OREGON DAIRY MATTERS:
YOUR CHECKOFF DOLLARS AT WORK

2015 ACTIVITIES AND ACCOMPLISHMENTS REPORT
DEAR FRIENDS,

In the past few years, we've seen much change in the dairy industry at the national, regional, and at the state level here in Oregon.

In our own work, as we’ve transitioned to a new business model, the dairy community and Oregonians in general are seeing the benefits of that move.

Perhaps most notable is our new name and look. As of January 1, 2016, we became the Oregon Dairy and Nutrition Council (ODNC). The one name now reflects our work as a single organization in building trust in dairy foods and in the dairy farming community.

To that end, we’ve seen notable advances in 2015, as shown in these pages:

- By proven measure, students are eating healthier, getting more physical activity, and are consuming more dairy;
- Communities are embracing our efforts as a convener, drawing together like-minded individuals to pursue community health and wellness goals;
- From a base of ongoing relation building and shared values, partners increasingly are becoming advocates for dairy;
- Export development is showing signs of growing results, with international shipments pending;
- Dairy innovation is making inroads through the strength of individual processor efforts, with the Commission's foundation of innovation support;
- A gathering momentum to increase the industry's support through collaborative efforts at Oregon State University and through dairy organizations;
- And as a region, we have come together to chart a vision for the future of dairy in the Northwest.

In looking to the year ahead, we have many opportunities to pursue and deeper successes to achieve. With that forward vision, we refocused our program goals, consolidating these as one set for all program areas. This now further ties our efforts together as an organization.

These goals are:

1. Oregonians value dairy foods as irreplaceable in a healthy diet.
2. Consumers trust dairy farmers and dairy processors to produce safe, high-quality, and nutrient-rich dairy foods.
3. Oregonians believe that dairy farmers and processors are committed to healthy communities, a healthy planet, and provide healthy foods.
4. Oregonians work collaboratively to advance a thriving Oregon dairy industry.

As a board and staff, we’ve created a great foundation for our work ahead. We invite your ideas, thoughts and suggestions as we look forward to achieving a thriving dairy industry.

Sincerely,

Warren Chamberlain
Chairman, Oregon Dairy and Nutrition Council

EXPENDITURES FOR CALENDAR YEAR 2015

- EXPENDITURES FOR CALENDAR YEAR 2015
  - SCHOOL PROGRAMS $533,509
  - NUTRITION AFFAIRS $375,032
  - DAIY INDUSTRY CONVENTION $48,000
  - OSU RESEARCH $60,000
  - ODFA $300,000
  - SCHOLL PROGRAMS $533,509
  - COMMISSIONS PROGRAM/ODA $40,000
  - DMI/ODIA $779,150
  - EMERGENCY FUND $430,000
  - ADMINISTRATION $124,729
  - EXPORT $235,729
  - BUSINESS DEVELOPMENT $167,604
  - COMMUNICATIONS $712,900
  - ODFA $300,000
  - ADMINISTRATION $124,729

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TRADING UP IN OREGON DAIRY EXPORTS

Now beginning its third year, the Oregon Dairy Export Consortium continues to provide more resources, more often, and more quickly, than what would otherwise be possible by an individual dairy processor’s efforts alone.

Oregon dairy processors have taken advantage of these programs, as evidenced by increased participation in our export seminars, desired interest for funding assistance, and requests for market intelligence. Our export consultant has helped complete several export development plans, and provided multiple contacts and information resources.

Capping these efforts, we held Dairy Export Discovery Day. Three companies, with more than 70 years of collective dairy export experience, spoke about navigating the China dairy market; understanding how to cost and price products; sourcing consolidated perishable shipping services; and preparing products for international buyers.

Looking forward, plans are underway for the state’s second dairy trade mission in April 2016 to Southeast Asia in partnership with the U.S. Dairy Export Council, Oregon Department of Agriculture and with assistance by the Port of Portland.

