

NDDPC North Dakota Dairy Promotion Commission

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REPORT TO 2023 NORTH DAKOTA LEGISLATIVE ASSEMBLY SENATE AND HOUSE AGRICULTURE COMMITTEES

Introduction

The North Dakota Dairy Promotion Commission (NDDPC) was established by the North Dakota Century Code (NDCC), chapter 4.1-05, and is responsible for funding of research, education programs and market development efforts to promote the increased sale and consumption of dairy products, as well as participation in programs under the auspices of state, regional, national and international dairy promotion groups. The intent of this summary is to explain how the North Dakota Dairy Promotion Commission (NDDPC) is fulfilling this legislative mandate.

Collection and Distribution of Funds

By federal mandate, each dairy farmer in the U.S. must contribute 15 cents per hundredweight of milk sold to a licensed plant. Five cents is directed to the National Dairy Board (NDC), and 10 cents is directed to the North Dakota Dairy Promotion Commission. The North Dakota Dairy Promotion Commission contracts with [Midwest Dairy](#) to plan and implement its programs. Midwest Dairy covers 10 states: North Dakota, South Dakota, Minnesota, Iowa, majority of Kansas, Missouri, Nebraska, Arkansas, Illinois and the eastern half of Oklahoma. Midwest Dairy reaches more than 41 million consumers in the region and represents about 4,800 dairy farmers. It currently administers a budget of \$22.5 million.

It is important to note that North Dakota dairy farmers maintain control of their state-specific programs and the direction of their funds. The North Dakota Dairy Promotion Commission retains final approval of a contract each year with Midwest Dairy to carry out its promotion programs. Furthermore, all members of the North Dakota Dairy Promotion Commission serve as members of Midwest Dairy's North Dakota Division board, along with other North Dakota dairy producers and representatives of the North Dakota dairy industry.

Description of Group

On behalf of North Dakota dairy producers, **Midwest Dairy** works to build dairy demand by inspiring consumer confidence in our products and production practices. Our programs support the entire dairy community, rather than specific brands or dairy companies. We are prohibited from participating in regulatory activities or influencing government policy.

Midwest Dairy works to coordinate its spending with that of the national checkoff program, making it more efficient and effective while still focusing on Midwest priorities. The nickel that is contributed to the national promotion program and the dime received by Midwest Dairy come together to maximize the return on investment of our farmer funders.

The North Dakota Dairy Promotion Commission and the Midwest Dairy North Dakota Division board meet as a group twice a year to discuss and approve the budget, receive reports of national, regional and local promotion activities and discuss upcoming events and activities.

The North Dakota Division of Midwest Dairy also follows the contribution of the state's dairy farmers through the regional organization and on to the national level through board representation. North Dakota is represented on the Midwest Dairy Corporate board according to North Dakota's checkoff contribution as a percentage of the total budget. Thus, each year the North Dakota Division elects two of its members to serve on the corporate board. The members serving from North Dakota during this biennium were as follows: Rita Mosset, Linton until April 2021; Sue Kleingartner, Gackle, and Lilah Krebs, Dickinson are the current members of the Midwest Dairy Corporate board.

North Dakota dairy producers are well-informed about their dairy promotion programs. Annual dairy producer meetings are held in several locations throughout the state each year. Each dairy producer receives an invitation to attend one of these meetings where Midwest Dairy board and staff provide information on how checkoff dollars are invested, while soliciting their direction and feedback. The meetings provide grassroots accountability back to those who fund the program. In addition, every dairy producer in North Dakota receives [periodic newsletter reports and an annual report](#) from the organization, and many also receive a monthly e-newsletter on promotional activities carried out on their behalf. Additional promotion updates are given at industry meetings such as the North Dakota Dairy Convention.

