



# JOINT COMMITTEE ON AGRICULTURE

Chad Vincent, CEO, Dairy Farmers of Wisconsin

# Agenda

- ◆ What is a 'checkoff program' and why it matters
- ◆ Dairy Farmers of Wisconsin – why we exist, and how we impact Wisconsin's industry
- ◆ Our demand-building programs –and the results
- ◆ Why we changed from WMMB to Dairy Farmers of Wisconsin
- ◆ Dairy's incredible impact on Wisconsin



# Checkoff: Wisconsin Dairy Farmer Funded

15¢ per 100 pounds of milk



10¢ /cwt.



5¢ /cwt.



+

= 15¢

# Dairy Farmers of Wisconsin Work with DMI (National Checkoff) to Drive Trust and Sales



## Industry-wide Partnerships

**INNOVATION CENTER FOR U.S. DAIRY.**  
HEALTHY PEOPLE • HEALTHY PRODUCTS • HEALTHY PLANET

**USA U.S. Dairy Export Council.**  
Ingredients | Products | Global Markets

**NEWTRIENT**  
INNOVATIVE SOLUTIONS IN RESOURCE RECOVERY

**IDFA**  
INTERNATIONAL DAIRY FOODS ASSOCIATION

**milk pep**

**NMPF**  
NATIONAL MILK PRODUCERS FEDERATION

**GLOBAL DAIRY PLATFORM**  
KNOWLEDGE • INSIGHT • GUIDANCE

**Dairy Communications Management Team**

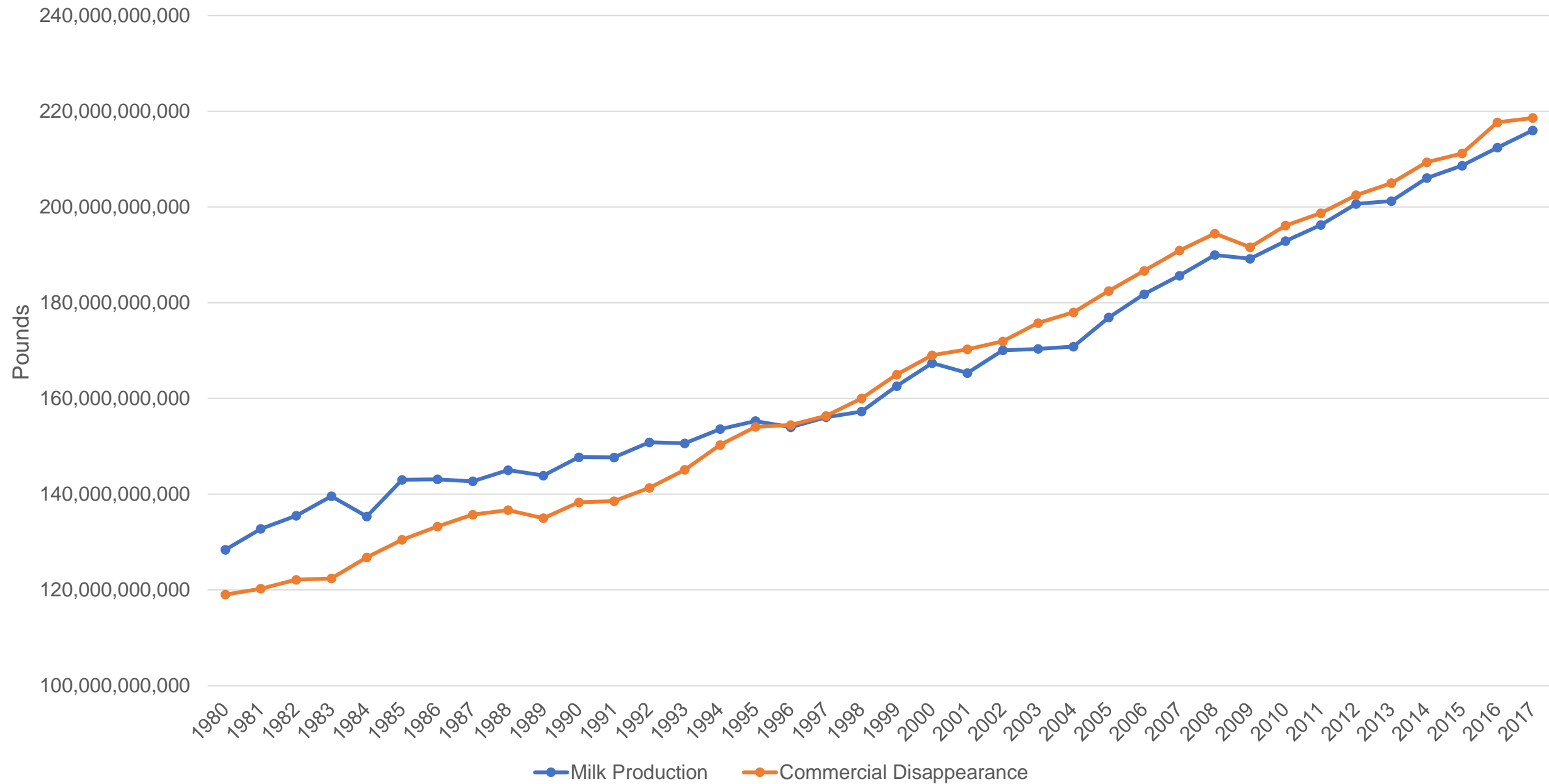
# Strategic Focus Overview



# Why Dairy Farmers of Wisconsin Exists What We Do (and Cannot)

- ◆ The marketing and promotional arm of the Wisconsin Dairy Industry
  - Funded by Wisconsin Dairy Farmers
- ◆ Trust & sales focus
- ◆ We help market & promote Wisconsin dairy products
- ◆ **Limitations:**
  - Dairy Farmers of Wisconsin cannot lobby
  - Dairy Farmers of Wisconsin cannot directly impact milk pricing
  - Dairy Farmers of Wisconsin does not make or deliver products
    - “With and through others”
- ◆ Processors play a significant role in our success
  - Close alignment with processors to sell more milk / dairy