FIGHTING HUNGER, GIVING BACK

In an average month, about 270,000 Oregonians eat food they received from a pantry – and about a third of those in need are children. We’re showing how Oregon dairy farm families and processors are doing something about it.

During June Dairy Month, ODNC led the Northwest Farmers Fighting Hunger campaign in partnership with the Washington Dairy Products Commission, Fred Meyer and QFC stores, as well as the departments of agriculture and food banks in Oregon and Washington.

Funds raised helped get more nutrient-rich dairy foods, such as milk, cheese and yogurt, into food pantries across the state. Our story was featured by several media outlets.

In 2016, we will focus our support on Farmers Ending Hunger and the Great American Milk Drive, while continuing to support and promote school breakfast and summer feeding programs. Combined, these efforts demonstrate our industry’s commitment to giving back to the community.

BY THE NUMBERS

70% Approximately 70% of Oregon dairy products go to other domestic or international markets.

$88 MILLION Dairy products are the fifth largest export commodity for Oregon, representing $88 million.

In 2015, eight dairy processors received one-on-one assistance from our export consultant.

BY THE NUMBERS

Northwest Farmers Fighting Hunger raised the equivalent of 195,634 pounds of food in 2015.

Oregon Food Bank also received 50,000 pounds of cheese and yogurt from dairy processors during June Dairy Month.

Northwest farmers donate more than 13.5 million pounds of food to food banks annually.
PROMOTING HEALTH AND WELLNESS

Dairy has a seat at the table with the medical community, schools and nutrition professionals. In partnership with the Nutrition Council of Oregon, we’re promoting healthy beverage choices. We work together with dietitians in our region on communications training, and state nutrition leaders are recommending milk as a nutrient-rich beverage.

Nearly 700 Oregon schools are now registered with Fuel Up to Play 60. Promoting wellness through diet and exercise, the program develops student leaders and faculty advocates and grants funding to schools and districts. We also provided 30 milk coolers to coaches in 2015.

Annually, we join with the Oregon Department of Education to give School Wellness Awards. We connect with coaches and athletes through our sponsorship of the Oregon School Activities Association.

Working with community leaders in Tillamook, we convened a town hall to discuss how nutrition and activity improves student learning and academic performance. This has grown into a community-wide “Year of Wellness” – a model to replicate in other communities.

“Almost all of the kids who participate in the breakfast program enjoy milk with their meal. The refrigerator bought with the Fuel Up funds has provided us adequate storage for milk.”

– Lynne Shore, Nutrition Director for Willamina School District

BOOSTING CONSUMER CONFIDENCE

Consumers are educated, informed and concerned about the quality of their food and how it is made. This includes everything from cow to table: how the animals are treated, labor practices, product safety, ingredients, environmental standards, sustainability and more.

Most Americans are generations removed from the farm, lacking a depth of knowledge about agriculture. We have positive stories to tell, so consumers can feel confident in Oregon dairy products, farms and our industry as a whole.

We have been amplifying a video series that informs and connects consumers with dairy farming. The first series, aimed at busting popular myths, is called the Udder Truth. More recently, a web series called Acres + Avenues swaps urban millennials with dairy farmers to “walk a mile in their boots.”

In December, we created the “12 Days of Giving,” highlighting Oregon producers and processors via social media. By telling positive stories and demystifying dairy, we’re building understanding and ideally turning consumers into advocates.
ENGAGING WITH THE COMMUNITY

In 2015, we helped showcase dairy at several community events. This included AgFest, county fairs, the Oregon State Fair, radio remotes, food drives, The Bite and more.

The Milk Carton Boat Race drew 2,500 attendees and 35 boats. We included partners such as Oregon Department of Agriculture, Darigold, Sunshine Dairy, Oregon Food Bank, Oregon Dairy Princess Ambassadors and Oregon Dairy Women. We also worked with community groups such as the Royal Rosarians, the Sea Scouts, Girl Scouts and local businesses.

