

Dairy Producer Leaders Applaud Industry Collaboration To Grow Sales & Enhance Image

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ORLANDO, Fla. – The dairy checkoff's strategy of working with powerful partners is helping to "secure dairy's future" by contributing to billions of additional pounds of milk sales and enhancing dairy's image.

Dairy producer promotion leaders delivered this message to nearly 1,000 producer and industry representatives at the 2012 National Dairy Promotion and Research Board (NDB)/National Milk Producers Federation/United Dairy Industry Association (UDIA) Joint Annual Meeting in Orlando, Fla., Oct. 29-31.

Working with industry leaders McDonald's® and Domino's® represents a business strategy that helps the dairy checkoff "do more with less," said California producer Steve Maddox, NDB chairman. NDB carries out coordinated promotion and research programs to help build demand and expand domestic and international markets for dairy products.

"In the past, checkoff efforts were largely focused on generic promotion to help raise consumer awareness through generic advertising," Maddox said. "We had some great ads that producers were extremely proud of, but we didn't grow sustained dairy sales."

Maddox said the checkoff's partnership with McDonald's directly contributed to an additional 1.7 billion pounds of milk sold between 2009 and 2011. Producers can expect continued growth in McDonald's dairy sales, he said, pointing to menu development efforts driven by checkoff employees who work at McDonald's headquarters in Oak Brook, Ill.

Beyond McDonald's, the checkoff's partnerships with Domino's and other pizza companies and suppliers have moved more than 6 billion pounds of milk since 2009, according to the U.S. Department of Agriculture. Pizza innovation continues with the recent introduction of Domino's Handmade Pan Pizza, which uses up to 40 percent more cheese than the chain's two-topping, hand-tossed pizzas.

Innovation Center Unifies Industry on Common Goals

Another example of checkoff partnerships to grow sales is focused on working with and through the dairy industry.

The Innovation Center for U.S. Dairy®, created by producers in 2008, allows the checkoff to partner with processors, manufacturers and others to leverage their financial and other resources. More than 800 professionals representing 300 companies dedicate their time and expertise to help advance checkoff goals and priorities.

"Our checkoff program cannot do it alone," said Paul Rovey, Arizona dairy producer and chair of Dairy Management Inc.TM, which manages the national dairy checkoff through funding from NDB and UDIA. "We need the added muscle and backing of powerful partners through an industry-wide approach."

Rovey said the Innovation Center is one of the most groundbreaking partnership concepts the checkoff has created, and its successes benefit the entire industry. In the area of food safety, the Innovation Center has facilitated an industry-funded training program to help reduce the risk of pathogen contamination in dairy foods. It also has conducted a greenhouse gas life cycle assessment for fluid milk to set the record straight about milk's environmental impact.

Fuel Up to Play 60 Positively Impacting Future Consumers

Other checkoff partnerships are aimed at youth to help reverse the alarming obesity epidemic that is putting the health of future generations at risk.

Fuel Up to Play 60 is a partnership between the dairy checkoff and the National Football League®, with support from USDA. State and regional checkoff staffs have implemented it in more than 73,000 schools.

Schools are important to producers because 55 million students across the country are in class an average of 180 days a year. These students account for 7 percent of total fluid milk consumption.

"Children represent 100 percent of our future consumers," said Bill Siebenborn, Missouri producer and UDIA chair. "We have a tremendous opportunity to positively impact these youngsters' diets with healthy, nutritious dairy products."

Local checkoff organizations also remain critical to protecting and promoting dairy's image. Image efforts are focused on having more conversations – especially through social media channels – with consumers who are generations removed from food production. These consumers are interested in learning more about the work that occurs on dairy farms. Research shows they will be more loyal to products whose values – real or perceived – mirror their own.

Dairy's story is one that "consumers tell us they want to hear," Siebenborn said. "It's a story about our commitment to provide safe, nutritious foods to feed our country and the world. It's a story about our dedication to environmental stewardship and caring for our animals. It's about our involvement and leadership in local communities across this nation."

At the core of these efforts is the partnership between national and local organizations that form UDIA, a federation of 19 state and regional dairy promotion organizations that collaborate to develop and implement strategies to grow sales.

"There is no more important relationship than the one between our national and state and regional dairy promotion organizations," Siebenborn said. "Through DMI, dairy producers are able to implement programs nationally so that we have a consistent, unified approach to protect and promote dairy. Our staffs at the state and regional level bring our programs to life."

For more information, visit www.dairycheckoff.com.

Dairy Management Inc.TM (DMI) is the nonprofit domestic and international planning and management organization response for increasing demand for dairy products and ingredients. DMI manages the American Dairy Association® and National Dairy Council®. DMI also has established affiliate organizations, including the U.S. Dairy Export Council®, Innovation Center for U.S. Dairy and the Dairy Research Institute.

Source: Dairy Management Inc.

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