Unbottled's Cheese Channel Results

Mimicking the ambiance of the classic fireplace channel, The Cheese Channel was Unbottled's take on combining cozy winter days with dairy. The stage was set with mouth-watering cheese on display and the glow and crackling noise of the fireplace in the background. The scene may have appeared calm, but the results of the campaign were roaring in positivity.

The Cheese Channel reached over eight million impressions across seven different channels, including Facebook, TikTok and Google. This campaign reached new audiences and metrics for Unbottled as it focused on audiences in Utah and Idaho but reached consumers outside of the region. Additionally, we collaborated with three influencers who shared their interactions with The Cheese Channel with their followings.

Meet the New Unbottled Influencers

Meet Kennady McQueen and Tyson Degenhart – the newest faces of Unbottled! Kennady is a women's basketball player at the University of Utah, and Tyson is a men's basketball player at Boise State University. From February through May, the two athletes will be creating content that showcases their healthy lifestyles that includes dairy. The two influencers will be posting on their personal platforms promoting the Unbottled brand, and we will also have a video and photoshoot to generate content for our own use.

Sign Up for the Farmer E-newsletters or Texts

Do you want more timely news, announcements, invitations and updates from Dairy West? Sign up to receive our monthly e-newsletters or text messages at dairywest.com/farmers or email Lacey Papageorge (lpapageorge@dairywest.com).

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Pioneers by Nature

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EVENTS AND DATES TO NOTE

MAY 9:	**AMBASSADOR TRAINING, TWIN FALLS, ID**
MAY 10:	**PROMOTION BOARD MEETINGS, TWIN FALLS, ID**
MAY 11:	**POLICY BOARD MEETING, TWIN FALLS, ID**
JUNE:	**NATIONAL DAIRY MONTH**

Send name and address corrections to lpapageorge@dairywest.com

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FARMER NEWSLETTER • FIRST QUARTER 2023

NOTE FROM

Karianne Fallow

DAIRY WEST CEO

I write this desperately wanting to wish you a Happy Spring, though for many of you, it may still feel like winter! My hope is that this much needed moisture will ease water-related stress late this summer and fall.

This edition of our newsletter is a great showcase of the work we do at Dairy West to inspire trust in dairy farming and dairy products and build demand for those products around the world. From local work and partnerships to those across the world, you'll see how your checkoff investment is working to help create a viable industry for the long-term.

At the March Dairy West Board Meeting, we learned about changing demographic trends that have real effects on consumer behavior. Key trends we learned about include:

- **Slowing Growth**: 2010-2020 saw the second smallest population growth among decades at just 7%.
- **Aging:** The birthrate in the US has fallen 20% since the 2007 Recession. The older population is growing at 13 times that of children.
- **Diversifying:** More than 40% of the U.S. population now identify as people of color. The white non-Hispanic population will drop to under 50% for Americans under age 40 by 2035.
- **Changing Structure:** The average US household size has dropped from 3.14 in 1970 to 2.5 in 2022. 71% of households do not have children, and the average age of parenthood has risen to 30.
- **Wealth Gap:** The highest 20% income bracket accounts for 39% of total food consumption and the lowest income earners are feeling severe pain from price increases. With SNAP (Supplemental Nutrition Assistance Program) emergency benefits having ended, many households are losing $95-$250/ month.

At Dairy West, we watch these trends closely because they have major implications for dairy consumption and present exciting marketing opportunities. Smaller households, for example, will buy smaller quantities or smaller containers of products and may shop more often than larger households. Aging adults, may be looking for innovative products that answer specific health conditions

Dairy West engages with partners to make an impact, and our work with processors, retailers, universities and others aims to capitalize on our shared goals of strengthening our community. We believe that dairy is a central part of our communities and by understanding how the people within our communities are changing, we can maintain our relevance and develop dairy advocates now and into the future.

Karianne
kfallow@dairywest.com

OUR MISSION

Inspire trust in dairy farming and dairy products and build demand for dairy products around the world.