# US Milk Production vs. Commercial Disappearance



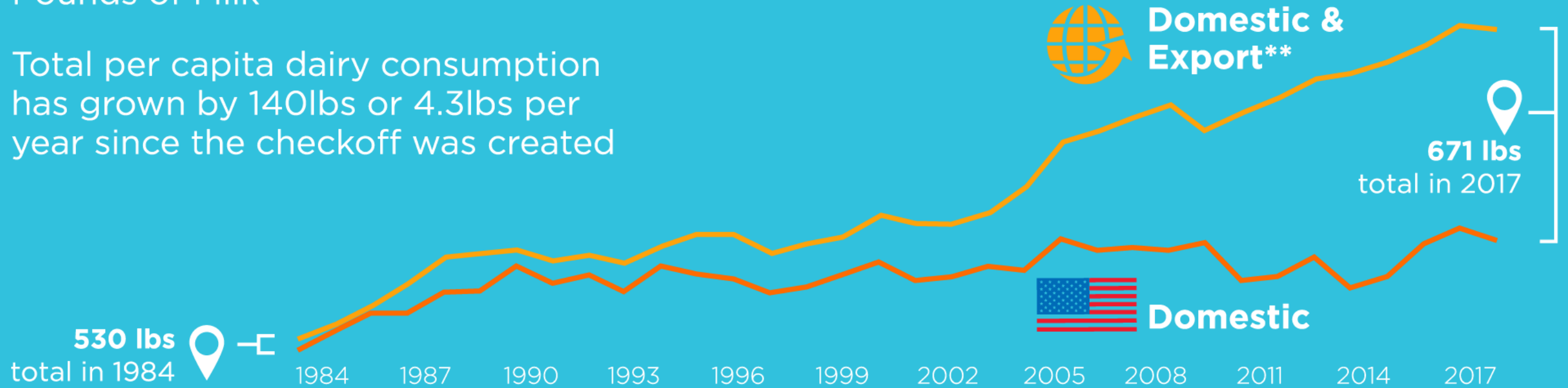


# Dairy Continues to Grow

## TOTAL DAIRY CONSUMPTION PER CAPITA

Pounds of Milk\*

Total per capita dairy consumption has grown by 140lbs or 4.3lbs per year since the checkoff was created



