.g., dietitians, health professional organizations, environmental and animal care leaders) and cultural influencers (e.g., food and lifestyle bloggers) that reach consumers.
- Community engagement—Rallying the dairy, food and other relevant communities to amplify, customize and create content around Undeniably Dairy and its pillars to further unify and strengthen dairy's voice, including engagement among farmers, processors and manufacturers, retailers and agribusiness.

In 2019, efforts focused on building trust and relevance around dairy as a sustainably nutritious food. This was reinforced by content that shared stories of farmers' commitment to caring for the land for future generations and to using new technologies and innovations to protect and enhance natural resources. Additional content and partnerships with fitness and nutrition influencers highlighted the unique nutritional makeup of dairy foods and the role they play in overall wellness.

In its first three years, the campaign has made an impact. For example, in 2019, Undeniably Dairy resulted in:

- More than 817 million earned media impressions, including satellite media tours, desk-side visits and other media relations to reach targeted consumer and thought leaders
- More than 187 paid media impressions
- More than 53 paid video views that shared content that built trust in dairy foods, dairy farmers and the dairy community





Lincoln Children's Museum engages visitors with Undeniably Dairy messages.

In Nebraska, Midwest Dairy partnered with the Lincoln Children's Museum to engage consumers with Undeniably Dairy messaging and content through video placement in the dairy section of the children's grocery store that highlighted dairy's journey from the cow to the grocery store. The partnership reached more than 160,000 in person visitors, as well as engaging museum members with an eblast during National Dairy Month that highlighted Undeniably Dairy messaging and recipes. The partnership also garnered a consistent stream of Undeniably Dairy messaging on the museum's social media platforms throughout the year. Through social media and in-person visitors, the museum was able to reach 174,030 people.

Midwest Dairy Brings Dairy to Life at UNL's East Campus Dairy Store



Undeniably Dairy messaging on display at the University of Nebraska-Lincoln Dairy Store.

Midwest Dairy partnered with the University of Nebraska-Lincoln (UNL) Dairy Store to bring the Undeniably Dairy campaign and messaging to the 100,000 visitors and guests it hosts each year. The display includes an Undeniably Dairy selfie wall, a panel with "Did You Know" facts and includes a television which showcases Nebraska dairy farmer profiles and content to help connect consumers to the farm.

UNL hosted a grand opening and ribbon cutting to celebrate the completion of the project in spring 2020.