OUR VISION

To catalyze a world where the dairy community is a positive change-maker.

OUR VALUES

Trust, Action, Stewardship

U.S. Trade in Southeast Asia

JOHN BRUBAKER, VICE CHAIRMAN OF THE DAIRY WEST BOARD

During December 2022, I had the privilege to represent the Dairy West Board and farmers across our region in a trade mission to SE Asia. While the mission was sponsored by Idaho Governor Brad Little and his cabinet, I was proud to represent both Dairy West states.

Singapore is a long trip from Buhl, Idaho, where I have a 500-cow dairy. Yet, it is also the premier trade and commerce center for one of the most impactful regions in the world for dairy. Here are some facts (and reasons why our participation was important):

- Singapore enjoys incredible political and economic stability, making it a place of great influence for market decisions.
- In addition to the City-State of Singapore, SE Asia is comprised of the Philippines, Laos, Vietnam, Thailand, Myanmar, Malaysia, Timor-Leste, Brunei, Cambodia and Indonesia.
- There are 675 million people living in the region and their collective income is growing rapidly.
- Aggregated, SE Asia is the top US Dairy export market by volume and has grown its purchases U.S. dairy products by 26% in value through the first 10 months of 2022.
- The US exported $1.4 billion in dairy sales to SE Asia in 2021.

A number of Idaho dairy companies joined the trip with us, and we were able to visit with some customers and other businesses whose growth parallels that of dairy. A highlight of the trip was a visit to and informational session with the US Dairy Export Council's (USDEC) U.S. Center for Dairy Excellence in Singapore. Funded, in large part, by dairy farmers including our region, we now have a physical dairy-centric innovation center in SE Asia where customers and suppliers can meet to explore opportunities to grow the category. The center is also used for training sessions and ideating new ingredient containing prototypes.

Connecting with the Governor, his staff and his cabinet was also extremely valuable from a relationship-building standpoint. I can say with certainty that our political leaders very much care about dairy's success.

In my experience serving on the Dairy West Board, the DMI Board and the DMI Export Committee, exports are critically important to sustaining the dairy community in Idaho and Utah. This most recent trip cemented that for me, and I hope that we continue to actively support the growth of exports of dairy products around the world.

Farmer Ambassador Class

Welcome to our 2023 farmer ambassador class! They will be involved in trainings and board meetings throughout the year while learning about Dairy West and the work being done on their behalf. Our class includes the following:

Andrew VanderWoude	George & Bridget VanderWoude Dairy in Parma, Idaho
Brandon Andersen	Elberta Valley Ag in Elberta, Utah
Brinlee Hall	EV & JW Hall Dairy in Logan, Utah
Mattie Sherwood	Cedar Ridge Farms in Nephi, Utah
Paxton Robinson	Acme Dairy in Oakley, Idaho
Tony Rigby	Rigby Dairy in Monteview, Idaho
Tyler Visser	Big Sky Dairy in Gooding, Idaho
Zach Hansen	4-C Corporation Dairy in Duchesne, Utah

Farmer Communications Survey

We want to enhance our communication with you! Please fill out this survey to help us determine how we can better our outreach across our different channels. You may have seen this request come through in our March e-newsletter, and we thank all those who have already shared their thoughts with us. If you have yet to complete the survey, we would appreciate hearing from you. Participants may opt into a drawing to receive one of five $50 gift cards. Thank you in advance for your time.

Just for Farmers

The Dairy West website has a dedicated section for farmers. Visit dairywest.com/farmers for the following:

- Request dairy product reimbursements
- Learn about our Ambassador Program
- Request farm tour goodies & nutrition education materials
- Read past newsletters
- Find upcoming meetings, conferences, and educational opportunities
- Listen to archived *In Udder Words* podcast episodes

For more information about farmer programs and resources, contact Lacey Papageorge (lpapageorge@dairywest.com).

