

2022 ANNUAL REPORT



New England
Dairy



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LETTER FROM THE CHAIR



Welcome to New England Dairy's 2022 Annual Report. I've been honored again this year to serve as Chairwoman of the New England Dairy Promotion Board and the New England Dairy & Food Council Board of Directors.

2022 was a year of finding our way back to some type of normalcy after the COVID-19 pandemic. Our team at New England Dairy has embraced the evolving environment we live and work in to offer meaningful and impactful programs and events that bring results to us as dairy farmers. Our local messages revolved around three themes for the year: Health, Planet, and Community. Each one of these showcase our passion and love for dairying.

As a dairy farmer I am incredibly proud of what our checkoff dollars accomplish for us not only locally, but regionally and nationally as well. Please take the time to read and learn about what is happening on our behalf and as always please reach out with any comments or questions.

It takes all of us (on both the supply — and demand-side) to achieve an increase in per capita consumption of dairy products like we have experienced, so keep up the great work!

Best Regards,

Heidi Dolloff
Chair
New England Dairy & Food Council
New England Dairy Promotion Board

LETTER FROM THE CEO



I've been honored to serve as your CEO and want to thank you for all you do to support our organization and share your passion for dairy promotion.

2022 was a year where in-person events were back full-force, yet we continued to see great results from our digital work with health professionals, influencers, and in e-commerce. We've learned there is a pretty high bar for some people to leave their homes post-COVID, so we were happy to engage them online if that's where they want to connect and consume information.

You'll see in this annual report how we trained and empowered a new generation of dairy advocates to engage with consumers online in relevant social media channels. We brought the cow into the classroom with our virtual Adopt a Cow program, while also bringing curious health professionals straight to the dairy farm. Coexisting in both the in-person and digital space has helped us maximize our reach, engagement, and results, while staying within budget.

Thank you for your interest and support of dairy promotion and, as always, we would love to hear your feedback and connect with you.

Best Regards,

Jenny Karl, MS, RD
Chief Executive Officer
New England Dairy & Food Council
New England Dairy Promotion Board

LOOKING BACK: A 2022 OVERVIEW

Our programs are based on research and insights to ensure we're reaching our target audiences with information and experiences that meet their needs and wants. We know that they want permission to enjoy dairy; they want to feel good about eating dairy because it's good for them, the planet, and the community. Our audiences want real facts delivered authentically, and they want to enjoy the food they eat.

We continue to target these audiences:

- Millennial Moms – Anyone born between 1980 and 1997 (25 – 42 years old).
- Generation Z – Anyone born between 1998 and 2011 (11 – 24 years old).
- Thought Leaders – Someone who, based on their expertise and industry perspective, offers guidance and influences others.

Our insights led us to an overarching, unifying theme for our work that we call the roof: *Keep It Real, Enjoy the Good*. This is our touchstone that keeps our work focused and grounded.

The roof is held up by three program pillars. These pillars help us focus our projects with messaging that resonates with our audiences based on key times of the year. For example, in January, health is our leading message while the environment and community are supporting, secondary messages. Through the year, the lead and supporting messages shift among the pillars.

In this report, you'll see how our research and insights came to life through our roof and pillar analogy.



DELIVERING EXCEPTIONAL FARMER RELATIONS

As dairy farmers, you are the best people to address consumer questions and concerns because you know firsthand what it means to be stewards of the environment while producing a high quality, nutritious product. For this reason, it is crucial that New England Dairy (NED) provides resources and tools for farmers to tell their story.

Connecting with Dairy Farmers

NED recognizes that farmers are critical to our work. We seek opportunities to engage farmers in conversations about our work and explore ways we can collaborate on dairy promotion activities. NED worked alongside farmers through our participation in groups like Vermont Breakfast on the Farm, which welcomed over 2,000 visitors to Gosliga Farm in Addison, VT in 2022.

We collaborated with American Dairy Association North East (ADANE) to present a training session at the Agri-Mark Young Cooperators Conference. There, NED presented our local, proprietary research and insights to identify critical questions consumers have and how farmers can answer them. We held a virtual training for UVM CREAM (Cooperative for Real Education in Agricultural Management) students on how to engage with the public about agriculture. We also presented at Dairy Farmers of America and Agri-Mark regional meetings throughout New England and New York, sharing our work with more than 400 farmers.