In partnership with Jacksons Food Stores, we made the first iPad Learning Lab donation to an Oregon public school. Their “Milk Builds Strong Schools” program collected five percent of all gallon milk sales over a two month period to support the purchase.

We continue to support farm tours at dairies across the state with the new Farm Tour Guide and informational materials.

BY THE NUMBERS

Milk Carton Boat Race media coverage included two million impressions and 40 minutes of television.

1,506 VISITORS

1,506 people visited Rickreall Dairy last Spring through a tour program supported by the Council.

“Our new partnership with Oregon dairy farmers allowed us to create a campaign that benefits an Oregon school and promotes education through technology.”

– Cory Jackson, President of Jacksons Food Stores
CONNECTING WITH FARMERS

With the hiring of our Industry Relations and Communications Manager in August, Melinda Petersen started visiting dairy farms across the state. During on-farm visits and at area meetings, she has provided information, shared resources and helped demonstrate the value of the checkoff program.

Throughout the year, we have shared informational bulletins on items like the FDA's report on antibiotics and continue to provide updates through our newsletters and social media. In the year ahead, we are looking at new ways to keep producers better informed and engaged.

BY THE NUMBERS

We worked with farmers on media stories like a feature in Inbound Logistics on dairy logistics and technology, and a promotion on KATU for National Agriculture Week. In the year ahead, we will continue to pursue positive stories about Oregon dairy farmers as well as offer messaging support and media training.

Staff attended the Regional Crisis Drill in Denver, and the lessons learned from that experience are being applied to crisis planning efforts, including crisis training and resources for producers.

“Integrity has a name, hard work has a name, family values has a name and hope has a name and that’s dairy farmers.”

– Tom Gallagher, CEO of Dairy Management, Inc.

ACHIEVING NATIONAL SUCCESSES

Through ODNC, Oregon dairy farmer checkoff dollars are coordinated at the local and national level to advance the dairy industry.

Dairy Management, Inc. is growing demand for dairy – through partnerships with the biggest chain restaurants and retailers. The recent move by McDonald’s from margarine to butter means the equivalent of 600 million pounds of fluid milk just this year.

Staff dairy scientists devise products that grow dairy demand. National Dairy Council research is positively changing perceptions about milkfat with consumers and health professionals. The checkoff is also leading a fluid milk revitalization project that includes $500 million in plant revitalization and $250 million in marketing.

The online Dairy Hub and Amplification Center are helping drive compelling content to and from states like Oregon like never before. Their newsroom monitors developing stories real time in traditional and social media to identify issues of concern as well as opportunities to pursue.

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PROGRESS THROUGH PARTNERSHIPS

A theme that is evident across all of our program areas is the importance of partnerships and collaboration. At the Future of Dairy in the Northwest Conference in January, discussions revolved around ways the industry can work cooperatively.

The Council works closely with the Oregon Dairy Farmers Association, Oregon Dairy Industries, Oregon Dairy Women, the Dairy Princess Ambassadors, the Arbuthnot Dairy Center at Oregon State University, AgLink, Ag in the Classroom, Oregon Cheese Guild, Oregon Department of Agriculture, cooperatives, and counterparts in other states and regions. Our many partners and advocates in the realms of education, wellness, communications and business development are too numerous to list.

Through Dairy Management, Inc., we have connections with the NFL via Fuel Up to Play 60 and national brands like Domino’s, Taco Bell and McDonald’s through Common Voice and the Innovation Center for U.S. Dairy.

Looking forward, the ODNC is working with counterparts in the Pacific Northwest on regional crisis planning and communications efforts.

We can accomplish so much more collectively. As a region, we will continue to come together to chart a vision for a future of dairy in the Northwest.

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On the cover: You may have noticed that we have a new name and logo. What used to be known as Dairy Farmers of Oregon and Oregon Dairy Council is now known as the Oregon Dairy and Nutrition Council. This became effective on January 1, 2016.