Promotional Highlights for Current Biennium

Midwest Dairy has focused on maximizing the dairy farmer investment by creating programs and resources to build dairy demand and trust; advance research in dairy; create dairy checkoff advocates and develop farm and community leaders for dairy. Following are several promotional highlights for the current biennium:

Foodservice Partnerships

National partnerships play a foundational role in the dairy checkoff's work and its mission to drive dairy sales and trust by working with, and through, food and beverage industry leaders both domestically and internationally. These partnerships focus on immediate and long-term sales opportunities with a concentrated focus on product, menu and packaging innovation along with advertising. This includes leveraging dairy in new ways to meet evolving consumer needs, including offering new dairy-inclusive menu items and/or new occasions, including breakfast and snacking.

Checkoff has continued its partnerships with foodservice leaders **Domino's®**, **McDonald's®**, **Pizza Hut®** and **Taco Bell®**, however, did sunset the Pizza Hut domestic partnership in 2021. Our food service partners grew an average of 3 percent (milk equivalent percentage growth) since 2009, nearly double the national sales average of 1.7 percent.

In 2021, our partners Domino's, McDonald's, and Taco Bell had nearly 3,700 locations within the Midwest Dairy region, with over 50 locations in North Dakota alone. Additionally, our partners continue to invest in national advertising helping tell our dairy and dairy farmer story.

Our food service partners introduced nine new products and continue to include dairy in their innovation and advertising efforts. Specific food service examples include



Domino's developed cheesy dips to complement their breadsticks and has maintained their school presence with SmartSlice and continues to support our dairy farmers through messaging.



Taco Bell continues to launch innovative, dairy-inclusive products with the support of checkoff. Launches include the Grilled Cheese Burrito, the relaunch of the quesalupa (which checkoff helped develop) which has seven times the amount of dairy than a regular taco and multiple variations of frozen beverages that feature a dairy-based creamer (examples include the Baja Blast Freeze and Mango Whip Freeze). Additionally, they converted their non-dairy creamer to dairy-based throughout all their locations. This has put dairy in new areas and occasions on Taco Bell's menu continuing to drive dairy sales and trust.



McDonald's has refreshed their McCafe beverage menu featuring dairy, along with heavily promoting their limited-time McFlurry flavors such as the Caramel Brownie McFlurry.



Fluid Milk and Retail Partners

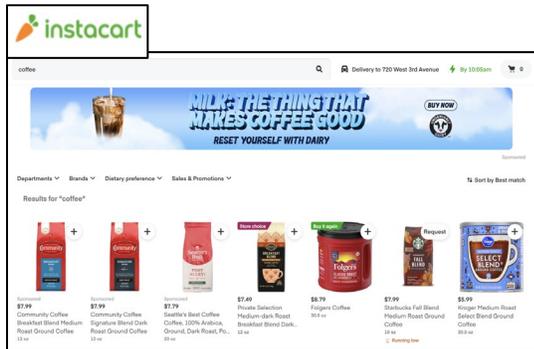
Revitalizing the fluid milk category remains a checkoff priority. To accomplish this, we work with targeted fluid milk processors who share farmers' commitment to invest in innovation, packaging and branded marketing efforts. Through this initiative, we partnered with four core dairy/food companies: **General Mills®**, **Dairy Farmers of America®**, **Darigold®**, **Kroger®** and **Shamrock Farms®**. These efforts have led to sustainable change for the category through investments in advertising, staffing and product innovation. Milk and retail partners introduced 20 new products in 2021.

In 2021, dairy checkoff sales-driving efforts focused on delivering results in the short term while keeping a close eye on the future. In all, U.S. food service partners Domino's®, McDonald's®, and Taco Bell® dairy sales grew an additional 250 million pounds (milk equivalent) in 2021.

These results reinforce that the checkoff partners with industry leaders that make an impact. In fact, DMI's food service partner dairy use has grown an average 3 percent (milk equivalent percentage growth) since 2009, which is nearly double the industry average of 1.7 percent. This means an increase of 2.2 billion pounds (milk equivalent) since 2009.

Innovation paved the way to this success. National food service partners introduced nine new dairy-rich products in 2021 alone.

Taco Bell introduced its Mountain Dew Baja Blast Colada Freeze in more than 7,500 U.S. locations, using a tropic-infused dairy cream.



