

2021 CHECKOFF HIGHLIGHTS

The dairy checkoff program works to build sales and trust in dairy. The following highlights some of our progress this past year to grow new opportunities for domestic and international sales, advance U.S. dairy's position in a global, sustainable food system, and build trust with the next generation of consumers.

SALES

Checkoff partners Domino's, Taco Bell and McDonald's **grew overall sales between 3% - 6%** in 2021 (YTD through September).



Domino's introduced new **cheesy marina** and **5-cheese dips** paired with parmesan or garlic twists.

Taco Bell launched the new dairy-based Mountain Dew Baja Freeze and Quesalupa, which uses **7 times more cheese** than a taco.



McDonald's featured **McFlurries** in consumer promotions that grew additional dairy sales.



International pizza partners fuel U.S. cheese growth. Pizza Hut Malaysia has grown its **U.S. cheese use 33%** through consumer promotions and delivery, while Domino's Middle East introduced its **½ Kilo Cheese Pizza** with more than 1 pound of U.S. cheese per pizza.

Year-to-date, **U.S. dairy exports are up 12%** - on pace for another record year.

Fluid milk partners **launch/expand value-added milk offerings**

from Darigold, Kroger and Shamrock Rocking Protein.



In e-commerce, **milk sales grew 24% and cheese sales by 16%** (thru October YTD versus previous year), fueled by partnership activities with Amazon and Kroger.



Visit USDairy.com or Drink-Milk.com for more information

MAKING EVERY DROP COUNT

American Dairy Association
MID-EAST

Undeniably Dairy's "Reset Yourself with Dairy"

campaign uses new, relatable content and channels to reach Gen Z with digital media,



cultural influencers, outreach on 400+ college campuses and retail promotions, and is on track to reach 230 million impressions through January 2022.

USDairy.com relaunch boosts **web-based search and positioning**, including top Google ranking, a 300% increase in recipe traffic and a 50% increase in overall users.

Fuel Up to Play 60 launched a fresh **new program and website**, driving 13,000 new downloads for its Student Zone App in less than one week, and more than 75,000 page views to the site.



BUILT WITH CHOCOLATE MILK

ADA Mideast's partnership with Ohio State Athletics reached **144+ million people** with chocolate milk messages during football and basketball seasons. Digital efforts throughout the year resulted in 4 million impressions



ADA Mideast generated about **133 million impressions** across multiple channels as a result of social and traditional media, influencer programs, Drink-Milk.com and online promotions.

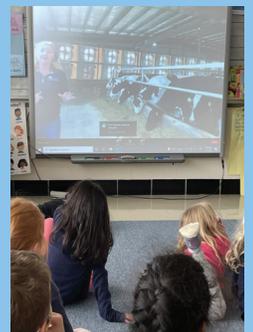
Trust-building efforts in earned media, paid promotion of dairy stories, partnerships, gaming, and cultural influencer programs drove more than **873 million impressions** to date across multiple channels. This includes 280 million impressions advancing full-fat dairy research.

By partnering with OHSAA and WVSSAC, ADA Mideast reached 950 schools about the **benefits of drinking chocolate milk.**



More than 2,100 Ohio and West Virginia classrooms

virtually adopted an Ohio dairy calf for their classroom through the Adopt A Cow program. They receive monthly updates on their calf and corresponding lesson plans.



Supported **industry-wide projects on 200+ farms** of all sizes across the country to implement environmentally friendly management practices.

U.S. dairy participation at 26th United Nations Climate Change meeting to advance **dairy as part of essential and sustainable food system.**



ADA Mideast hosted **7 dairy farm tours** for dietetic students and their professors to learn more about milk's journey from farm to fridge.

Through a partnership with Kroger, ADA Mideast helped create 60,000 booklets entitled "Eat Better, Eat Together with Real Dairy" that were distributed in **250 Kroger Little Clinics** around the country. The partnership also included a dairy nutrition presentation to 35 Kroger corporate dietitians, who assist Kroger customers.



Achieved 72 million impressions showcasing the **Innovation Center's 2020 U.S. Dairy Sustainability Report** that highlights U.S. dairy's accomplishments in environment, food security, animal care and workforce development.

Year-to-date, more than **2.2 billion servings of milk, cheese and yogurt** distributed through Feeding America network.



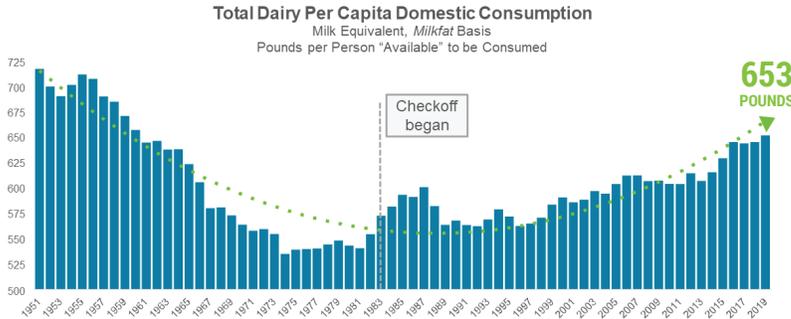
Through virtual or in-person presentations and webinars, ADA Mideast reached nearly **1,500 nutrition thought leaders** in Ohio and West Virginia about dairy's health benefits.



ADA Mideast reached about **29,000 doctors and dietitians** by placing advertorials in state health professional association journals. These ads highlighted the latest dairy nutrition science and helpful resources on Drink-Milk.com.

YOUR DAIRY CHECKOFF

THE U.S. CONTINUES TO BE A GROWTH MARKET FOR DAIRY



Source: USDA ERS. Note: This measure is a proxy for consumption as it does not consider food waste. Excludes exports.

The dairy checkoff program was created by dairy farmers to help sell the

18 BILLION POUNDS OF SURPLUS MILK

that existed in 1983.

Since the dairy checkoff began in 1984, dairy consumption has grown by

73 POUNDS PER PERSON

& dairy farmers have experienced an annual growth in milk's commercial disappearance.

WHO WE ARE

Dairy farmers pay 15 cents and dairy importers pay 7.5 cents for every hundred pounds of milk they sell or import into a generic dairy product promotion fund – familiarly called the “dairy checkoff” – that Dairy Management, Inc. manages along with state and regional promotion groups, like the American Dairy Association Mideast. That money – with USDA oversight – is used to fund programs aimed at promoting dairy consumption and protecting the good image of dairy farmers, dairy products and the dairy community.



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MAKING EVERY DROP COUNT

