Then and Now: Delivering for Oregon Dairy

2017 YEAR IN REVIEW

An annual publication from the Oregon Dairy and Nutrition Council
Dear Friends,

As I look back on our 2017 accomplishments, I’m reminded not so much of the challenges we’ve faced as an industry, but of the opportunities we can explore to benefit our farms, families and communities.

Toward that end, here at the Oregon Dairy and Nutrition Council, we have a highly engaged staff comprised of experienced professionals in their respective fields. Combined with a committed Board of Commissioners, we’ve advanced those opportunities in several areas, as outlined in these pages.

In Oregon schools we’ve helped increase the consumption of dairy through school meal programs and innovative approaches, such as yogurt smoothies. We have deepened dairy’s flagship school program, Fuel Up to Play 60, with a potential influence on more than 107,000 students statewide. In this leadership role, dairy also has gained greater trust in the school setting.

And we’ve established that trust in Oregon’s communities. Our series of Learning Connection Summits have convened diverse groups of health-minded individuals with a common vision. To date, Tillamook, Umatilla, and Central Point have made gains in health and wellness with dairy’s leadership.

Our relations with health professionals have created advocates for dairy’s messaging and nutritional benefits. In a like manner, we increasingly portray dairy farmers’ positive stories to support the values and sustainable practices of Oregon’s farm families.

We also have worked to build trust in our own dairy community, where we must continue to emphasize the role for dairy farms of all sizes, who can coexist and work together toward a thriving industry.

And, we’ve advanced our business development initiatives through dairy exports, resources for processors, and our support of Oregon State University’s Dairy Innovation Program to move more Oregon milk.

We look forward to working with you, with our counterparts regionally, and with Dairy Management, Inc. nationally in helping expand these opportunities even more. Our Board of Commissioners and staff are dedicated to these goals, and we welcome your participation and support.

Sincerely,

Steve Neahrng
Chairman, Oregon Dairy and Nutrition Council
“All farmers are environmentalists at heart.”
—Steve Pearson, Sar-Ben Farms

One gallon of milk is produced with 90 percent less land, 65 percent less water, and a 63 percent smaller carbon footprint than in 1944.

With support from checkoff, Oregon dairy farmers are active on social media. Tillamook dairy farmer Derrick Josi gained 14,000 followers in one year.

90%

ODNC’s nomination of Rickreall Dairy for a national sustainability award paid off in a big way in 2017 when the dairy became the first Oregon farm to win a U.S. Dairy Sustainability Award. Rickreall Dairy was the only farm west of the Mississippi River to receive the Outstanding Dairy Farm Sustainability Award, and one of only three farms honored nationally.

In coordination with the Innovation Center for U.S. Dairy and Darigold, ODNC followed up the award by crafting stories and gaining local and national coverage of the accomplishment, putting all of Oregon dairy in a good light.

ODNC hired Stacy Foster as its new Industry Relations and Communications Manager in 2017. Stacy has more than a decade of experience in creating and hosting dairy farm tours. She is working with Oregon dairies on how they can utilize the programs and services we offer, and how we can best serve producers’ needs.

14K

To increase crisis preparedness for Oregon’s dairy industry, ODNC conducted a planning workshop with farmers in Tillamook and helped send farmers and processors to a crisis drill delivered by Dairy Management, Inc. (DMI).

ODNC also brought in a DMI expert to conduct social media training for producers, processors and allied industry partners in October. Participants reported that their familiarity with the different social media platforms increased 24 percent.

ODNC continued to support farm tours in the state, including Rickreall Dairy, which provided materials to more than 2,000 visitors who toured the western Oregon dairy in 2017.
Connecting with Processors

“We can use all the support we can get. It really is a tough and competitive business and we know we can’t do this alone.”
—Susan Hall, Hall Brands LLC, maker of Chedz

Dairy employs nearly 1 million Americans. That employment has a $206 billion economic impact on the U.S. economy.

Dairy is Oregon’s fourth largest agricultural commodity, supported by 31 dairy food processors.

$206B

Much like our state’s great diversity of dairy farms, Oregon’s 31 dairy food processors range from small artisanal cheesemakers to large brands that are household names. Our staff is committed to their success.