\*Milk equivalent, total solids basis

\*\*U.S. product exported per American



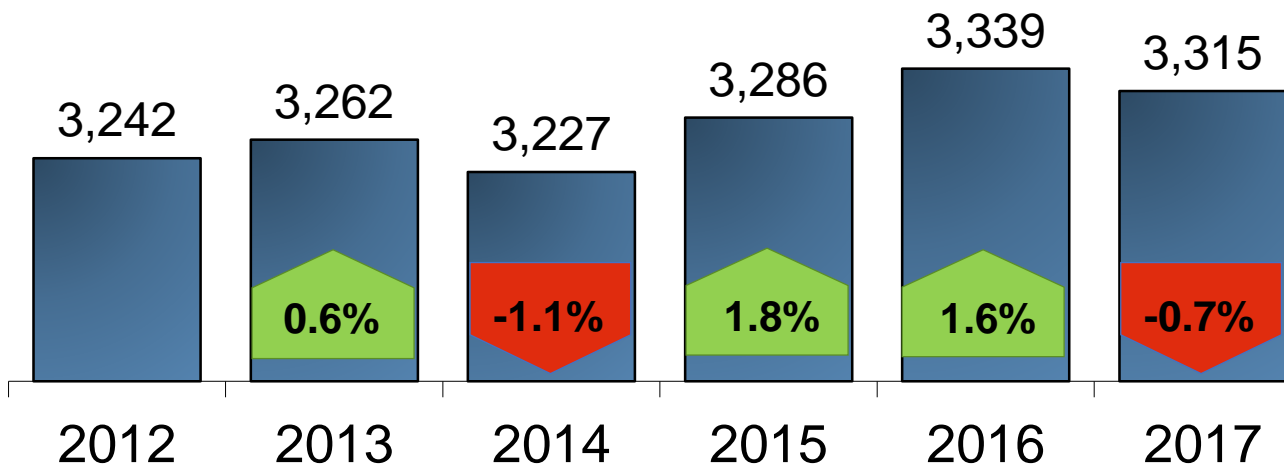
# IN WISCONSIN WE EAT OUR MILK



# Specialty Cheese Drives Category Growth

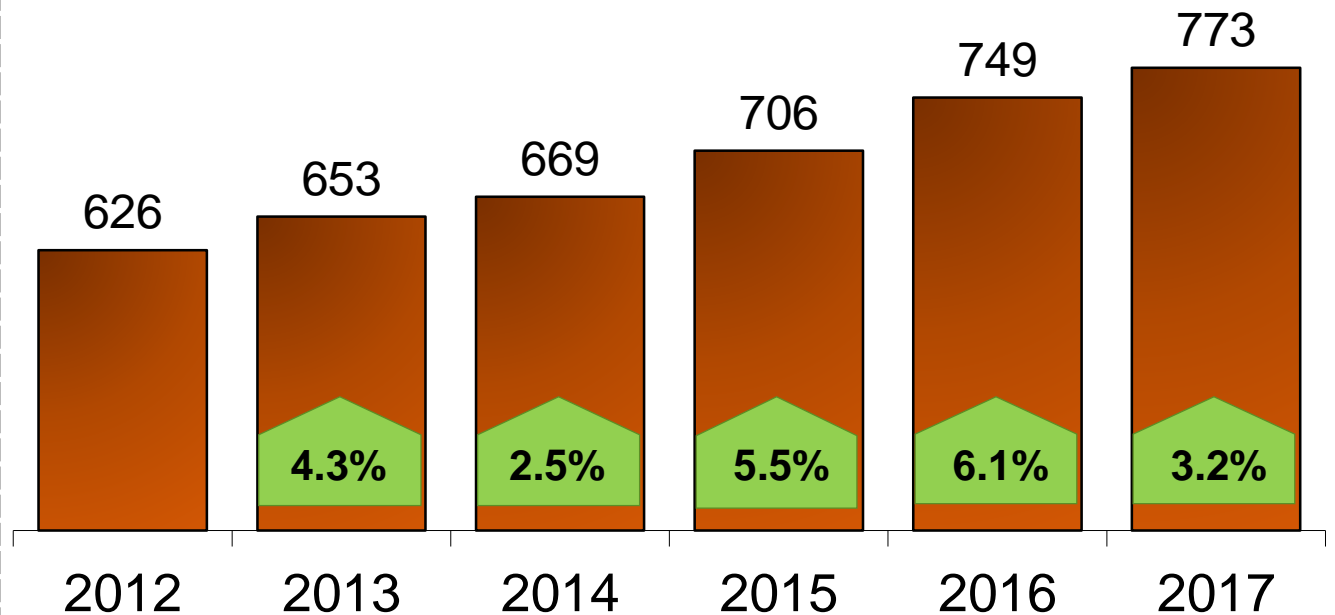
**+2%**  
5-year growth

## Non-Specialty Cheese



**+24%**  
5-year growth

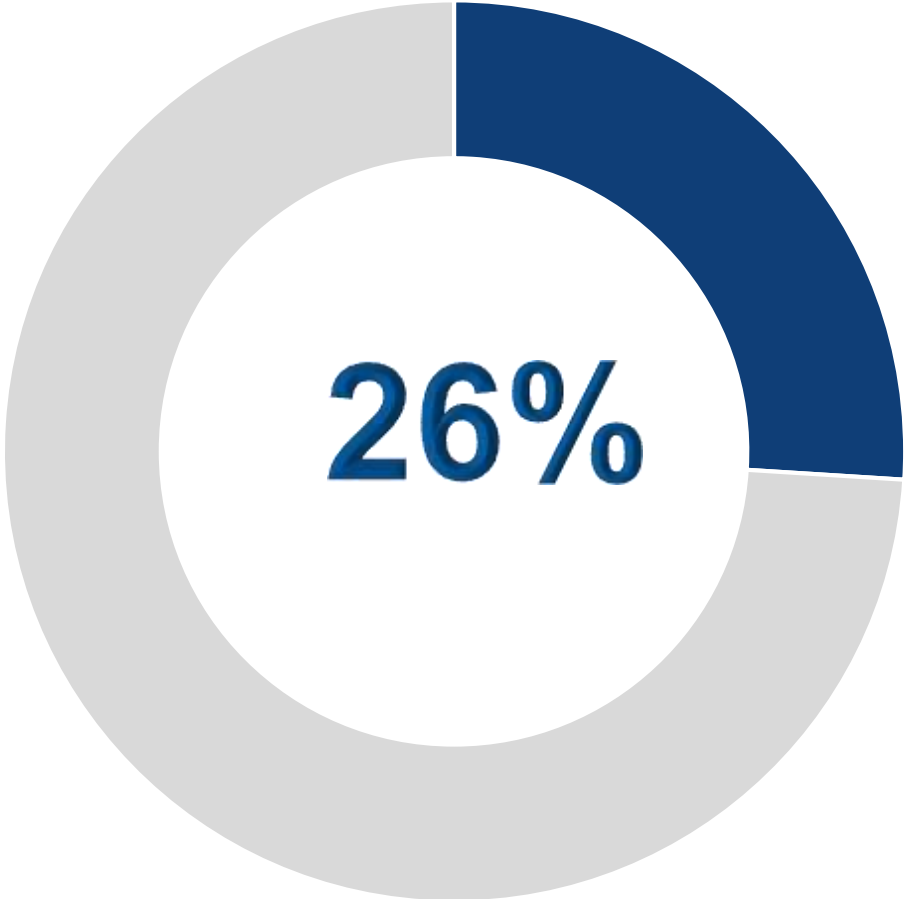
## Specialty Cheese



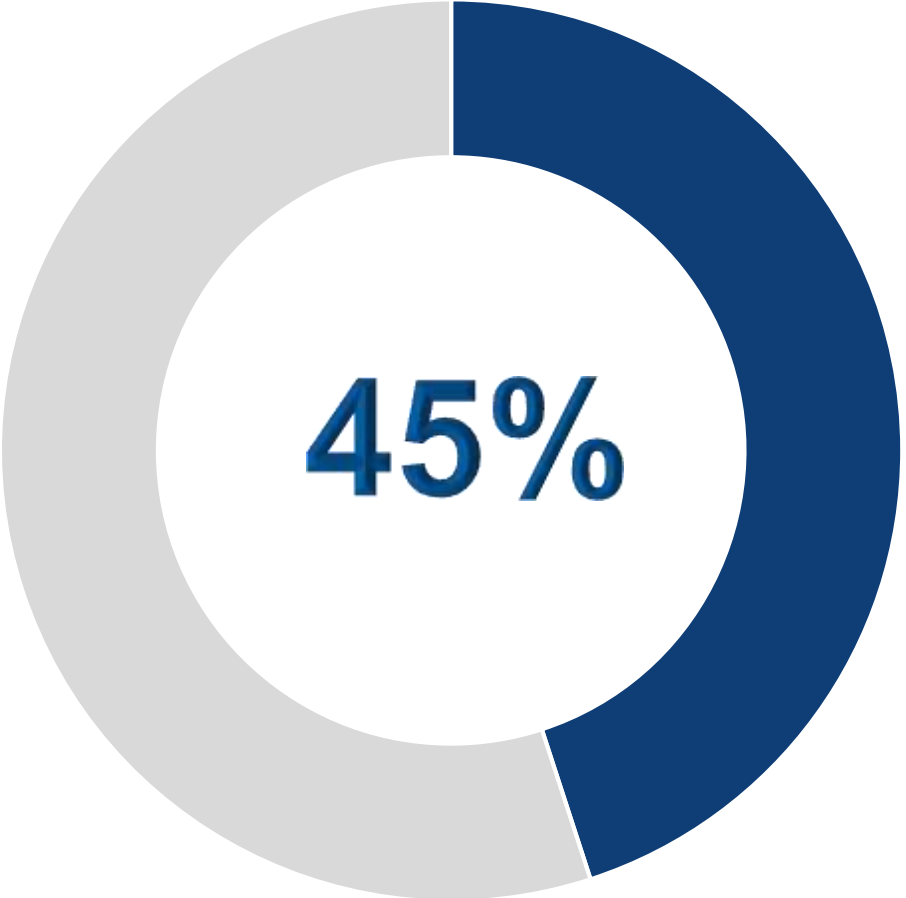
Source: IRI Custom WMMB Database

# Wisconsin Share of Cheese Production

Wisconsin's Share of **Total** Cheese Production



Wisconsin's Share of **Specialty** Cheese Production



*Total based on 2016 data; Specialty based on 2015 as 2016 not available until May*

# Research Insights – All Actions are Research Based

*Mission: provide information and insight to Wisconsin cheese and dairy companies and other industry partners to aid in promotion, marketing and new product development*

## Retail Insights



Analyze point-of-sale data to identify purchasing trends in dairy categories

## Restaurant Insights



Analyze foodservice data to identify trends in how Americans eat out

## Government Data



Analyze dairy-related data provided by government agencies



# Getting Product to Retail

## Wisconsin Cheese is in 98% of the Nation's Supermarkets

Pick 'n Save  
New every day



LUNDS & BYERLYS



# Promoting and Building Demand for Dairy

**5.4%**

**ANNUAL GROWTH  
FOR WISCONSIN  