Our Mobile Dairy Bar was onsite at Vermont Breakfast on the Farm, delivering dairy samples next to educational stations covering all facets of dairy farming and sustainability.



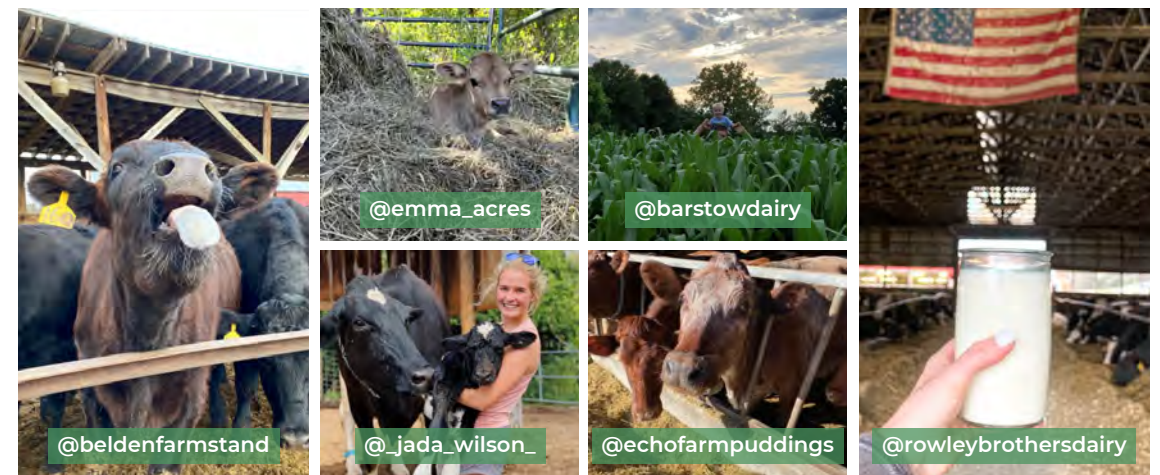
Farmer Promotion Grants

Farmer promotion grants support farmer-led activities and events that build trust in dairy, educate consumers, and increase dairy consumption. Over \$40,000 was awarded for dairy promotion projects including open farm days, school trips, and a local ice cream trail. These programs help farmers promote dairy farming and connect with their communities.

Terra Firma Farm in North Stonington, CT utilized their farmer promotion grant to enhance their #TFFGIVEGALLONS initiative, where they secure funds to deliver 300 gallons of milk a week to two local hunger organizations.

Digital Dairy Ambassador Program Expands Regionwide

In 2022, we trained 14 dairy farmers to share their story as social media ambassadors. Our ambassadors are emerging and established dairy leaders who create social media posts during specific time periods, sharing dairy-positive images and messaging related to health, planet, and community themes. We support ambassadors with training and toolkits on the latest digital trends. This year's ambassadors generated over 200 posts and more than 22,000 likes.



Sample content created by some of our Digital Dairy Ambassadors.

DAIRY SALES INSIDE SCHOOLS

Why School Meals?

NED protects and increases dairy sales in schools by encouraging school meal participation, optimizing the dairy products served, and educating school nutrition professionals about dairy.

According to the United States Department of Agriculture (USDA), children ages 2-19 consume more dairy at school than any other location.

- 66 percent of students who eat school lunch consume milk with it, whereas, only 23 percent of the students who bring lunch from home or elsewhere consume milk with it.
- For low-income students, 77 percent of their milk intake is from school meals.

School meals are the second largest nutrition assistance program in the country, with the potential to reach 1.9 million students in New England every school day.

The State of Universal Free School Meals

Universal free school meal programs provide free meals for all students, regardless of income, and are associated with increased meal participation and dairy sales. USDA temporarily funded universal free meals during the COVID-19 pandemic until the start of the 2022-2023 school year. However, some states elected to extend funding for universal free school meals this year, including CT, MA, and VT. The future of universal free school meals is unknown, but there is proposed legislation in other New England states to extend them.