DMI continued its work with Amazon in our role as dairy "category captain" for the e-commerce giant, sharing consumer insights that can drive online traffic and sales. In the two years working with Amazon, its natural cheese and milk sales growth outpaced overall category averages by more than 20 percent.

International Partnerships

International markets also spurred U.S. dairy sales in 2021. DMI's international partners launched new products and expanded into new markets. Pizza Hut Asia Pacific drove awareness for U.S. dairy through 10 product and consumer promotions, and Associated Milk Producers Inc. introduced its Dinner Bell Creamery cheese slices at more than 850 food service outlets in China. Additionally, Domino's expanded its global presence to the Middle East, driving a 38 percent U.S. dairy increase in its first year.

Exports remain a core sales driver for U.S. dairy, accounting for 17 percent of total milk production in 2021. Through the work of the U.S. Dairy Export Council (founded by and funded largely through the dairy checkoff), U.S. dairy saw record-setting volume growth based on the growing demand for dairy by international customers. Categories driving 2021 growth were U.S. cheese (increased by 14 percent), nonfat dry milk/skim milk, and whey (both increased by 10 percent).

And, despite the challenging global environment in 2021, U.S. dairy grew 29 percent in China, and 16 percent in Mexico and maintained its growth in the Middle East and North Africa.

Domino's Japan launched the Jumbo Pizza and a Pizza Rice Bowl, both featuring U.S. cheese. The chain has doubled its U.S. cheese use since the partnership started in 2019.

Fluid Milk Revitalization

DMI started fluid milk partnerships in 2015. This helps drive category innovation – since 2018, milk brands have introduced **75 new value-added fluid milk products**.

In 2021, DMI's fluid milk partners, Dairy Farmers of America, Darigold, Kroger, and Shamrock Farms, collectively introduced 13 new products, including flavored, lactose-free, shelf-stable, and other value-added options. These launches were further supported with new packaging, promotion, and other marketing efforts.

2022 First Half Domestic and International Partnerships Sales Highlights

In 2022, dairy checkoff sales-driving efforts focused on delivering results in the short term while still keeping a close eye on the future. In all, U.S. domestic channel partners Domino's®, McDonald's®, Taco Bell®, General Mills®, and Kroger® launched innovative new dairy products.



Taco Bell introduced Cinnabon coffee with real dairy creamer in March. A real dairy creamer replaced a non-dairy creamer for use in its coffee and other frozen beverages, such as the Mango Whip Freeze, launched in June in its more than 7,500 U.S. locations. Taco Bell also launched its toasted breakfast burritos in January.

Kroger Our Brands team continues to launch new dairy items with the nostalgia of familiar flavors like the S'mores Ice Cream Sandwiches and Creamsicle Cheesecake bites. Further, Kroger introduced a premium restaurant experience to consumers at home with items like the Private Selection Buffalo Aged Cheddar Mac and Cheese. In June, Private Selection Strawberries & Cream Whole Milk was launched as an expansion of a successful line-up of indulgent whole milks.

Domino's continued to promote the late 2021 introduction of the new Cheesy Dips in 2022.



McDonald's launched Chocolatey Pretzel McFlurry in May, during which DMI supported the product development and consumer testing.



New checkoff partner General Mills launched its yogurt and cereal toppers, new products that pair Yoplait yogurt with beloved cereals and increase dairy consumption. Combos include Lucky Charms, a favorite with kids six to 13; Trix, the only fruity cereal with fun shapes; Cinnamon Toast Crunch, the number one favorite among teens; and Cocoa Puffs, the number two chocolatey cereal.



**Yoplait
Vanilla
+ Lucky**



**Yoplait
Cinnamon
Vanilla +
Cinnamon
Toast
Crunch**



**Yoplait
Strawberry
+ Trix**



**Yoplait Vanilla
+ Cocoa Puffs**

DMI continued its work with Amazon in our role as dairy "category captain" for the e-commerce giant, sharing consumer insights that can drive online traffic and sales. In addition, DMI took the Amazon dairy team to two farms to help educate them on the amazing animal care, product quality, and technology that exists on U.S. dairy farms.

International Partnerships

DMI continues to collaborate with the top two global pizza companies to create marketing programs and new products that grow sales of U.S. dairy exports.