ODNC funding supports innovation and process improvements for regional dairy processors. Supporting small- and medium-sized businesses through the expertise of Oregon State University’s Arbuthnot Dairy Center and Food Innovation Center, helps bring new products to market. A recent example is UpStar Nutrition, a frozen dairy dessert that is high protein and low calorie.

On a related note, the Oregon Quality Food and Beverage Products Initiative is progressing toward construction of a new $18 million state-of-the-art facility for pilot-scale research and teaching. This will strengthen our state’s research capabilities, product innovation and training for the next generation of dairy industry leaders.

We are also a resource for processors to access precompetitive research and vital information on everything from new regulations to emerging trends. Through creation of a regional resource center for processors, we are providing greater connections to the wealth of product, consumer, research and export knowledge available on the national level. Information is made actionable to Oregon processors through the outreach and expertise of ODNC staff.

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Strengthening Schools and Youth Wellness

In 2017, ODNC awarded 46 grants to schools through programs such as Fuel Up to Play 60 and School Nutrition Equipment Grants.

Total ounces of yogurt sold within Oregon grant-funded schools increased 36 percent, nearly twice the rate reported nationally.

Dairy consumption increased an average of three percentage points in schools that participated in Second Chance Breakfast programs.

46
36%
3%

ODNC’s schools team increased dairy consumption in schools across the state in 2017 and continued building goodwill among school and child nutrition partners.

Through its partnership with the Oregon Department of Education (ODE), ODNC held four regional culinary workshops for child nutrition professionals across the state, where participants learned new methods to encourage students to eat school meals with dairy-strong recipes.

In partnership with ODE’s Child Nutrition Program and Partners for a Hunger-Free Oregon, ODNC programs increased consumption of dairy products in school breakfasts through statewide campaigns.

Additionally, ODNC invited 20 school thought-leaders on tours of four dairy farms, resulting in an increased awareness of the attention dairy farmers place on animal care, food safety and environmental stewardship.

Schools that received ODNC Fuel Up to Play 60 grants continued to promote dairy consumption even after grant funding expired, providing long-term impacts.

Today, dairy is promoted through school programs and innovations, creating lifelong dairy consumers while advancing student and community wellness.

“Thanks to Fuel Up to Play 60 for being such a catalyst and partner for change.”
—Karen Hottman, Pelican Elementary School

“(ODNC’s) contribution to the school for the smoothie machine has helped us meet our student engagement through what we consider one of the first needs of students: eating nutritiously. Thank you so much for your support.”
—Wallowa School District Superintendent Bret Uptmor

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Health and Wellness: Growing Trust in Dairy

95 percent of attendees on our Willamette Valley Farm and Food Tour said they have more positive feelings about agriculture after the tour.

Worked with 7 dietetic interns for a total of 680+ hours in 2017.

ODNC continued building confidence in dairy among leading dietitians and nutritionists and worked to ensure that future nutrition leaders recognize the importance of dairy in a healthy diet.

With ODNC’s 2017 Honor the Harvest tour, we were able to change dairy perceptions among members of the Oregon Academy of Nutrition and Dietetics. And we had a similar response from a class of Oregon Health & Science University dietetic interns and master’s degree students after we took them on a Willamette Valley Farm and Food Tour that included a visit to a dairy.

In post-tour responses, dietitians commented positively about the strict testing for antibiotics in milk. Additionally, 95 percent of attendees of the Willamette Valley tour said they have more positive feelings about agriculture after the tour.

ODNC hosted a nutrition workshop in 2017 where an author and nutrition expert presented “dairy deliciousness” suggestions to 70 community members in Tillamook.

ODNC held our fifth annual communications training to help build dairy advocates and develop leaders for the profession, thereby enhancing the voice of nutrition experts in social media. And ODNC participated in statewide stakeholder groups concerned with diet and nutrition.

ODNC also led a Rogue Valley Learning Connection Summit and Farm Tour in 2017 that was attended by more than 60 leaders from public health, education, business and hunger programs. Along with continuing efforts in Umatilla and Tillamook counties, ODNC is helping these communities work together to improve child health and wellness. Improving school meal participation, including dairy, is one example of this work.