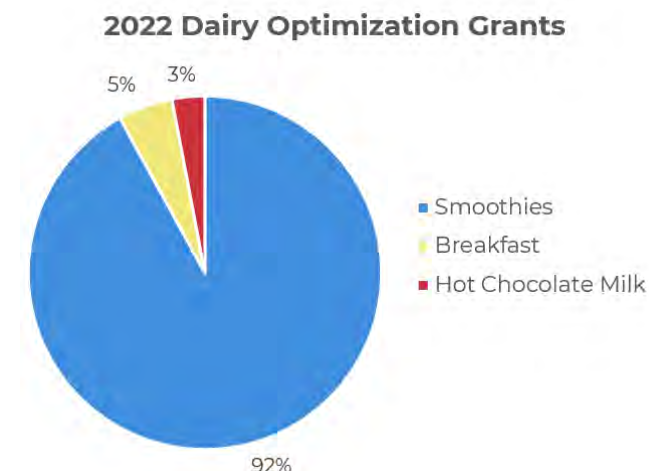


1. Students at Shelburne Community School in VT grab smoothies for breakfast.
2. Students try hot chocolate milk in East Greenwich, RI.
3. A school nutrition professional in Norwalk, CT posing with their new Dairy Good Smoothies promotional sign.

Dairy Optimization Grants

Dairy optimization grants provide schools with funds to purchase equipment that will increase the availability, appeal, and quality of school meals. Preliminary data from grants provided in 2021 resulted in a 48 percent increase in dairy sales and 43 percent increase in meal sales after the programs were implemented.

These results exceeded expectations due to the unprecedented changes in the school environment over the past two years.



\$145,000 in funding was granted to 81 schools, reaching over 67,000 students. Smoothies continued to be the most popular item to add to school menus.

Collaborating with School Nutrition Professionals

We held our second annual School Nutrition Experts Forum. The 20 attendees, including USDA and state school nutrition and hunger stakeholders, discussed best practices for serving milk in schools and toured Wright's Dairy Farm in North Smithfield, RI.



We hosted the *Real Facts About Real Dairy in School Meals* webinar, featuring two child nutrition experts, pediatrician Dr. Robert Murray and registered dietitian Dayle Hayes. Attendees learned about the nutrient contributions from dairy, the nutritional benefits of milk over plant-based beverages, and ways to promote dairy with school meals. Attendees' positive perception of dairy went from 78 (pre-webinar) to 100 percent (post-webinar).

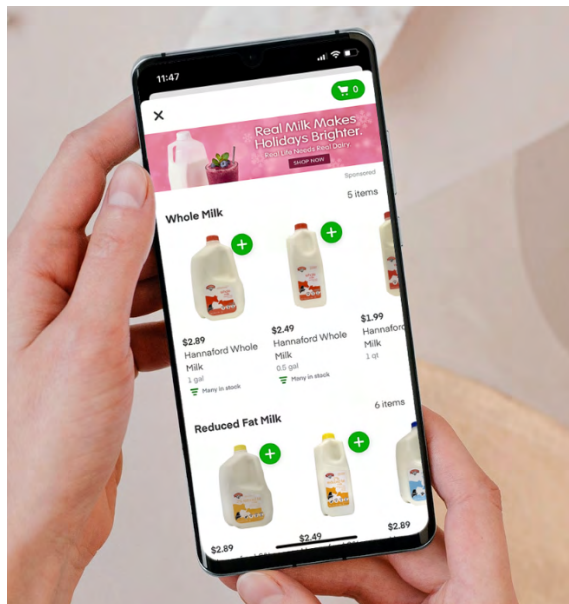
Our Chill Out with Cold Milk program encourages school nutrition staff to test milk temperatures before, during, and after meal service to ensure they are serving cold milk that students will enjoy. This year we received nearly 400 completed temperature surveys, almost double the number in 2021.

DAIRY SALES OUTSIDE SCHOOLS

NED's work to drive dairy sales and consumption outside of schools is focused on working with key stakeholders in our region. These collaborative partnerships allow us to demonstrate our value by sharing our resources and expertise, while expanding our reach with target audiences.