CHEESE SALES**



---

ACROSS ALL OUTLETS COMPARED TO

---

**0.9% GROWTH  
FOR NON-WISCONSIN CHEESE**



# Identifying Wisconsin Dairy at Grocery and Restaurants

**OVER 200**  
CHEESE BRANDS NOW USE THE  
**WISCONSIN CHEESE LOGO**  
ON THEIR PACKAGING



ITEMS FEATURING THE  
**WISCONSIN CHEESE LOGO**  
ACHIEVED A

**5.9% INCREASE**  
**IN SALES**



# Buyer Missions

Bringing Buyers and Influencers to Wisconsin Dairy Companies, Selling Product, Farm Visits





# Trade Shows

- ◆ Personal selling environment for cheese companies
- ◆ Strong branding
- ◆ Wisconsin identity
- ◆ Sampling
- ◆ Connect with buyers



# International Opportunities: Dairy Farmers of Wisconsin's Role





# Foodservice / Restaurant Partnerships...Driving Results



IN JAN 2018, PIZZA HUT  
ANNOUNCED THEY ARE ADDING

**25%**

**MORE CHEESE**

TO THEIR ICONIC PAN PIZZAS

LIMITED TIME OFFER OF  
**THE GRILLED CHEESE  
STUFFED CRUST PIZZA**  
MOVED AN ADDITIONAL

**30** MILLION  
**LBS**  
OF MILK

**IN 6,400**

RESTAURANTS

# Foodservice Partnerships...Driving Results

SINCE 2011, CULVER'S HAS  
**INCREASED THE AMOUNT OF  
WISCONSIN CHEESE SOLD**  
IN THEIR RESTAURANTS BY  
**MORE THAN 9  
MILLION LBS**

*Culver's*





# UW Center For Dairy Research (CDR)

- ◆ DFW Covers 50% of Operation Expenses
- ◆ Master Cheesemaker Program
- ◆ Training & Education
- ◆ In-Plant Support
- ◆ New Product Development
- ◆ Ingredients & Functionality



