




AMERICAN DAIRY
ASSOCIATION NORTH
EAST

Looking at the Long View of Dairy Checkoff

2023 ANNUAL REPORT

Looking at the Long View – Developing checkoff programs that sell more milk and dairy NOW to sustain and build life-long milk drinkers and dairy product consumers.

CEO MESSAGE



Operating a dairy farm is a business. While dairy farmers are managing the day-to-day tasks like feeding and milking cows, delivering new calves, and cleaning barns and alleyways, you are also looking at the long view of the farm. You plan for five, 10, 15 and more years ahead while making breeding, cropping, facilities, and succession and transition decisions. Not to mention, keeping up with the “bookwork,” and staying on top of countless regulations required for making a safe, nutritious product for consumption.

At American Dairy Association North East, we strive to follow our farmers’ examples, taking a similar approach with dairy checkoff. We aim to develop programs that will have long-lasting positive effects that will ultimately build trust and sales – and develop life-long dairy consumers. Just as farmers have to ensure the sustainability of their farms for future generations, we have to continue to develop markets in multiple distribution channels so there are consumers who want and enjoy milk and dairy products.

We create campaigns and programs that fall under the umbrellas of our retail, school, consumer and industry programs to meet our long-range goals. Just like farmers develop long-term relationships with their veterinarians, nutritionists, and milk cooperatives and processors, we know the importance of building relationships with our media, retail and school partners – and most importantly, with you, the dairy farmers.

Those partnerships help us stay on top of current and potential trends of what consumers want now and in the future. Just like on the farm, trends can change quickly, and we are prepared to meet them with the latest technology and research available to us.

As an example, our relationships with school foodservice personnel are so very critical to understanding and learning about the countless local, state and federal regulations that must be followed to offer milk and dairy with school meals. We have more than 1,800 school districts in our region, and just like every dairy farm, they follow the same rules but still operate their businesses differently to meet the needs of their students.

Like farmers, we are ready to pivot to meet whatever comes down the pipeline – but the overarching plan remains the same – building trust and sales in dairy through retail, schools, foodbank and food pantries, consumer and industry programs. And we constantly try to do it while keeping farmers’ investment as Priority One – so we are spending the funds judiciously and responsibly.

We’re so fortunate to have leaders like Audrey Donahoe and Lolly Leshner, along with the rest of our board members, who view checkoff as a business like the farms they operate every day. And they appreciate that sometimes we have to change what we’re doing in the daily plan to make the long view successful.

I am a firm believer that we “have to be in the building” (or in the barn) with direct interaction to build strong relationships and make crucial decisions. I’m so grateful to our dairy farmers, industry partners and our staff who all work together to positively affect the ever-evolving dairy industry. Thank you.

John Chrisman, CEO
American Dairy Association North East



“Don’t wait for opportunity, create it.”

– George Bernard Shaw

The time is right for us to build trust and grow sales in dairy thanks to the multitude of opportunities available to us through our dairy checkoff investment.

Checkoff is making long-term decisions on our behalf like:

- Proving the nutritional benefits of milk through research and sound science.
- Securing dairy’s place in school meals by developing delicious menu options that kids have access to and are going to enjoy every day.
- Creating additional space in the dairy aisle with more real dairy options right at shoppers’ fingertips.
- Connecting with social media influencers who are in touch with hundreds of thousands of consumers who make decisions based on their messaging.

Our staff is strategic and purposeful in the relationships they develop and how they cultivate them to benefit the dairy industry in the long run. As farmers we’re dedicated and passionate about creating a safe, nutritious and delicious product – and we see the staff as dedicated and passionate about promoting that product on our behalf.

We’re keeping our farms going for future generations, and we must make management decisions every single day to ensure that happens. The same is true for dairy checkoff.

We’re proud of what dairy checkoff is doing for dairy farmers, and we’re honored to serve as the leaders of American Dairy Association North East and Pennsylvania Dairy Promotion Program. We are committed to working on behalf of all dairy farmers in our region and want to lead by example. We welcome conversations with anyone about the value of our checkoff investment – it’s worth it now and for the future.