In 2022 to date, Pizza Hut Asia Pacific launched two new items in Korea, Cajun Double Shrimp Pocket and Phu Phat Phongon Curry, that combine U.S. cheese with exotic toppings that cater to local tastes. In Japan, Pizza Hut recently launched the Hut Party, a value deal featuring three pizzas, an idea created in a partnership innovation session last year.



Our partner Domino's in the Middle East was the exclusive sponsor of the World Expo in Dubai, reaching new consumers and driving sales. They also launched/relaunched the New Yorker Pizza in Saudi Arabia and UAE, which contains 20-25 percent more cheese than a medium or large pizza.

Domino's Japan has continued to expand – opening 26 stores this year, 368 since the partnership began, for a total of 918 in Japan. They've also relaunched two cheesy favorites, the New Yorker and The Cheese Burst, which features U.S. mozzarella as well as U.S. string cheese around the perimeter of the crust.

Our newest partner, Domino's Taiwan, launched the One Kilogram Pizza, an idea originally launched in Japan, that features more than two pounds of U.S. cheese, as well as the Quattro which includes four sections each featuring different toppings.

Fluid Milk Revitalization

DMI's fluid milk partners Dairy Farmers of America, Darigold, Kroger, and Shamrock Farms continue to deliver channel innovation and marketing efforts to help modernize milk.

In 2022, partner Darigold launched new shelf-stable school milk in plastic bottles.

Partner Shamrock Foods launched Birthday Cake flavored school milk to expand flavor offerings available to kids. Shamrock Farms also completed its expansion of single-serve milk into all Dollar General stores in the U.S.



SHELF STABLE BOTTLES (8oz)



DMI-funded fluid milk science was utilized by the milk processor checkoff "MILKPEP" to launch a \$50M claims advertising campaign. DMI fluid milk partner Dairy Farmers of America will also be using the scientific claims in their marketing and on their product packaging for their milk brands.

Midwest Dairy Engages Retail Partners to Grow Trust and Demand for Dairy

Midwest Dairy directly engages consumers through active promotion efforts with foodservice and retail Demand Partnerships. By partnering with the outlets that sell and serve dairy, we promote the wholesome consumption of dairy products to the consumer while increasing demand.



In an effort to build both dairy sales and trust with consumers, Midwest Dairy continues to partner with Coborn's and Cashwise Foods, a Coborn's-owned store. For National Dairy Month, Midwest Dairy partnered with Coborn's Inc. and it's 54 stores under the Coborn's, Cashwise and Marketplace banners in Minnesota, North and South Dakota to build sales and trust in dairy.

In 2022, through activations at stores across our Midwest Dairy region, Coborn's and Cashwise partnership resulted in 418,986 pounds of incremental milk sold, with a reach of 2,322,020 consumers.

Midwest Dairy has also partnered with Pizza Ranch, with 220 locations, to launch a Cheesy Ranch Stix promotion featuring 50 percent more cheese which resulted in sales of an additional 1.4 million pounds of incremental milk in April of 2022.

Midwest Dairy Foods Research Center Provides Research Expertise to Dairy Industry

The Midwest Dairy Foods Research Center (MDFRC) is a collaborative effort between dairy farmers and land-grant universities with a mission of delivering research and education that benefits consumers and fuel a strong market for Midwest Dairy.

Through the MDFRC, Midwest Dairy continues to invest in product and food safety research, as they are of critical importance to the dairy industry. The funds awarded to researchers are not only used to conduct research projects, but also to support graduate students who manage the research, as they are the future generation dairy leaders.

Midwest Dairy has funded several product research studies that focus on extending the shelf life of dairy products, extending the potential of lactose and lactose-rich ingredients by converting them into dietary fibers and other sweeteners and exploring the functional and structure building properties of whey proteins. Expansion into any market beyond fluid milk has been possible because of science and research, and checkoff plays an important role by investing in quality research and developing future dairy ambassadors.

Additionally, Midwest Dairy provides insights for retail partners into what today's consumers need by sharing relevant and timely research to help them make informed decisions and drive demand.

