



Nebraska Dairy Promotion HIGHLIGHTS

July 1, 2020–June 30, 2021

Domestic and International Partnerships

National partnerships play a foundational role in the 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 to help drive dairy trust and relevancy.

Domestic Foodservice Partnerships

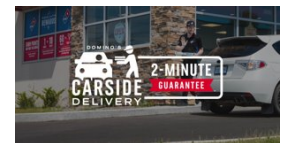
Checkoff has continued its partnerships with foodservice leaders **Domino's®**, **McDonald's®**, **Pizza Hut®*** and **Taco Bell®**. Since the start of our first foodservice partnerships in 2009, checkoff has delivered +2.2B milk equivalent pounds of growth. The checkoff's foodservice partners have averaged 3 percent growth in milk equivalent pounds since the cumulative start of each partnership. In 2020, despite declines driven by Covid, our partners sales were four times the QSR industry average during that time. As of 2020, our partners had nearly 4,450 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 the partnerships with a team of experts including dairy food scientists and other subject matter experts in consumer insights, innovation, marketing and nutrition. This partnership team collaborates with their foodservice partner colleagues to advance dairy-focused product innovation, menu development, marketing, and technology efforts to drive dairy sales and trust. Efforts include leveraging dairy in new ways to meet evolving consumer needs, including new menu occasions such as snacking and beverages.

Our checkoff partners are category leaders capturing the attention of competitors nationally and locally. The competition often mirrors our partners' efforts, resulting in what we call "catalytic effect". This catalytic effect helps drive dairy sales and trust at other chains with no additional investment from the dairy checkoff.

While Covid has affected our partners (e.g., product launches, sales, traffic, marketing investment), they continue to elevate and support dairy within their efforts.

- **Domino's** continues to deliver strong sales growth driving dairy sales. Most recently, they launched the 2-minute guarantee carside delivery to deliver against consumer needs and maintain a positive consumer experience. Additionally, they continue to invest in Smart Slice pizza which is now in more than 12,000 schools.
- **McDonald's** supported McCafé with a bakery mobile app promotion in Q4 which exceeded expectation. In May, they launched a caramel brownie alongside their popular crispy chicken sandwiches. This limited time offer included a mobile app promotion which resulted in significant media placement and record-breaking consumer redemption.
- **Pizza Hut** launched the Detroit Style pizza in January, a concept driven by our partnership team in H2 2020. This limited time menu item exceeded Pizza Hut's



expectations and promoted cheese front and center. For reference, the domestic partnership was not renewed for 2021, however we are continuing to partner with Pizza Hut internationally.

- **Taco Bell** relaunched the quesalupa earlier this year which features 5 times the dairy of a regular taco. Additionally, after the great success of last year's the Pineapple Whip Freeze which included dairy, Taco Bell launched the Mountain Dew Baja Blast Colada Freeze featuring delicious dairy cream in May.



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 the partner making investments in infrastructure (e.g., new plant construction, upgraded facilities), advertising, staffing and product innovation.

Our partners launched new beverages in growth-driving segments below and continue to support them with marketing:

- DFA launched Siips Q4 2020 targeting youth in new, appealing aluminum packaging.
- Shamrock Farms launched Swirled which puts a new twist on chocolate milk by blending in creamy coconut and real almonds to help drive dairy relevancy and category loyalty.
- Kroger is readying a kid-focused product set to launch in July 2021.

Additionally, partners continue to invest in infrastructure, including Darigold which invested over \$65M in an aseptic line set to start production in Q3 2021 along with finalizing a location for a Greenfield plant set to be operational in 2023.

We continue to work with Amazon and kicked off a General Mills partnership to continue to explore new channels and partners to drive dairy sales and trust.

Finally, Checkoff has continued to invest in eCommerce creating relevant tools to educate the dairy value chain on eCommerce through eComm 101 and 201 training.

International Partnerships

Checkoff has embarked on direct partnerships with companies who supply or purchase U.S. 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 U.S. dairy.