Audrey Donahoe, President
American Dairy
Association North East



Lolly Leshner, Chair
Pennsylvania Dairy Promotion
Program

Long View: Increasing Dairy Sales at the Store Level

With 75% of milk, 71% of yogurt and 33% of cheese sold at retail outlets, ADA North East's retail team is dedicated to working with long-term retail partners across the region to keep in-store sales robust.

MAKING IT HAPPEN:

Dairy Aisle Performance Program – We keep an eye on the dairy case to ensure consumers see that they are *clean, cold and well-stocked* and we make recommendations to store management.

- Our team made 7,528 visits to 1,959 stores – and added 270 more stores in 2023.
- Hygiene issues were addressed and corrected in 489 stores.
- Planogram reviews collected data on space gains/losses to discuss with corporate management in order to maximize sales.

Results example: ADA North East helped Price Chopper with space allocation that gained 176,416 pounds of milk to be sold for one year in one store.

- 3,070 new secondary placements of dairy foods in other departments with 3,880 total cross merch displays were maintained in stores across the region.

Results example: A “Back to School” campaign at Acme/Safeway showed a 26+% increase in sales with 245,288 pounds of milk sold during the month-long campaign.

Dairy Aisle Reinvention Program – Providing a new look in the dairy aisle to make shoppers’ experiences convenient and pleasant.

- Updated dairy aisle signage in 196 stores in 2023 and in more than 2,000 total stores across the Northeast.
- 280 stores received new farm-to-table signage featuring local dairy farm families to build trust with consumers. More than 800 stores have signage across the region.
- 75 new stores received **yogurt dividers** to make more than 2,000 stores in total.

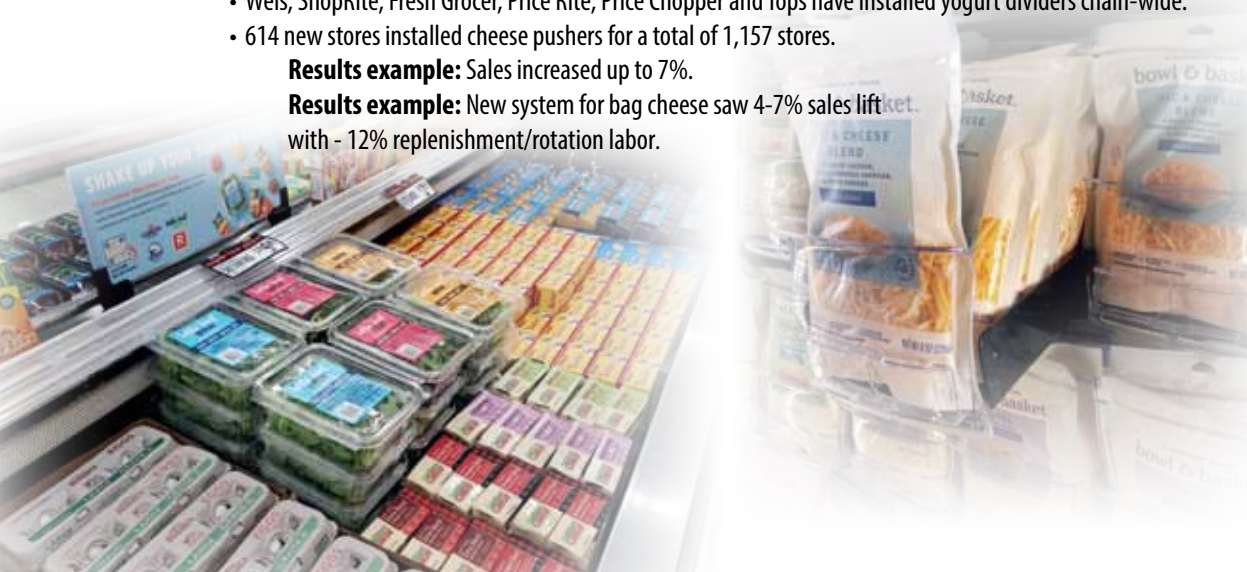
Results example: Retail chains invested \$8 million after we installed yogurt dividers in test stores.

- Weis, ShopRite, Fresh Grocer, Price Rite, Price Chopper and Tops have installed yogurt dividers chain-wide.

- 614 new stores installed cheese pushers for a total of 1,157 stores.

Results example: Sales increased up to 7%.