Building Demand for Dairy in Schools

Midwest Dairy focuses on partnerships with schools to implement alternative breakfast programs and introduce new dairy menu items including smoothies and hot chocolate milk.

During this biennium Midwest Dairy partnered with Bismarck Public Schools (BPS) on projects that increased student demand for dairy throughout the 2020-21 and 2021–2022 school years. Three Bismarck schools have tripled breakfast participation by offering breakfast in the classroom or a grab and go breakfast through a partnership with Midwest Dairy. With milk, cheese and yogurt offered on the breakfast menus, the program has resulted in 53,000 incremental pounds of milk sales.

Midwest Dairy also partnered with Sanford Health in Bismarck and Bismarck Public Schools to develop a video highlighting the importance of breakfast for child development and behavioral health. The video has been shared with the Bismarck School Board, middle and high school administrators and educators throughout North Dakota to show the success of the Bismarck schools' program to promote positive behavior in schools.



Building Consumer Trust in Dairy

Research suggests that when consumer sentiment (trust) towards dairy is positive, it can be equated to greater dairy purchases (sales). With more information available than ever through traditional, digital, social, influencer, and gaming channels, it's important to ensure consumers are getting the right information about how dairy fits into a healthy and sustainable lifestyle. Midwest Dairy works with partners to bring the Undeniably Dairy campaign to unexpected places and share the story of how dairy is fresh, local, sustainable, and enjoyable

To Grow trust in dairy through thought leader partners we shared dairy's environmental sustainability and wellness messaging with key leader individuals and organizations.

During Health Care Appreciation week, Sanford Health in Bismarck partnered with Midwest Dairy to thank the health care staff for 'Making a Difference'. Over 800 employees enjoyed an ice cream treat served by Sanford administration and learned more about the importance of dairy foods and farming.

Midwest Dairy created a series of informational videos on immunity and gut health which have been shared with the North Dakota Academy of Nutrition and Dietetics at their annual conference reaching over 150 registered dietitians through the virtual event.

Partnering with the North Dakota Women Infants and Children (WIC) Program Director to provide current science-based dairy nutrition information to promote health and wellness to moms and children across North Dakota.

Showcasing nutrition toolkits and resources highlighting the smoothie, coffee beverage, and bulk milk dispenser programs for schools at the annual North Dakota School Nutrition Association conference that reached an estimated 160 school nutrition professionals

Midwest Dairy collaborated with the Dickinson Chamber of Commerce to highlight dairy's commitment to sustainability at the Banquet in the Field Event reaching an estimated 150 community leaders, health professionals and educators.

Midwest Dairy Brings Dairy to Life Through Local Consumer Events

Over six thousand 4th grade students heard the dairy farm to table story from local dairy farmers and the North Dakota State University Bison Dairy Club members at the Bismarck and Fargo Living Ag Classroom Events held in February and March.

The Red River Valley Fair and the ND State Fair highlighted dairy's commitment to sustainability, animal care and comfort and the enjoyment of dairy through the dairy education display and signage, including engagement with dairy farmer and dairy ambassadors.

A North Dakota dairy producer participated in the Discover Dairy Adopt-a-Cow Program in 2021. During a live adopt –a- cow chat over 30 schools in North Dakota experienced a virtual farm tour and were able to meet the calf they 'adopted' for the school year.

Over 300 adults and children attended a Moovie Night at Fargo Broadway Square on a warm summer night. Local dairy farmers and the ND Dairy Ambassadors helped 'edutain' attendees about dairy farming and dairy foods through trivia, games, exhibits and conversations. The event was a partnership with the Fargo Mom's Network who also hosted a live Instagram feature at the event featuring local dairy farmers.

During this biennium Midwest Dairy provided Undeniably Dairy grants to dairy farmers, dairy groups and agricultural organizations. The grants were used for local promotion efforts to showcase that dairy is good for people, the planet and our communities. Promotional activities included dairy farm tour events; breakfast on the farm, dairy days at a local veterinarian clinic, promotions at county fairs and 4-H events, and also helped provide funding for cooler equipment for a local food pantry.