Global foodservice partners include **Pizza Hut® Asia Pacific**, **KFC® Latin America and Caribbean** and **Domino's® Japan** which have delivered positive results for U.S. dairy exports:

- **Our Domino's Japan** partnership has already launched two new menu items since January featuring U.S. Cheese. The Ultra Jumbo Pizza, which is 4 times the size of a medium pizza, and the Pizza Rice Bowl which combines a familiar Japanese dish, butter rice, with pizza toppings. Since the beginning of the partnership in 2019, US cheese volume at the chain has doubled!



Additionally, due to the success of the Domino's Japan partnership, the Domino's international partnership expanded to include the Middle East in February. The Middle East represents a high growth opportunity for our partner leading to upside for U.S. dairy sales.

- **Our Pizza Hut Asia Pacific** partnership continues to create new menu items using US cheese. Most recently, the team held a workshop to continue U.S. cheese innovation to formulate a US dairy-centric product pipeline. Since the start of the partnership, U.S. volume at Pizza Hut Asia Pacific has grown over 85%. Additionally, as Pizza Hut international continues to grow, we expanded our partnership to include the Middle East as a growth opportunity for U.S. dairy sales.
- **KFC Latin America and Caribbean** has placed a hold on a few new innovations due to Covid impact, but looks to ramp up in H2 2021.



MIDWEST DAIRY PROMOTION IN ACTION

Midwest Dairy focuses on dairy promotion plans developed at the national level, as well as a variety of state-specific 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.

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.



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.

New Dairy Inspired Menu Offerings Result in Increased Dairy Sales Through School Partnerships

Midwest Dairy is partnering with North Platte Public Schools, Gretna Public Schools, and Lincoln Public Schools on projects that increase student demand for dairy throughout the 2020-2021 and upcoming 2021-2022 school year. All three districts are implementing a smoothie program which will impact students at the elementary, secondary, and high school level. The smoothies include both milk and yogurt in the recipe, which helps to fuel youth with dairy nutrients as well as helping to increase dairy sales. The school recognizes students as customers and provides them with appealing meal options that meet nutrient needs and taste great.

To build on the excitement of smoothies in school meals, Midwest Dairy partnered with Chef Sharon Schaefer, SNS to present on a webinar to over 250 school nutrition professionals across the US on the topic of smoothie and yogurt parfait programs to drive student meal participation. Schaefer, presenting alongside Nebraska dairy farmer Mary Temme, shared tips and recipes to encourage implementation, while promoting Midwest Dairy tools and recipes.



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Bringing Dairy to Unexpected Places to Engage Consumers



As part of the strategic plan, Midwest Dairy is committed to bringing dairy, and dairy farmers, to unexpected places to engage with consumers to showcase dairy's sustainable nutrition story from the farm to the table. Midwest Dairy teamed up with Summit Media and the Omaha Baseball Village in Omaha, Nebraska, to reach consumers through radio channels, social media, and an onsite experience during the college baseball championships in June reaching over 2,000,000 consumers through onsite, social, and traditional media. The theme for the month-long activation was called "Get Moo'd Up". The Omaha Baseball Village experience included an opportunity for fans to sample a new dairy innovation beverage called Good Sport, as well as locally donated Hiland chocolate milk. The onsite experience included live remote broadcasts with radio personalities, plenty of dairy giveaways, live calves, product sampling, the Nebraska Dairy Princess and Ambassadors, and local dairy farmers who shared their sustainable nutrition story of the benefits of dairy.

The National Dairy Month campaign, Get Moo'd Up, kicked off with radio Channel 94.1's radio personality and mom, Molly, Star 104.5's radio personality and foodie, Cheryl Kaye, and Nick Handley, sports radio personality on AM590 visiting a local dairy farm to learn more about dairy farming first hand. Midwest Dairy farms hosted these radio influencers for a farm tour and gave them a perspective of their operation, production methods, animal care, and food safety. Each radio personality then engaged listeners by sharing their experiences of how milk and dairy products are beneficial in their individual lives through customized digital opportunities and their first-hand experience from visiting a local dairy farm.