Informing Consumers in the Grocery Aisle

NED collaborated on a campaign with Guida's Dairy to educate consumers on how their purchase supports local dairy farmers and the efforts farmers make every day to be part of the climate change solution. We used an on-label QR code (see photo on right) that led consumers to a special webpage to view weekly content featuring dairy farmers. In addition to 560,000 labels in circulation, the campaign was supported through digital and social promotion driving people to the webpage, which produced two million impressions. NED continues to build on this campaign with other partners.



NED launched its first Instacart eCommerce campaign focused on cross promoting fluid milk with cereal and cookies to increase milk sales in virtual aisles. 31,000 people clicked on the ads, resulting in \$350,000 worth of sales.



BUILDING TRUST WITH MILLENNIAL MOMS

Optimizing our Web Presence

We continue to enhance our website's Search Engine Optimization (SEO) to reach our target audiences with accurate, science-based information. SEO is the practice of increasing the quality and quantity of website traffic based on the most sought out information on online search engines (like Google). Based on these insights, we revamped our Lactose Intolerance web pages, which have since seen a 20 percent increase in visitors coming from a search engine.



A new lactose intolerance resource that complements the information on our updated webpage was made available in both English and Spanish.



Proactively Addressing Areas of Concern

This fall, we ran an Instagram Reels campaign (Instagram Reels are short-form videos) targeting millennial moms with five videos focused on cow care, an area of concern for this audience. The videos tied into our Real Life Needs Real Dairy messaging by relating life on the farm to millennial moms' lives. We reached new consumers and drove them to visit and follow our Instagram page for deeper engagement, resulting in 600,000 impressions and over 112,000 engagements. These metrics equate to an 18 percent engagement rate, which far exceeds what is considered a good engagement rate (normally one to five percent). Scan the QR code above to watch the videos.



Pitching to media is another tool to share stories that build trust with millennial moms. This year, local media took a greater interest in stories about dairy farmers. Our pitching efforts amounted to over 800,000 impressions, which represents the number of eyes and ears consuming our positive content.



Working with Influencers

We work with influencers who tell the dairy story in a way that is authentic and relevant to today's consumers. From fitness experts and home cooks to influential trendsetters, we work with a range of voices to convey dairy as a solution to consumers' unique needs and wants. This year, our influencer partnerships successfully generated over 748,000 impressions and 22,600 engagements through collaborations on Instagram and TikTok.



Content created by millennial mom and fitness instructor, @TheRealAPBP.

Consumer Experiences

Our community engagement team attended 58 events throughout New England, where we distributed over 26,000 dairy samples while educating and interacting with nearly 56,000 people. Events included road races, family-friendly events at high-traffic locations, and on-farm and agritourism events.

1. & 2. We highlighted dairy farmers' commitment to sustainability through our Brews to Moos event series, where we taught consumers about the unique partnership between dairy farms and breweries who send spent grain to be recycled into feed.

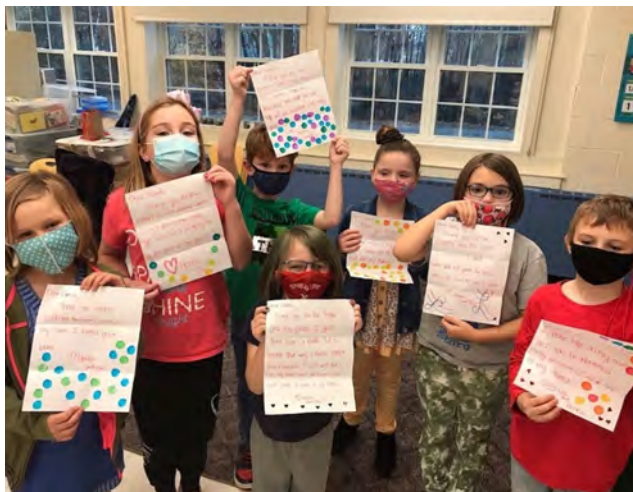
3. & 4. Thanks to a grant from Farm Credit East AgEnhancement, we brought the dairy farmer voice to agritourism locations where dairy is not typically center stage. Dairy farmer Robin Luther from Parnassus Farm in Acworth, NH attended an event at Alyson's Orchard (NH) and Melissa Greenbacker brought her famous cow Linguini to a Lyman Orchards (CT) event.