Developing Farm and Community Leaders for Dairy

Midwest Dairy is empowering people of all ages to become leaders both for today and tomorrow through the Dairy Experience and Agricultural Leadership program (DEAL), consumer communications, Dairy Ambassador Programs and more.

The Dairy Ambassador program was started in 2018 to give young adults in high school and college an opportunity to improve leadership and communication skills while advocating for the dairy industry. North Dakota dairy ambassadors have been active in promoting dairy by engaging in conversations with consumers, school-age children and peers. Many of the conversations involve learning more about the dairy industry and practices used within the industry. While serving as a dairy ambassador, participants have the opportunity to network with dairy industry partners, visit dairy farms and tour agribusinesses in North Dakota.



During this biennium our North Dakota Dairy Ambassadors helped build trust in dairy by participating in over 25 events reaching over 12,000 consumers of all ages.

Undeniably Dairy National Campaign Builds Trust in Dairy

Driving a Positive Reputation for Dairy

As part of its mission to protect and grow sales and trust in dairy, Dairy Management Inc. (DMI) and the Innovation Center for US Dairy launched an industry-wide initiative in 2017, Undeniably Dairy. Undeniably Dairy continues to serve as the dairy community's industry-wide, multi-stakeholder campaign that helps consumers and other stakeholders recognize the important role dairy plays in their lives.

Each year, Undeniably Dairy leverages an integrated multi-channel approach to expand reach, raise awareness, drive reputation and build participation and ultimately, trust, through:

- Integrated communications—A comprehensive approach that includes media and other channel partnerships, digital (websites, search, and social strategies), earned and social media, and through events and experiences.
- Influencer outreach—Establishing and/or strengthening relationships with critical media, reputational (e.g., dietitians, health professional organizations, environmental and animal care leaders) and cultural influencers (e.g., food and lifestyle bloggers) that reach consumers.
- Community engagement—Rallying the dairy, food and other relevant communities to amplify, customize and create content around Undeniably Dairy and its pillars to further unify and strengthen dairy's voice, including engagement among farmers, processors and manufacturers, retailers and agribusiness.

Consumer Communications & Marketing

In 2021, Checkoff evolved our consumer target to the next generation of consumers, with a focus on Gen Z, where we see a drop in dairy consumption and engagement. To drive engagement and relevancy with the next generation of consumers, Undeniably Dairy launched *Reset Yourself with Dairy*, to showcase dairy's modern wellness incorporating dairy content around Immunity, Calm, Energy and Digestive Health in Gen Z-relevant channels (e.g., TikTok, YouTube, Spotify).

- Increased trust overall:
 - 3 percent improvement in "dairy is nutritious"

- 5 percent lift in dairy fits my lifestyle
- Showed 6 percent lift in dairy is something that helps me reset/find calm
- Video Views 3.4 percent (vs. 1.5 percent industry benchmark)
- Video View Rates 11 percent (vs. 4-5 percent industry benchmarks)

Additionally, Checkoff continued to leverage the “Dairy Dream Team” influencer program to drive relevancy and incorporate dairy into consumers’ everyday lives through lifestyle efforts including recipes. As this program continues to drive positive dairy reputation, Checkoff refreshed the Dairy Dream Team in June 2022 to continue to create engaging content for our target audience. This content generated over three million impressions in the first two weeks!

Also, to capitalize on the rapid growth of the grocery eCommerce channel, Checkoff kept dairy products top of mind at point-of-purchase by executing an eCommerce pilot with Instacart. This pilot yielded

- \$2.3 million in dairy sales via Instacart
- ~\$8 in sales for every \$1 spend on digital media on Instacart

Checkoff continues to drive efforts around this channel in 2022 closely collaborating with local States and Regions including Midwest Dairy to drive trust and sales in this important eCommerce channel.

Youth

Continuing the momentum from Fuel Up to Play 60 2021 efforts, checkoff set out to reach educators with new curriculum-aligned learning plans, inspire through fun NFL content and recruit students to become champions through the Student Zone via new contests aligning with Reset Yourself with Dairy in 2022.