**SOLUTION BASED RESEARCH BACKED BY EXPERIENCE, PASSION AND TRADITION**

# Wisconsin Master Cheesemaker® Program

- ◆ The only Master Cheesemaker program of its kind in the Americas
- ◆ Elite program of great Wisconsin cheesemakers who elevate consumer perceptions of Wisconsin cheese – selling more Wisconsin cheese
- ◆ Upgrading Master logo





# Telling Our Story: Branding Events Communications





# Our Communications Platforms are Now Digital & Social Media

- ◆ In the next 5 years, marketers expected to **triple** their social engagement budget.
- ◆ #cheese has over **18 million** posts in Instagram...a **34%** increase over last year
- ◆ Traffic from online videos will constitute 80% of all consumer internet traffic by 2020 ([Cisco](#))
- ◆ **500 million** people per month watch recipe videos
- ◆ Social video generates **1,200 percent** (not a typo) more shares than do images and text, combined

*Digital is the most cost-effective form of advertising today*

- ◆ 1.5 million monthly views on our Wisconsin Cheese Pinterest page
  - Our 11 social media channels have more than 760,000 fans

*Welcome to*  
THE  
STATE OF CHEESE

WISCONSINCHEESE.COM







# WISCONSIN + WORLD'S LARGEST CHEESEBOARD



# Cheeseboard Record Earned Free PR media valued at over \$5 million... and social buzz alone earned 8.6 million exposures for *Dairy Farmers of Wisconsin*



**Nick Buffo** @NickBuffo · Aug 1  
What's the best way to Wake Up Wisconsin? With Cheese! Thanks to the **Dairy Farmers of Wisconsin** for bringing in a sample cheeseboard for us to try this morning. They're planning to break a Guinness World Record tonight during Concerts on the Square in [#Madison](#). [#WakeUpWi](#) [#WKOW](#)









# Reaching Farmers



- ◆ Radio
- ◆ Social Media
- ◆ Website
- ◆ Regional Meetings
- ◆ Trade Shows
  - Wisconsin Farm Technology Days
  - World Dairy Expo
  - Dairy Strong
  - PDPW Annual Business Conference
  - WPS Farm Show



# Sustainability

- ◆ **UW Discovery Farms** – fund research, connect with farmers to find solutions, include in studies
- ◆ **Wisconsin Leopold Conservation Award** – sponsor annual \$10,000 award that recognizes an outstanding farmer’s land stewardship practices. Dairy farmers have won the past three consecutive years.
- ◆ **Innovation Center for U.S. Dairy member** – participate and provide counsel ongoing programing
  - Work with Wisconsin area farmers and businesses to apply for the annual U.S. Sustainability Awards
- ◆ **Newtrient** – Serves as a catalyst advancing new technologies, practices, products and markets around manure use and management aiming to help generate profits for farmers, while at the same time preserving and enhancing the environment



# County Dairy Promotion Groups

- ◆ Emphasize local dairy promotions
- ◆ Support 63 local county dairy promotion groups to promote Wisconsin dairy
  - Dairy breakfasts drive more than 150,000 consumers onto farms each summer





# Trust Sustainability Environment

RESPONSIBLY  
PRODUCED



LOCALLY  
DRIVEN



NUTRIENT  
RICH



REAL  
ENJOYMENT



ONGOING REAL-TIME OPPORTUNITIES TO ENGAGE AND IMPACT CONSUMERS





# Trust Index & Overall Perceptions

When trust in dairy is asked prior to the start of the survey, trust in dairy is on par with trust in technology and food & beverage companies overall, and higher than the beef and financial services industries.

## Trust in Industry (Top 4 Box)

Dairy Industry	Technology companies	Food & Beverage companies	Healthcare Industry	Beef Industry	Financial companies
58%	58%	56%	47%	45%	39%

# Consumer Trust In Dairy Milk & Production

At a detailed level, trust in both dairy farmers and the dairy industry are mostly stable.