“I didn’t know about the strict testing for antibiotics in milk. This is a major concern we can relieve in our communities with this knowledge.”

—A member of the Oregon Academy of Nutrition and Dietetics after touring a dairy farm.

“The dairy farm is where I learned the most and what I have talked about the most since the tour.”

—A master’s degree dietitian student after touring a dairy in the Willamette Valley Farm and Food Tour.
1918 — 2018: Reflecting on 100 Years of Dairy

Oregon Legislature consolidates 13 boards, bureaus and commissions to create the Oregon Department of Agriculture.

First farm bulk tanks for milk began to replace milk cans.**

1918

Creation of the Oregon Dairy Council to advance the benefits of dairy nutrition.*

1931

Paper milk cartons introduced, coated with wax, later plastic.

1933

1938

1943

1964

1985

19

Legislature establishes the Oregon Dairy Products Commission, Oregon’s first commodity commission.

Oregon Dairy Council becomes part of the Oregon Dairy Products Commission; Dairy Farmers of Oregon name introduced.
It is amazing to see how much can change over the course of a century – and how some things stay the same. Statements from the earliest days of our organization about the importance of nutrition, cow care, food safety, labor and market conditions are as true now as they were then. Take a trip back in time to some key mileposts along the road to where we are today.

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<thead>
<tr>
<th>Year</th>
<th>Event</th>
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<tr>
<td>1993</td>
<td>“Got Milk?” advertising campaign launched, later transitioning to “Milk Life” in 2004.</td>
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<td>1995</td>
<td>Milk becomes Oregon’s Official State Beverage after sixth graders from Tillamook, Oregon petitioned the Oregon Legislature.</td>
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<td>2009</td>
<td>100th anniversary of the Oregon Dairy Council, 75th anniversary of the Oregon Dairy Products Commission.</td>
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<td>2016</td>
<td>“Got Milk?” campaign launches new tagline “Fuel Up to Play 60.”</td>
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<td>2017</td>
<td>Fuel Up to Play 60 program was created by NDC and NFL in collaboration with USDA.</td>
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<tr>
<td>2018</td>
<td>Rickreall Dairy received Oregon’s first U.S. Dairy Sustainability Award.</td>
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* Image courtesy of Oregon Historical Society  
** Image courtesy of Mark Moore, PdxHistory.com
On the 20th anniversary of milk as Oregon’s Official State Beverage, it was also reaffirmed as the official beverage of the Oregon School Activities Association.

Our 357,602 social media impressions in 2017 represent a 138% increase over a year, with Oregon Milk Month among the top drivers.

People will only trust, buy and advocate for what they understand. That’s why ODNC’s communications team works to increase awareness and support for the practices and products of Oregon dairy farmers and processors.

The dairy industry was highlighted in special events and through print, broadcast and digital media in 2017. We developed and shared stories about innovations at work on Oregon dairy farms, attention to animal welfare and environmental stewardship, and our industry’s active community involvement.

Our campaigns included recognition of the 20th anniversary of milk as Oregon’s Official State Beverage through promotions that included a governor’s proclamation of Oregon Milk Month at the Capitol and a Year of Milk celebration.

We partnered with Oregon Agriculture in the Classroom to highlight dairy in its Literacy Project,
Our industry is working together to make a new dairy badge available to the 14,381 Girl Scouts of Oregon and SW Washington.

More than 3.2 million pounds of dairy products were received by the Oregon Food Bank in 2017.

14,381

3.2M

We give back to Oregon communities by supporting wellness, nutrition and hunger programs designed to improve the health of Oregonians.

Through its Fuel Up to Play 60 program, ODNC advocated for and received an in-kind donation of 176 NFL Flag Football equipment and curriculum kits, which are used by physical education teachers for in-school and after-school activities. Worth an estimated $65,000, the kits reflect one part of the larger commitment of Oregon dairy farmers to the wellness of our youth.

We supported “Eat Well, Be Well” and “Move Well” events, both part of the Tillamook County Year of Wellness program, providing education on exercise, bone health and healthy eating for community members.