Midwest Dairy Partnered with Children's Hospital and Medical Center to Equip Pediatricians with Tools to Educate Patients and Families

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. Based on these insights, Midwest Dairy focused on working with Children's Hospital and Medical Center as a partner to equip pediatricians with science-based tools to educate and provide advice to patients and clients regarding dairy foods for optimal wellness. Midwest Dairy participated in a mailing to 225 pediatricians that work for Children's Hospital in Nebraska. The mailing included a MyPlate tear pad that encourages three servings of dairy each day, a MyPlate education tool and a tear pad with specific dairy recommendations and tips for children. Pediatricians can use these handouts to provide nutrition information to the families that they see as patients.



In addition to the educational resource mailing, Midwest Dairy partnered with Children's Hospital and Medical Center on a series of three webinars for pediatricians highlighting how to use the resources with patients and families, an expert presentation on the Dietary Guidelines for Americans, as well as connecting the pediatricians to local resources for families who struggle with food insecurity including experts in WIC, Nebraska Extension, the Department of Health, and Food Banks.



Midwest Dairy Partners with Registered Dietitian to Promote Dairy's Role in the Diet to Professional Colleagues and Consumers

Amber Pankonin, a local dietitian who influences consumers, culinary staff, and dietitians on a national and local level, spoke on behalf of dairy farmers to 140 dietitians attending the virtual Nebraska Academy of Nutrition and Dietetics Conference on March 18, 2021. Pankonin addressed myths about dairy and why it's important to trust science.

Midwest Dairy is sponsoring Pankonin throughout 2021 as she highlights the importance of dairy nutrition, dairy sustainability, and her love for dairy farmers in her [blog](#), with a recipe and TV segment during each of our federation-wide power periods: April Earth Day, June National Dairy Month, and October National Farmers Day.



Midwest Dairy Convenes Future Dietetic Professionals for Dairy Farm Tour

Midwest Dairy, in partnership with the Nebraska Beef Council, hosted a farm tour for sixteen dietetic interns from the University of Nebraska Lincoln and the University of Nebraska Medical Center during National Dairy Month in June, 2021. Sevastian Banuelos, the manager at Prairieland Dairy, lead the farm tour covering topics ranging from cow care and comfort, to sustainability, as well as animal nutrition. The dairy farm experience equips these young professionals with the tools and experience to answer consumer and client questions about dairy foods once they begin their dietetics career.



Heather Rasmussen, internship director from University of Nebraska-Lincoln provided the following feedback, "I met with the interns, and they had nothing but good things to say about the farm tours. It was an eye-opening experience for them. We have a fair number of interns from Lincoln and Omaha, and they expressed appreciation for this exposure and stated that they have a better understanding of where their beef and dairy come from." This is a great example of how Midwest Dairy is working through partners to bring dairy to life for consumers.



Midwest Dairy partners with children's museums to reach Nebraska youth and families

Midwest Dairy's strategic plan includes a goal to grow trust in dairy with consumers, with a specific focus on reaching youth and their families. To help in accomplishing this goal, Midwest Dairy has partnered with local children's museums to help connect the dairy farm story to consumers in urban Nebraska cities.

The Lincoln Children's Museum has focused on the opportunity to reach their members and followers through onsite experiences in the museum, as well as through social media. Children and families who come to the museum can experience dairy while visiting the pretend play grocery store where they can shop for local dairy foods, as well as view a video that shares the journey of milk from farm to table in just 48 seconds. Midwest Dairy has partnered with Lincoln Children's Museum through a social media storybook series where Nebraska Dairy Ambassadors read a storybook specific to dairy farming that members and followers can participate in.

The [Lincoln Children's Museum's Facebook page](#) has over 14,600 followers, and their members fit the target market for conflicted health seekers: Moms that question where their food comes from and are likely to share on social media.