*I trust dairy farmers / the dairy industry to... (Definitely/Somewhat Agree)*



**Provide Nutritious Products**

**Provide Safe Products**

**Care about Environment**

**Practice Humane Animal Treatment**

Wave 3

**74%<sup>↓</sup> / 75%**

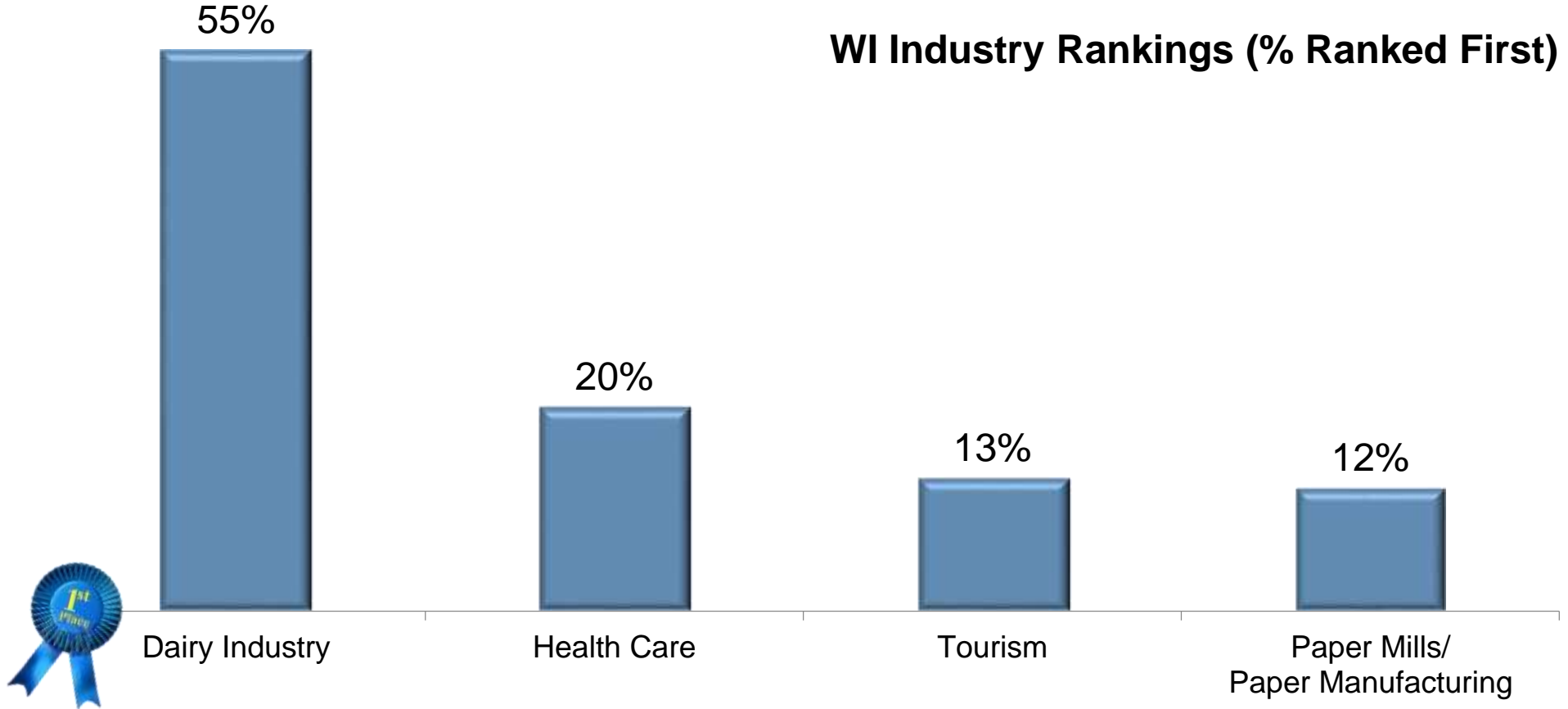
**75% / 74%**

**62% / 55%**

**63% / 60%**



# The majority of Wisconsin residents feel that the Dairy industry has the greatest impact on the Wisconsin economy.



# Wisconsin Dairy Impact

- ◆ In 2001, Dairy Farmers of Wisconsin introduced a state-wide communications program to increase awareness, understanding and support of the dairy industry and to encourage the purchase Wisconsin dairy products
- ◆ Perceptions were that the state's dairy industry was going away. The fact? Wisconsin's dairy industry was generating **even greater** impacts on our economy
  - Wisconsin's dairy industry generates **\$43.4 billion** annually for the state's economy
  - Every \$1 generated by the Wisconsin dairy industry puts **\$1.79** back into the state's economy in other places. (DATCP)
  - **60,000** jobs