Results example: New system for bag cheese saw 4-7% sales lift with - 12% replenishment/rotation labor.



MILK NUTRIENT RICH HIGH IN PROTEIN



KEYSTONE FARM
EASTON, PA

E-Commerce Programs – Online grocery sales are 12+% of all grocery sales and ADA North East reaches consumers through multiple platforms.

- Target audiences are dairy customers, plant beverage consumers and “healthy consumers” (actively looking for healthy foods and snacks).

Results example: \$4.5 million in sales were generated from our e-Commerce programs. For every \$1 we spent on advertisements, we tracked \$18 in sales.

Results example: Cottage Cheese e-Commerce campaign on Instacart in the Fall of 2023 generated \$139,000 in sales – 30% of sales came from shoppers who hadn’t bought cottage cheese in the past six months.



Fill a Glass with Hope – The charitable food campaign with Feeding Pennsylvania and PA Dairymen’s Association that has helped food banks get 36 million servings of milk to families in need.

Results example: Raised \$644,748

- \$201,000 in corporate donations raised by Feeding Pennsylvania and local food banks
- \$443,748 raised by ADA North East’s retail consumer donations

Processor and Foodbanks – Helping to place cooling equipment in food banks so they are able to provide milk to families.

Results example:

- 38 coolers were placed thanks to a \$100,000 Feeding NY Boundless grant that paid for 29 coolers and ADA North East paid for four coolers.

Dollar General Promotion – ADA North East partnered with Dairy Management Inc., on the promotion that increased awareness of fluid milk in 1,300 stores across the our region by placing signage in milk and cookie aisles.

Results example: In total, 434,000 incremental pounds of milk were sold – or an 3.4% increase in units.



Long View: Securing Dairy's Place on School Menus and Increasing School Meal Participation

ADA North East youth programs team focuses on developing and implementing proven school programs that benefit the "whole child," or students' overall health and wellness, which fuels success and sells more dairy through meal participation.

MAKING IT HAPPEN:

More students consuming school meals equals more milk and dairy sold.

ADA North East developed and implements these program strategies:

Success Starts Early with Breakfast After the Bell

- 140,387 additional students consuming breakfast.

School Lunch Adds Up!

- Added 129,510 additional students eating lunch.

Results example: Both initiatives were implemented in 90 school districts (3,000 schools with 1.8 million students) and sold a combined total of 14.8 million additional pounds of milk through 34 million more school meals.

ADA North East Menu Enhancement Initiatives help keep milk and dairy in school meals:

Strive for 35

- Kids love cold milk so we offer tactics to protect milk quality and serve it at the optimal temperature of 35°.

Results example: 3,769 schools from 458 districts enrolled in the program.

Just Say Cheese – Overall cheese sales increased 72%

Results example: Hempfield, Pa. – Introduced three new types of pizza daily on the high school menu, adding an average of 36 more pounds of cheese per day.

Results example: Broom Tioga, N.Y. – Introduced walking tacos in 15 school districts (72 schools) – now on the menu every week.

Yogurt All Ways – Overall yogurt sales increased 274%

Results example: Binghamton, N.Y. – Introduced a variety of yogurt smoothies offered daily for breakfast district-wide for a 885% yogurt sales increase.

Results example: Southmoreland, Pa. – Introduced "Yogurt to Go" daily on-the-go smoothies for all students, netting a 226% increase in yogurt sales.

Moo Latte – Increasing incremental milk sales among Gen Z and debuted Fall 2023 in three New York districts

Results example: Brighton High School implemented the Moo Latte program and 8-ounce milk servings increased by 53% in a one-week period.



Farm-to-School programs allow for ADA North East to make sure dairy is included in local food education efforts, as part of nutrition programming and school meals.

- Developed lesson plans with recipes available on NutritionConnection.org and AmericanDairy.com, and distributed during National School Breakfast and School Lunch Week and World School Milk Day, as well as in nutrition association publications.

Results example: Maryland Homegrown: 100+ students enjoyed newly created watermelon smoothies and participated in educational games with dairy facts on farming, cows and dairy nutrition. As a result Prince George's County, Maryland Public Schools will begin serving smoothies district-wide January 2024.