BUILDING TRUST WITH GENERATION Z

Adopt a Cow

The Adopt a Cow program is a year-long virtual experience administered by the Dairy Excellence Foundation. Students watch a baby calf grow through photos, stories, and a live virtual farm tour. The program builds trust by connecting students and teachers to a local dairy farm to gain a deeper understanding about cow care, sustainability, and environmental stewardship. Survey results showed that students' trust in dairy grew by 43 percent and knowledge about dairy grew by 73 percent as a result of the program.



Second grade students at Hillsboro-Deering Elementary School in NH received letters back from their adopted calf Henna and farmer Ella.

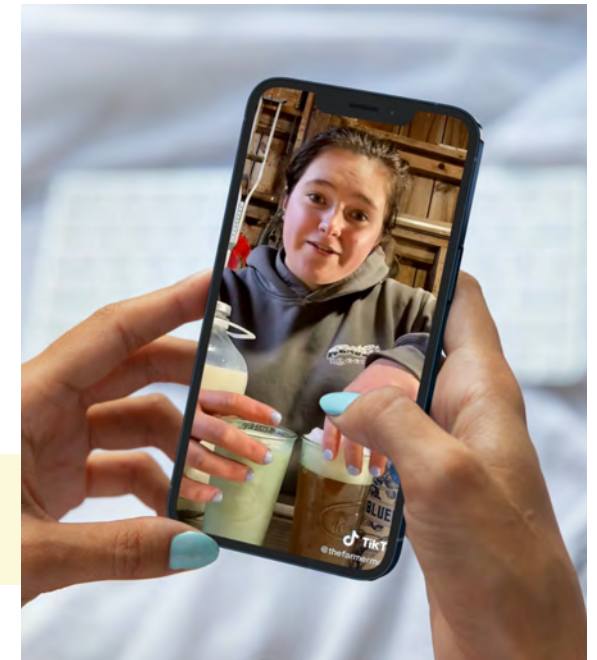
Over 1,600 educators from across New England enrolled in the program for the 2022-23 school year, reaching an estimated 60,000 students.



We developed new dairy nutrition posters for the cafeteria to educate and engage students with creative designs that resonate with them. These posters illustrate the nutrient benefits of milk over plant-based alternatives.

Celebrating Earth Day with Gen Z

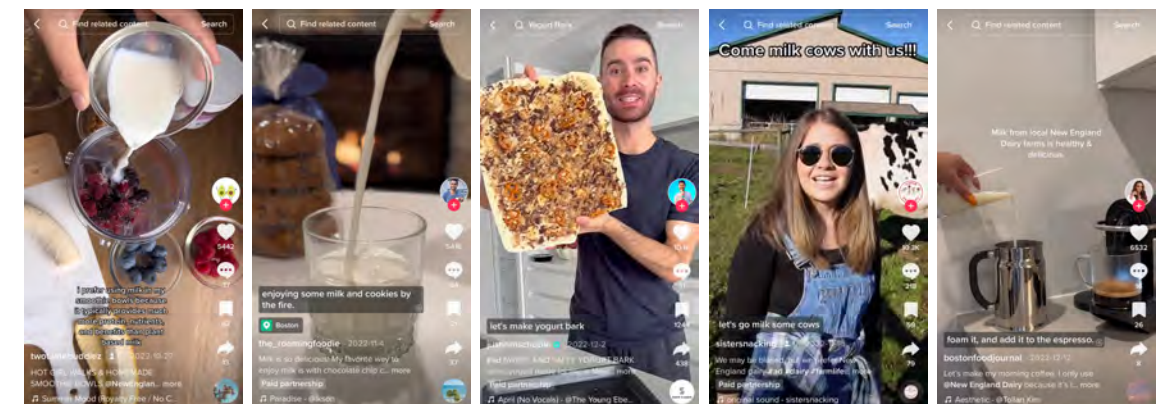
To celebrate Earth Day, we worked with Gen Z dairy farmer ambassador Maggie Laprise from EMMA Acres in Exeter, RI and GENYOUth Youth Council member Indiana Troupe from Wareham, MA to create social media content targeted to Gen Z. The campaign included a series of TikTok videos and an Instagram live chat.