**\$43.4 Billion Impact**





# Dairy's Economic Impact

Billions

50

45

40

35

30

25

20

15

10

5

0

18.5

20.6

26.5

43.4

1997

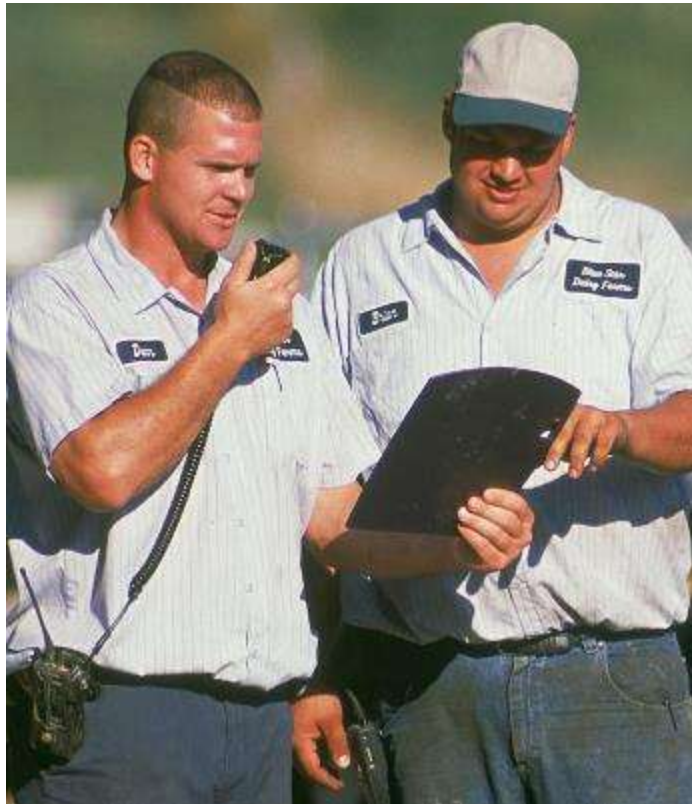
2002

2007

Today

# Wisconsin Dairy Impact

- ◆ The Wisconsin dairy industry employs 60,000 people





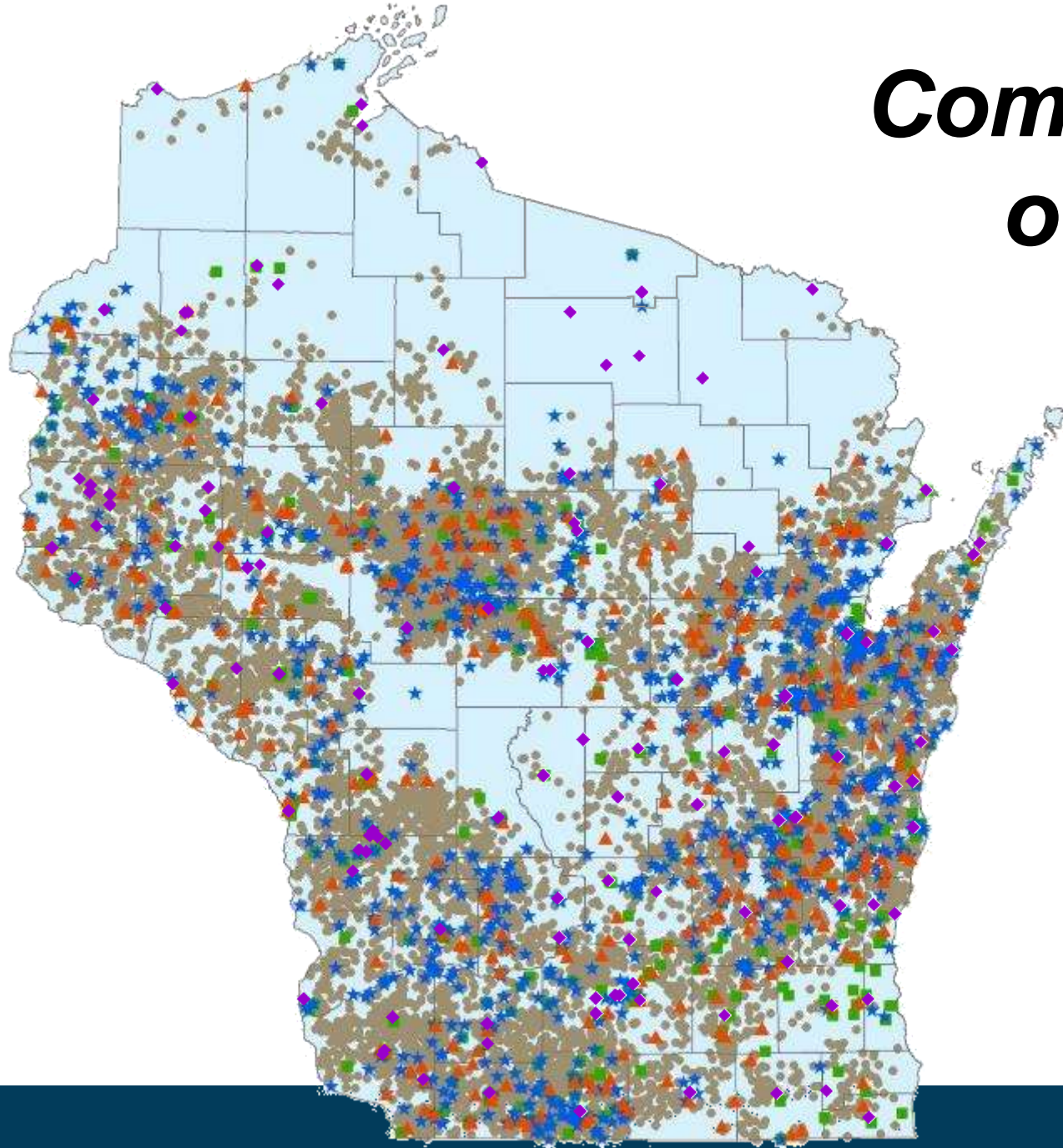
# Wisconsin Dairy Impact

- ◆ The dairy industry and employees pay taxes that help fund schools, build roads and enhance the lives of everyone in Wisconsin





# Today's Wisconsin Dairy Business



## ***Combined Infrastructure of Dairy in Wisconsin***

- **Over 8,000 Dairy Farms**
- **Over 1,200 Licensed Cheese Makers**
- **Over 200 Cheese, Milk, Butter and Dairy Plants**
- **More than 350 Milk Transport Firms**