- Website Traffic: 145,000 Users, +360,000 page views
- Partnership with NFL: +187 million reach with content

Additionally, Checkoff is working with Midwest Dairy on a STEM pilot to continue to incorporate relevant dairy messages in educational materials.

US Thought Leader

Building off momentum in 2021, we continued to drive awareness with thought leaders for U.S. dairy’s leadership in global sustainable food systems while inspiring a new belief in dairy as a healthy and sustainable solution. We showcased ongoing U.S. dairy’s action against the 2050 Environmental Stewardship goals, including real examples of progress being made on farms and throughout the dairy value chain. In addition, we integrated content highlighting dairy as an unmatched source of sustainable nutrition, reinforcing the U.S. dairy community’s commitment to nourishing people, planet and communities.

- Earned Outreach: 106 million impressions
- 5 Events with over 1,500 attendees and 3.8 million potential reach

Projected Activities

Midwest Dairy will be implementing the final year of our three-year strategic plan beginning January 1, 2023 – December 31, 2023. The year 2024 will kick off a new three-year strategic plan for the years 2024 – 2026. The Vision being “Bring Dairy to Life for a Better World!” and the Mission being “Work with Others to Give Consumers an Excellent Dairy Experience.”

In 2023, Midwest Dairy will continue to focus on six objectives which reflect both business needs and foundational needs of the organization.

- Increase dairy sales by working with retailers, school K-12 and foodservice partners.
- Grow trust in dairy by sharing dairy’s environmental sustainability and wellness messaging with prioritized individuals and organizations.

- Advance research in dairy by sharing dairy checkoff's research and insights to increase trust and sales of dairy with processors and sales partners.
- Create dairy checkoff advocates by continuing to communicate checkoff activities with dairy farmers, processors and other influential decision makers.
- Develop farm and community leaders for dairy by promoting the Dairy Ambassador program and leadership opportunities for dairy farmers and community leaders.
- Enhance Midwest Dairy employee culture by continuing to recognize accomplishments and grow employee skills.

These objectives will guide Midwest Dairy's programming and checkoff investment priorities.

At the national level, Dairy Management Incorporated will launch their three-year 2023 – 2025 strategic plan, with a focus on sustainability, innovation, reputation, and exports.

Conclusion

The dairy checkoff promotion program was established in 1984 with one purpose—to increase demand for U.S. dairy products. While dairy farmers have experienced both the highs and lows of markets in the most recent biennium, domestic demand, particularly for cheese, has been a bright spot. Arguably, the dairy checkoff has played an important role in maintaining a positive demand curve.

The need for wholesome, nutrient-rich dairy foods, combined with the necessity of telling the dairy farm and farmer story in a consumer-friendly way, makes the case for the importance of an efficient, effective dairy checkoff program going forward. Midwest Dairy, on behalf of North Dakota dairy farmers and those in surrounding states, is committed to serving that role.

NDDPC *North Dakota Dairy Promotion Commission*

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STATEMENT OF PROJECTED REVENUES AND EXPENDITURES
For the Current and Next Biennium
2021-2023 and 2023-2025
(UNAUDITED)

Prepared by the North Dakota Dairy Promotion Commission
Bismarck, North Dakota

	<u>2021-2023</u> <u>Biennium</u>	<u>2023-2025</u> <u>Biennium</u>
Beginning Balance	\$ 345,766	\$ 307,204
REVENUES:		
Assessments	611,250	632,000
Interest	1,900	4,400
Miscellaneous	50	50
Total Revenues	<u>613,200</u>	<u>636,450</u>
EXPENDITURES:		
Program Expenditures:		
Contract Payment to Midwest Dairy Association	<u>645,500</u>	<u>632,000</u>
Total Program Expenditures	645,500	632,000
Administration	<u>6,262</u>	<u>6,414</u>
Total Expenditures	<u>651,762</u>	<u>638,414</u>
Excess of Revenues Over (Under) Expenditures	(38,562)	(1,964)
Ending Balance	<u><u>\$ 307,204</u></u>	<u><u>\$ 305,240</u></u>