New York Thursdays is the New York State Department of Agriculture and Markets' initiative that promotes the availability of locally-sourced New York foods like milk and dairy for school meals.

- "Dairy and Plants are Better Together" was developed to promote the benefits of milk and dairy proactively on trending "plant-forward" school menus.





Strategic Partnerships with school nutrition associations, anti-hunger advocates, and others are critical alliances for our in-school and community success as they provide broad-based facilitation for placing our dairy sales programs, allowing us to remain credible and favorably impact school meals.

Fuel Up to Play 60 is now Fuel Up, and provides access to students in schools and communities, and facilitates additional support for our strategies designed to protect and promote dairy in schools.

- 8,555 schools enrolled in FUPT60 in 2023
- Launching a new era for dairy in schools – fueling students and motivating stakeholders to become champions for school meals with dairy!
 - o Sell more dairy in schools
 - o Support wellness for students and communities
 - o Build lifetime dairy consumers
 - o Protect dairy on school menus
 - o Expand partnerships with new sports leagues



Nate Chittenden of Dutch Hollow Farm, Schodack Landing, N.Y., hosted 50 New York City high school students and teachers during National Farm-to-School Month to help build understanding and trust in dairy.



CONSUMER COMMUNICATIONS

Long View: Promoting Dairy to Today's Consumers to Build Trust and Sales



Meeting the ever-changing needs of consumers is critical to building trust in dairy. First, ADA North East must determine how to deliver dairy messages and what is the most effective communications channel for us to reach them. For each consumer, the path to purchase can be different. We use a multipronged approach to ensure consumers view dairy foods as relevant to their lifestyles, a source of health and wellness, and that the products they purchase are sustainably and responsibly produced.

MAKING IT HAPPEN:

- Build trust in dairy through omnichannel marketing - connecting with consumers through multiple communications platforms such as traditional television newscasts and via digital channels.
- Drive dairy sales, increase brand awareness, and improve consumer engagement through digital and virtual connections.

Traditional news media

Results example:

- 2,828 News stories placed
- 908.6 million impressions
- \$3.6 million advertising value (if we had purchased the ad time)



AmericanDairy.com — our content and storytelling hub for three audiences: dairy farmers, program partners and consumers.

Results example:

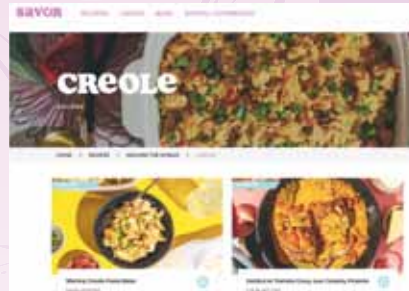
- 49% increase in non-paid traffic to AmericanDairy.com
- 1.9 million website visits
- 100.1 million impressions
- **This American Dairy Farmer** — our consumer-facing personal interest video series to help consumers connect with dairy farmers has racked up more than 3 million views since it first aired.



SavorRecipes.com - ADA North East's consumer-facing website and home for dairy-centric recipes and e-Commerce integration.

Results example: Incorporated Search Engine Optimization to grow website visitors

- Traffic increased by **35%!!**
- Multicultural influencers add cultural authenticity to content while growing Savor's reach to people of all backgrounds.
- "Savor the World" – six live cooking and baking classes that drew 1.1 million impressions and 7,582 participants, highlighting dairy in international cuisines.
- Growing Spanish language web content through a microsite on AmericanDairy.com and a Spanish recipe database on SavorRecipes.com.



savor
MEALS • MOMENTS • WHAT MATTERS

Re-introduce consumers to dairy farmers and dairy products through positive and memorable events.

Results example: Hosted **47 events** with **33,000+ consumers**

- The Strong National Museum of Play partnership in Rochester, N.Y., included signage and events to reach Gen Alpha children and young parents. Events included Fit Kids Day, Hispanic Heritage Celebration and Happiest Hour events that put dairy on display.
- State fair participation provides a variety of opportunities to reach consumers with positive dairy messages – both in person and digitally – with butter sculptures, media interviews, celebrity milkshake contests, and more!



• **Chef Meets Farm** – National Dairy Month campaign that featured celebrity chef Anthony Contrino whipping up dairy-rich recipes with three different dairy farmers.