One of the TikTok videos explained the process of recycling spent grain for cow feed.

Reaching Gen Z Digitally

NED ran a TikTok campaign to reach the Gen Z audience digitally in an authentic and meaningful way. We worked with five Gen Z influencers to create TikTok videos tailored to our target audience with positive messages about dairy and dairy farming. Results from this campaign exceeded our goals, with over 1.4 million impressions and over 37,000 engagements. The lessons learned from this campaign will help us create future digital plans to reach Gen Z.



Screenshots of TikToks created through our partnership. Creators, from left to right, are @twotastebuddiez, @the_roamingfoodie, @justinmschuble, @sistersnacking, and @bostonfoodjournal

BUILDING TRUST WITH THOUGHT LEADERS



Pediatric Care Provider Outreach

Eighty-three percent of parents turn to their pediatric care provider for advice. Throughout the year we sent a series of nine digital and two physical mailings to 9,000 pediatric care providers, including pediatricians, pediatric advanced practice nurses, registered dietitians, family physicians, and physician assistants. The outreach focused on the topics of Birth-24 Month dietary guidelines, plant-based beverages, lactose intolerance, and dairy's role in plant-based diets. As a result, over 3,000 copies of our Birth-24 Month feeding guide were ordered, providing over 3,000 families the opportunity to navigate the path to feeding their children with our messaging.

Continuing Education Webinars

We hosted five live webinars for thought leaders (TL) on the topics of intuitive eating, milk processing, dairy in school meals, and how to respectfully talk about food and adapt recipes from diverse cultures. We reached 655 TLs through live webinars and 766 through webinar recordings.

Food Assistance Outreach

NED developed a resource toolkit to help food banks and food insecurity partners build client knowledge and skills around healthy food preparation with dairy. This toolkit featured links to our English and Spanish recipe and pantry stocking guides, as well as social media posts that highlighted dairy's role in healthy and budget-friendly meals.

Resources from the toolkit were distributed at a Gather New Hampshire Mobile Market.



Dairy farmer Harold Howrigan III (far right) taught the group about calf care and how their farm manages manure.

Bringing Thought Leaders to the Farm

We brought 15 thought leaders to two Vermont dairy farms, Gervais Family Farm and Howrigan Family Farms. The attendees consisted of University of Vermont graduate students in both dietetics and food systems, registered dietitians, food systems leaders, and influencers. Attendees saw firsthand farmers' environmental stewardship efforts and dairy's path from farm to table. Positive perception of dairy increased from 50 to 90 percent after the tour.

Next Generation Food Systems Thought Leaders

We brought 40 students from Johnson & Wales University's Sustainable Food Systems and Culinary programs on two tours of EMMA Acres in Exeter, RI (pictured right and below). After the tour, 94 percent of students had a positive perception of dairy, compared with 18 percent prior.



NATIONAL PARTNERS: DAIRY MANAGEMENT INC.

While we work in the New England region, our partner, Dairy Management Inc., builds trust and drives sales through nationwide programming that benefits our region.

Undeniably Dairy Reaching Gen Z

Building trust with youth, especially Gen Z, is a key focus at DMI. Research shows that Gen Z turns to dairy when they're stressed or having a rough day. DMI launched a campaign based on this insight called, "Reset Yourself with Dairy" that used humorous situations to reinforce the "calming" effect of dairy.