A new character, Karlie the Cow, was created to compliment LCM's mascot Kazoo and introduce followers to dairy farming. Two October social media posts reached over 1,400 followers with almost 50 interactions. Follow along on [Lincoln Children's Museum's Facebook page](#).

In addition, Midwest Dairy has also partnered with the Kearney Area Children's Museum to bring dairy to life for their members and guests. The Kearney Area Children's Museum (KACM) recently renovated one of its most beloved exhibits, the farm zone. In conjunction with a "Farm to Fork" layout throughout the museum, this new space includes a major focus on dairy production. The ribbon cutting was held on April 26 and included Nebraska dairy farmer, Steve Wolfe from Wolfden Dairy in Kearney, Nebraska. Museum members and guests began enjoying the space on April 27.





The KACM Ag Exhibit highlights the impact that agriculture has on the community and educates children about where food comes from and the occupations involved in agriculture. Imaginary play is critical in early child development, so components of the exhibit focused on sensory building and critical thinking. The dairy exhibit also includes a life-size, fiberglass cow that children can milk and audibly "moos" and shares fun facts.

This renovation project had a quick turnaround in under 9 months, starting with funds, grant writing and brainstorming for this exhibit. According to KACM, this zone renovation would not have been possible without the generous sponsors including Midwest Dairy and many others in the Kearney area.

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 land-grant 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.

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. MDFRC research projects have always focused on finding solution to the problems faces by the dairy processors. In the last several years, some notable projects include strategies for control of surface biofilms, non-thermal pasteurization, evaluation of farm interventions to reduce spore formers in fluid milk, understanding the functionality of dairy powders.

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. Another study that the team worked on tested the transfer of *Listeria*, a food-borne pathogen from Personal Protective Equipment (PPE) in the manufacturing plant to food contact surfaces. The results of the study were used to develop resources and will be available as NebGuides which are short extension publications from the University of Nebraska-Lincoln and prospective publication will be found at extension.unl.edu/publication.



Dairy Ambassador Program Shapes Industry Advocates

Five 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 engaged in conversations with consumers, school-age children and peers. Many of the conversations involved 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 2021 Nebraska dairy ambassadors are:

- Abigail Langdon of Clarkson, Nebraska, who is a sophomore agribusiness major with a banking and finance option at the University of Nebraska – Lincoln. This year marks Abigail's second year as an Ambassador.
- Whitney Hochstein of Wynot, Nebraska, who is a freshman graphic design and entrepreneurship major with a minor in foods and nutrition at Wayne State College.
- Faith Junck of Carroll, Nebraska, who is a freshman agricultural and environmental science communications major at the University of Nebraska – Lincoln.
- Claudia Leubner of Marietta, New York, who is a freshman at the University of Nebraska – Lincoln majoring in agribusiness.
- Jordan Wilburis of Kenesaw, Nebraska, who is a senior agriculture education major with a leadership option at University of Nebraska – Lincoln.

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 2021–2022 officers during the annual division meeting that was held on April 7. 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.

Temme and Lowell Mueller, Hooper, were chosen to continue representing Nebraska on the Midwest Dairy Corporate board. Mueller went on to be re-elected secretary of the Midwest Dairy Corporate board.

Midwest Dairy partners with Pizza Ranch to launch new take-and-bake breakfast pizzas

Midwest Dairy partnered with Pizza Ranch in December 2020 to launch a new take-and-bake breakfast pizza with a buy 1, get 1 free promotional offer.

The concept began when Midwest Dairy reviewed consumer insights and research data which revealed the size and growth of the breakfast pizza segment at retail. The insights were shared with Pizza Ranch, who then utilized this information to help persuade their franchisees to support this new product and move up a launch date.