Health and Wellness – Deepen relationships with health professionals (physicians, nurses, dietitians) to provide accurate information and resources on dairy nutrition.

- Our staff registered dietitians provided education around dairy’s role in a healthy diet.

Results example: Partnerships with 5,600+ health professionals in 2023 through:

- National Dairy Council
- National Medical Association
- New York City Office of School Health
- New York State Academy of Nutrition and Dietetics
- New York State Academy of Family Physicians
- Pennsylvania Academy of Nutrition and Dietetics
- Pennsylvania Academy of Family Physicians
- Pennsylvania American Academy of Pediatrics
- Maryland Academy of Family Physicians
- Maryland Academy of Nutrition and Dietetics
- Maryland Academy of Pediatrics
- New Jersey Academy of Nutrition and Dietetics
- New Jersey American Academy of Pediatrics
- Pediatric care specialists
- Retail dietitians



Key consumer audiences:

- Adolescents (ages 13-17)
- Young adults (ages 18-24)
- Parents of young children (ages 25-44)



Gen Z

- Targeted campaigns: TikTok for ADA North East and SavorRecipes; SavorRecipes on Snapchat; work with social media influencers.
- Modernized sports marketing to include college athlete influencers, livestream high school sports, geo-fencing high school sports, and youth sports app advertising.
- Esports and gaming included a sponsorship –
 - o “Powered by Chocolate Milk” - with college eSports teams to promote Gen Z gamer influencer marketing and digital ads to Gen Z gamers.



Dorm Room Dairy geo-targeted college students with inexpensive, easy-to-make dairy recipes that require minimal appliances and ingredients – and tracked **2.28 million** social media impressions.

“**Team Chocolate Milk**” partnered with the new Philadelphia sports media company PHLY to promote chocolate milk as the best recovery beverage at the Big 5 Classic college basketball championship.



Long View: Coaching and Supporting Farmers to Proactively Promote and Sell Dairy

Our programs open the door for farmer voices to reach consumers with their sustainability stories, by helping improve communications skills.

Spokesperson development – prepares farmers to share their stories.

Results example: ADA North East provided media training to dairy farmers that reached nearly **32 million** consumers across the six-state region and hosted **99 farmers at events**.

Virtual Farm Tours – enable ADA North East to actively engage Gen Z students on digital platforms in school. The free tours offer curriculum standards-approved lesson plans and quizzes.

Results example: 12 tours with six dairy farmers drew 63,790 students and 3,224 schools Spring and Fall 2023 tours.

- More than 600,000 views since the program started in 2018!
- Classroom lesson plans reached **5.4 million** educators and students.



Farmers in the Media – Seeing farmers portrayed in a positive light as part of the news cycle positions them as experts in their fields and allows consumers to learn how their food is produced, by the people who produce it.



Results example: 58 farmer media interviews coordinated by ADA North East.

- Inspiring advocacy through digital media with **American DairyENGAGED** by providing effective and consistent messaging for farmers to reach consumers.

Results example:

- Nearly **1,089 members** in Facebook group
- **130 pieces** of shareable content provided to group members
- **26 pieces** of educational content for farmers





American Dairy **ENGAGED#influencers** is a dedicated group of dairy farmers supported with information and themes to share on personal and farm social media channels.

Results example:
• 12 dairy farmer influencers create monthly content and reached **632,708 consumers.**

Farmer communications show farmers how ADA North East is using their checkoff investment through:

- 80+ articles and releases sent with 2 million impressions – Hoard’s blog added!
- 104 digital news updates with an average open rate of 28.2% .
- Annual report, 2 newsletters and 2 PA Dairy Posts .
- Reached nearly 5,000 farmers through face-to-face meetings.



Local Grassroots Promotion

ADA North East supports, trains and inspires young dairy advocates who represent farmers and connect with consumers in all six states.

- State and county dairy promoters participated in in-store retail activations, school events, Fill a Glass with Hope® campaigns, and state fair events in Pennsylvania, New York and Maryland.



ADA North East joined MilkPEP to promote the #TeamMilk women running in the New York City Marathon. New York Dairy Ambassador Arianna Aman helped distribute the 6,000 bottles of Hudson Valley Fresh chocolate milk.