ODNC partnered with the Dairy Farmers of Washington on a Jacksons Food Stores’ promotion that donated five percent of the store’s gallon-milk purchases to the Milk Builds Strong Schools program. The promotion helped increase total milk sales in their stores by 40 percent and supported the purchase of iPad learning labs for local schools, such as King Elementary in Portland.

Dairy donations to the Oregon Food Bank (OFB) increased by more than 500,000 pounds in 2017. This is due to OFB staff valuing dairy nutrition and taking full advantage of every opportunity to get more dairy into their network either via donations or purchasing.

“We frequently purchase 8-ounce milks to support all of the folks we serve, but especially kids, who can pack a high-nutrient beverage in their lunches and snacks to promote their health.”

– Gretchen Miller, Sourcing and Operations Strategist, Oregon Food Bank
Dairy Exports: Going Global

“In the last 20 years, U.S. dairy exports have grown from less than $1 billion a year to nearly $5 billion.”

In 2017, ODNC worked at home and overseas to ensure dairy is well equipped to embrace ever expanding export opportunities in Asia.

Internationally, ODNC helped dairy companies build relationships with buyers in Southeast Asia through participation with four other states in a twelve-day trade mission that included involvement in the Vietnam Food and Hotel Show, as well as stops in Malaysia and Singapore.

At home, ODNC continued collaborating with dairy organizations in five other Western states on building consolidated load models to reduce freight costs.

ODNC obtained a Federal-State USDA Market Improvement Program grant in 2017 that includes opportunities in 2018 for processors to work one-on-one with foreign trade experts in preparation for selling, shipping and marketing dairy products in Southeast Asia.

And through our partnership with the U.S. Dairy Export Council, ODNC has secured booth space at the 2018 Food and Hotel Asia trade show in Singapore, the largest food and beverage show in Asia, where upwards of 78,000 people are expected to attend.
The national Undeniably Dairy campaign continued to capture consumer attention in 2017, generating 3.2 billion impressions. According to USDA, dairy checkoff returns $5 for every farmer dollar invested.

The national checkoff program continued to drive dairy sales in 2017 through product development work with pizza chains and quick-serve restaurants, which are key factors in increasing incremental milk sales.

New product launches by the checkoff partnerships of McDonald’s added to the increase. Checkoff’s work with food science and innovation is continuing to bring new items featuring dairy to the menu for national restaurant chains.

The relaunch of McDonald’s McCafe beverage line, use of butter instead of margarine and real soft-serve ice cream were impacts made possible because of checkoff-backed research that created a friendlier atmosphere for dietary fat. The chain’s already significant impact on dairy usage rose from an estimated 500-600 million pounds of milk equivalent annually to 700 million pounds.

Internationally, checkoff’s partnership with Yum! Brands (44,000 restaurants in 135 countries) saw significant movement in 2017, with further projections of increased exports due to pilot programs, to grow U.S. dairy sales in Latin America, the Caribbean and in the Pacific Rim.

National checkoff complements state checkoff efforts including our work in youth wellness, nutrition, exports, sustainability, communications and more. As one example, the Undeniably Dairy campaign, involving more than 170 companies and organizations and 3.2 billion impressions, is reconnecting consumers with their love of dairy and showcasing dairy’s commitment to animal care, local communities and the environment.
Total Budget Expenditures of 2017

- Emergency Fund: $450,000
- Commission Program/ODA: $40,000
- Capital Expenditures: $7,500
- DMI/UDIA: $832,000
- Producer Development: $320,000
- Administration: $150,119
- Nutrition Affairs: $373,123
- School Programs: $597,151
- Dairy Industry Development: $325,119
- Communications: $664,137

Total Budget: $3,759,149
Oregon Dairy and Nutrition Council Board

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WARREN CHAMBERLAIN Vice Chairman and National Dairy Board Member
GAREY FRITZ Secretary/Treasurer and U.S. Dairy Export Council Board Member
MARK EBERHARD Processor Member
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TODD LEUTHOLD Producer Member
LOUIE KAZEMIER Producer Member
MARTY MYERS Producer Member
KRISTYN ANDERSON Ex Officio
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