# IN SUMMARY



**45** MILLION  
**POUNDS**

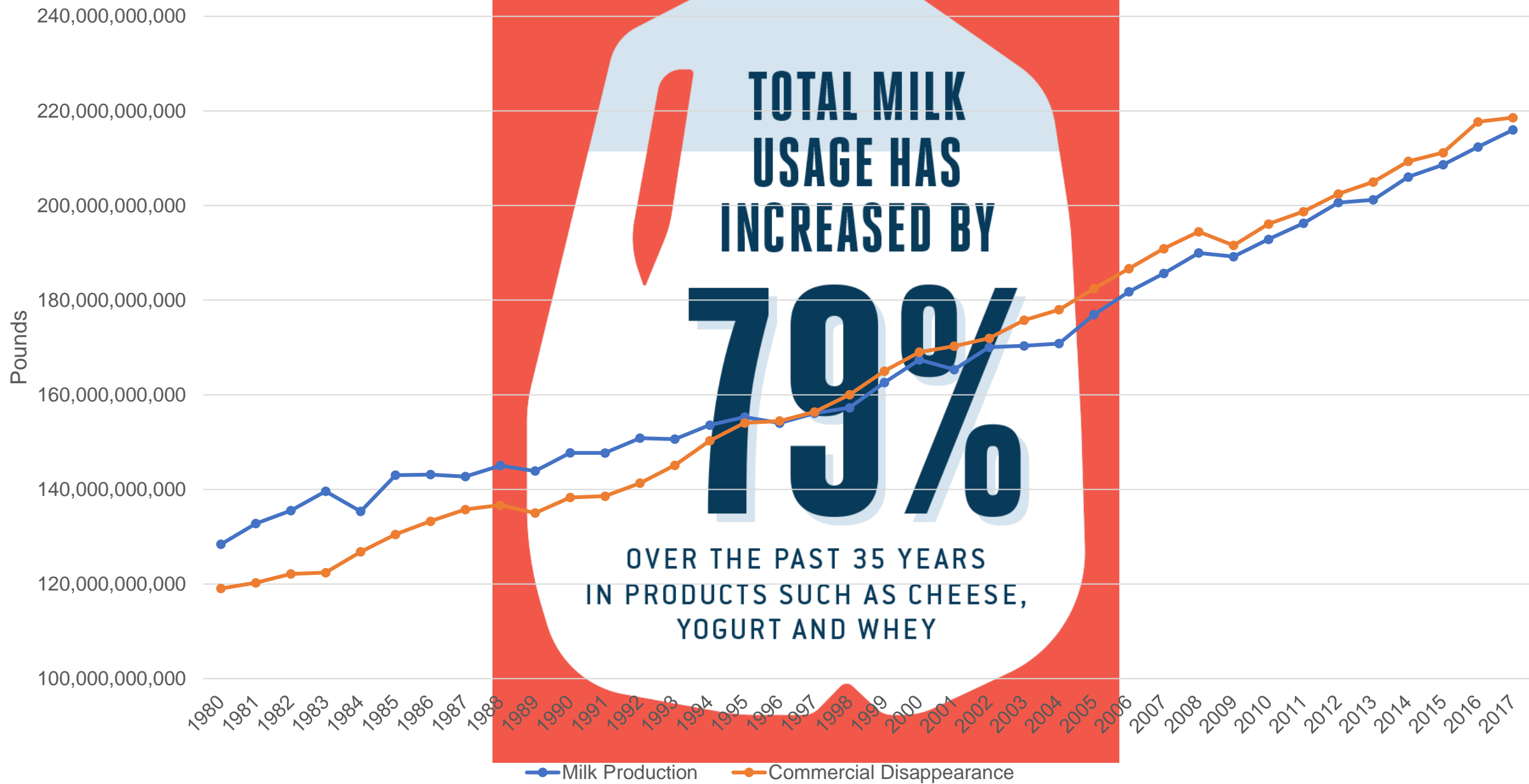
INCREASE IN ANNUAL  
**WISCONSIN CHEESE SALES**  
SINCE 2013



**62%**

OF THAT INCREASE  
WAS DUE TO  
**SPECIALTY CHEESE**





# SINCE WISCONSIN MILK MARKETING BOARD WAS ESTABLISHED:

U.S. PER CAPITA CHEESE CONSUMPTION HAS RISEN MORE THAN

**70%**

+

WISCONSIN MILK PRODUCTION HAS RISEN

**27%**



# Summary: Driving Trust & Sales

*DFW exists to be the marketing and promotion arm of the Wisconsin Dairy Farmers. We aim to build trust in our Farmers and industry and demand for Wisconsin Dairy products through best in class marketing, research & partnerships*

## TRUST



Deepening Trust In:

- Dairy Farmers
- Dairy Farming and Practices
- Dairy Products
- Environment / Animal Care

By Multiple Methods:

- Dairy's Impact on Economy
- Partnering with DMI
- Research and Fact-Based

## SALES & DEMAND



Building Demand and Sales of Wisconsin Dairy Products:

- At Retail & Grocery Stores
- In Top Restaurant Chains Who Help Promote Wisconsin
- Using World Class Digital Marketing, Events, PR and In-Store Programs

## RESEARCH & EDUCATION



Research and Education are Central to Dairy Checkoff

- UW System & CDR
- Best Consumer and Science Researchers
- Education in Schools and Youth
- Educating Market Influencers



LOG IN SIGN UP

- WHO WE ARE
- DAIRY CHECKOFF
- VIDEOS
- WI DAIRY COMPANIES
- DAIRY PROMOTIONS
- BOARD OF DIRECTORS
- VIEW ALL OUR SITES

# MEET OUR WISCONSIN DAIRY FARMERS



Search WisconsinDairy.org

SEARCH



See how checkoff dollars shape America's Dairyland



The official newsroom of the Dairy Farmers of Wisconsin



Show Your Farmer Pride - Shop Now!



Wisconsin Cheese EatWisconsinCheese.com

WisconsinDairy.org

Chad Vincent  
[cvincent@wisconsindairy.org](mailto:cvincent@wisconsindairy.org)  
608-836-8820



# Youth & School Education



The Wisconsin Dairy Council, National Dairy Council and the NFL have teamed up bringing Dairy, Milk, Agriculture and Exercise messages to the classroom.



- ◆ Reached 38 million students across the country, 3 million in Wisconsin

## HEALTHY EATING RESULTS:

- ❖ 90% of FUTP60 students report they are eating/drinking more dairy!
- ❖ Overall school health environment is improved

## PHYSICAL ACTIVITY RESULTS:

- ❖ 90% of FUTP60 students report they are getting more physical activity at school and home
- ❖ Students are encouraging their families to get more physical activity