Reputation Management - Issues and Crisis Preparedness

ADA North East staff maintains a state of readiness to respond to a crisis or emerging issues affecting dairy. We monitor local and national media 24/7 to assess potential threats – and if a response is warranted, it will be addressed within two hours. Our ADA North East staff is also regularly trained and prepared for issues management.

Results example: Our on-staff crisis communications team stayed abreast of the nationwide milk carton shortage that occurred in Fall 2023, limiting the packaging for school milk. We developed resource materials for local schools and created the “Milk Carton Shortage Grant” for schools to apply to put toward serving equipment and supplies, so students had uninterrupted access to milk.



Environmental Outreach

Sharing dairy’s sustainability strategies with consumers and environmental stakeholders builds trust in farmers and in the products they produce. ADA North East creates media content, develops consumer messaging, organizes farm tours, and participates in meetings and forums.

Results example:

- Hosted/organized 5 farm tours for the environmental community
 - o Choose Clean Water Conference
 - o Tour to Brubaker Farm in Mount Joy, Pa.
 - o Chesapeake Watershed Forum
 - o Tour to Shenandoah Jerseys in Boonsboro, Md.
- Partners – Partners for Healthy Watersheds, Watershed Agricultural Council, Rochester Ecology Partners, Genessee River Watch, Innovation Center for U.S. Dairy.



NATIONAL DAIRY CHECKOFF NEWS

“If not your checkoff, who?”

– Dairy Management Inc. CEO and President Barb O’Brien



Mayo Clinic Collaboration – The five-year commitment is based on a shared vision and values, and is working to accelerate dairy nutrition research, education, outreach and transformation. Research based on sound science brings credibility to dairy nutrition.

Global Foodservice Partnerships –

Checkoff’s most exciting and measurable programs are with food service partners like Taco Bell, McDonald’s, Domino’s and Raising Cane’s that can quantify volume impact year over year.

Results example: Taco Bell projected dairy volume increases of up to 7% last year in part thanks to checkoff’s onsite food science team that created the grilled cheese burrito that uses 10 times the amount of cheese than a regular crunchy taco.



Influencers are using social/digital media to reach consumer audiences with positive dairy messages on behalf of dairy farmers. The chefs, recipe developers, “foodies,” gamers and lifestyle influencers checkoff partners with have 25 million followers combined, plus YouTube sensation Mr. Beast who helps tell the dairy environmental story with his 106+ million followers.



U.S. Dairy Export Council led efforts have helped the U.S. become the world’s third-largest dairy supplier, with customers in more than 150 countries. The potential is great with 95% of the world’s population beyond U.S. borders.



INCOME

		% of total
New York	\$ 10,200,000	54.16%
New Jersey	\$ 60,000	0.32%
Pennsylvania, Maryland, Delaware & Virginia	\$ 8,563,129	45.47%
Other Income	\$ 10,690	0.06%
	\$ 18,833,819	

EXPENSES

		% of total
Youth Programs	\$ 4,041,881	21.47%
Retail	\$ 3,325,601	17.67%
Consumer Communications	\$ 3,965,450	21.07%
Industry Relations	\$ 2,096,852	11.14%
National Programs	\$ 4,830,782	25.66%
Administration	\$ 562,906	2.99%
	\$ 18,823,472	

2023 BOARD MEMBERS



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Lolly Leshner, Bernville, Pa. – *Chair*
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Representing Pennsylvania Agriculture
Secretary Russell Redding

American Dairy Association North East and Pennsylvania Dairy Promotion Program are the dairy farmer-funded organizations funded by participating dairy farmers' checkoff investment to build demand and sales for milk and dairy foods throughout the local region. Representing nearly 8,500 dairy farm families in Delaware, Maryland, New Jersey, New York, Pennsylvania and northern Virginia, we develop and implement local programs to drive milk and dairy sales at retail and in schools. The organizations conduct consumer education about dairy through events, traditional and social media and in collaboration with health professionals through National Dairy Council®. We work closely with Dairy Management Inc.™, the national dairy checkoff, to support nutrition research, national partnerships and developing export markets for dairy to bring a fully integrated promotion program to the region.



AMERICAN DAIRY ASSOCIATION NORTH EAST

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Terry Ives, Bainbridge, N.Y.
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