Midwest Dairy worked with Pizza Ranch to build a December marketing event and a store sales competition to encourage stores to sell the new pizzas. The marketing program included:

- Digital advertising, including websites and social channels = 16 million impressions with overwhelmingly positive comments about the breakfast pizzas
- Email marketing - over 3 million emails sent
- Box-toppers on all orders
- In-door banner displayed at all Pizza Ranch stores highlighting the breakfast pizzas
- All activations included the Undeniably Dairy logo



The launch and promotional event exceeded all Pizza Ranch and Midwest Dairy expectations. Pizza Ranch sold well over 100K breakfast pizzas in December, which equated to over 8 times the expected volume for the month. Overall December 2020 sales of incremental pounds of milk exceeded 350K pounds.

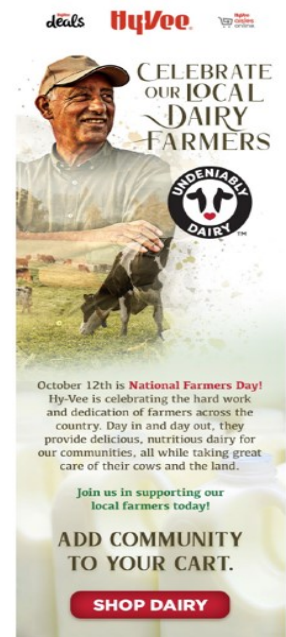
Hy-Vee celebrates National Farmers Day through partnership with Midwest Dairy to reach consumers

Hy-Vee and Midwest Dairy celebrated National Farmers Day with a week-long activation that took place October 9-16, 2020.

Hy-Vee sent an email to 200,000 Hy-Vee shoppers with a focus on those who have purchased plant-based alternatives as well as other dairy items, but not fluid milk.

The event celebrated the locality of dairy and asked them to support our local farmers by adding dairy to their carts. A "Shop Dairy" button led consumers to a Hy-Vee Aisles Online landing page that included milk, cheese, butter, yogurt, and ice cream.

The promotion resulted in over 150,000 incremental pounds of milk sold as part of this event.



Midwest Dairy teams up with Discover Dairy to promote the Adopt-A-Cow program to students and schools across Nebraska.



Wanting to connect students with dairy farmers to learn more about where their food comes from and why it matters is one of the main reasons Midwest Dairy partners with the Discover Dairy Adopt a Cow program. This year, Midwest Dairy will reach more than 262,000 students, including students from 334 schools across Nebraska, growing participation by 1,558% over the previous school year. Our goal was to increase participation by 40% however we have exceeded that goal. One of the reasons for growth is that teachers are looking for more engaging virtual content for their classrooms during the pandemic. Another is that Midwest Dairy utilized our partners and digital channels to make sure as many teachers knew about the program as possible.

This year we have seven dairy farmers serving as hosts for the program, including Jodi Cast, Nebraska Dairy farmer near Beaver Crossing, NE. They will virtually provide a calf for the students to “adopt” for the year, watching it grow and learning more about the dairy farm family, animal care and environmental stewardship.

As a bonus for participating in the program, third-grade classrooms will also be receiving a Midwest Dairy Ag Literacy Kit. These kits will include the new My Family's Dairy Farm book from the Iowa Ag Literacy Center, lesson plans, posters and a fun TabMOO game for students to learn more about the farm.

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 U.S. Dairy launched an industry-wide initiative in 2017, Undeniably Dairy. In its fourth 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 2020 and 2021, the longstanding campaign efforts focused on building trust and relevance around dairy as a sustainably nutritious food expanded to incorporate dairy's essential role in nourishing people. This was reinforced by content that celebrated dairy's nutrition profile, commitment to communities, and central role in family lives. In 2021, our partnerships with athletes, fitness and nutrition influencers, chefs and wellness influencers highlighted the unique nutritional make-up of dairy foods and the role they play in modern lifestyles.

In the first half of 2021, Undeniably Dairy's combination of integrated communication and marketing efforts garnered more than 150 million impressions, reaching our target audience with content that resonates across paid media, earned, social and partnerships.



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