Product Reimbursement

This program supports the community engagement efforts of our dairy farm families by offering reimbursement for dairy products purchased for community events and farm tours. To be reimbursed please do the following:

» Submit your receipts on our website *within 30 days of your purchase*
» Submit itemized receipts
» *Only include reimbursable dairy products* on your receipts

On-Farm Tour or Event

Dairy West will reimburse farmers in full for the purchase of dairy products given out during on-farm events. There is no reimbursement limit for on-farm events.

Community Event (Off Farm)

Each farmer can be reimbursed up to $200 per year to support community events. This $200 is based on the farm's permit number. There is a max of $600 for those with multiple permits.

Sustainability in the Food System

We joined a class of 40 students at the University of Utah to educate them on Sustainability in the Food System. The class involved a dairy, beef and urban farmer who shared their experiences with sustainability and answered questions around water, animal and environmental care. By the end of the class, 81% reported that they believe agriculture has a positive role in a sustainable future, which shows that this class helps to improve trust in dairy and agriculture. One student reported, "I like that more traditional ideas regarding agricultural sustainability (specifically about cows) were introduced which go against the "trendy" Gen Z narrative."

Partnership Spotlight

As we expand our retail line of work, we continue to learn how we can best help support our processor partners by learning about their strategies and helping them connect with new partners in retail. Through gathering insights, developing relationships and reflecting on past initiatives, our 2023 retail strategy will center around three key themes:

1. **E-commerce:** 95% of people shop both in stores AND online, so we will be promoting dairy in partnership with DMI and Instacart through e-advertisements. Campaigns in the fourth quarter of 2022 and the first quarter of 2023 have shown between a $3-$7 return on investment which is higher than the market expectation of $2-$3.

2. **In-Store Promotions:** 80% of people look for promotions while shopping, so we will partner with processors and retailers on in-store dairy promotions to drive sales and demand.

3. **On-Shelf Availability:** 29% of people who can't find the item they are looking for will change to other brands or other retailers. We want to make sure dairy is stocked, so we are investing in research and exploring innovative pilot programs to help keep dairy on shelves.

Celebrating Past Initiatives

The health & wellness team is excited to share program successes and impact from 2022:

» **Retail:** Dairy West has partnered with DMI and Stackline to help increase sales and demand for dairy products through online platforms, such as Instacart.

» **School Nutrition:** We had another successful Power Up Pack Grant year in 2022. We funded 20 packages that support schools as they offer new mobile serving lines that will add smoothies, lattes, hot chocolate milk and grab-and-go breakfast programs.

» **Farm to School:** This year we added over 350 classrooms to our new adopt-a-cow program. We have seen additional engagement using our resources as a direct result of this impactful program.

» **Health Professionals:** The year brought back in-person opportunities at some of our favorite health professional events where we engaged with over 300 health professionals throughout our region. Dairy West was proud to support both the Idaho and Utah Annual Dietetics Conferences in various capacities, as well as host a new event of our own, Cooking & Connecting, which brought together our partners for a year end celebration.

» **Community Wellness:** Dairy West aims to build stronger and healthier communities in our region, which is why we invest in work that aims to increase access to nutrient-rich dairy foods for those in need. Opportunities in 2022 included 35 pantry partners receiving new refrigerated merchandisers to allow the ability to procure and distribute dairy foods to more than 484,000 people in our communities.

» **Sports Nutrition**: In 2022, we reached over 40,000 student athletes through our virtual team talks and replenish with chocolate milk programs. Our goal is to provide resources to support the education of high school athletes to develop lifelong dairy consumers.

Eat Well Global

We know that sustainable eating is a hot topic that registered dietitians (RDs) are receiving more and more questions about, yet RDs report that it's challenging to stay up to date and informed on the issues. The health & wellness and farmer relations teams have started working with Eat Well Global, an agency that specializes in gathering healthcare professionals insights, to better understand local RDs' knowledge of and attitudes around dairy sustainability. Our team will work alongside Eat Well Global to create insights informed sustainability messages and initiatives that help increase the "movable middle's" trust and understanding of the dairy community's sustainability practices and goals.