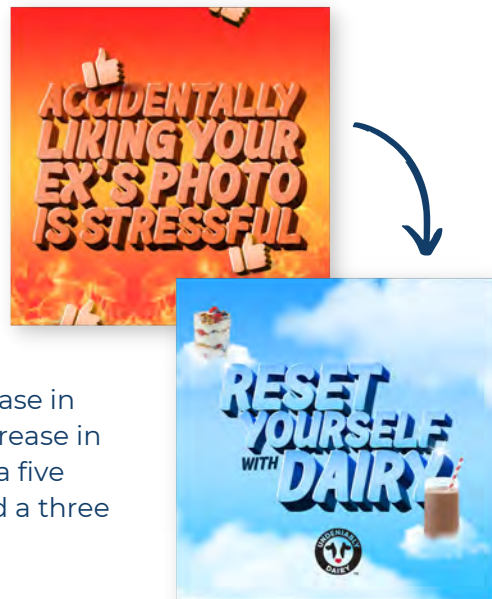
The campaign resulted in a two percent increase in category awareness and saw a six percent increase in "dairy is something that helps me find calm," a five percent increase in "dairy fits my lifestyle," and a three percent increase in "dairy is nutritious."

Dairy Innovation at Retail and in Restaurants

Checkoff partners launched new products and promotional activities including:



- General Mills launched yogurt products that target Gen Z consumers.
- Taco Bell relaunched its Grilled Cheese Burrito that includes nacho cheese sauce, sour cream, and a three-cheese blend in and on top of the burrito.
- McDonald's activated special promotions around its cheeseburgers and McFlurry options.



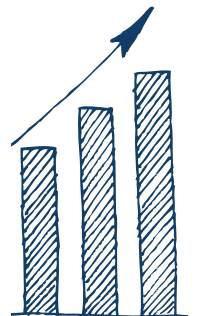
Enhancing Dairy's Health & Wellness Reputation

DMI launched a new collaboration with the Mayo Clinic, which will accelerate nutrition science for cardiovascular health, metabolic conditions, and emerging areas of wellbeing. The Mayo collaboration will educate both consumers and health care professionals about the true impact of dairy on consumers' wellbeing.

Another Record Year for Exports

U.S. dairy exports set new volume records again in 2022 despite rampant inflation and a host of other challenges to international trade. It was the third straight record year for volume and the second for value.

Export volume on a milk solids equivalent (MSE) basis increased five percent to 2.4 million metric tons (MT). Export volume in 2022 was equivalent to 18 percent of U.S. milk produced, also an all-time high.



FINANCIALS

New England Dairy & Food Council Operating Statement

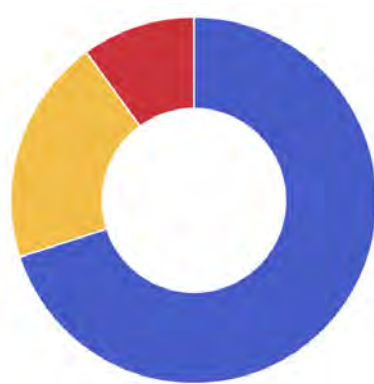
Jan. 01 - Dec. 31, 2022*

INCOME

Unrestricted Farmer Contributions	\$ 1,000,000
Restricted Farmer Contributions	\$ 77,579
DMI Supplemental Funding	\$ 800,000
Fundraising	\$ 18,725
TOTAL INCOME	\$ 1,896,304

NEW ENGLAND DAIRY & FOOD COUNCIL EXPENDITURES

- 70% Youth Wellness
- 20% Sustainable Nutrition & Research
- 10% Administrative



New England Dairy Promotion Board Operating Statement

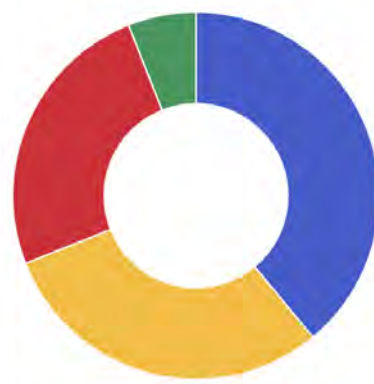
Jan. 01 - Dec. 31, 2022*

INCOME

Unrestricted Farmer Contributions	\$ 3,932,454
Restricted Farmer Contributions	\$ 286,755
TOTAL INCOME	\$ 4,219,209

NEW ENGLAND DAIRY PROMOTION BOARD EXPENDITURES

- 39% Marketing Communications
- 30% Nationwide Programs
- 25% NEDFC Contribution
- 6% Administrative



*At the time of publication, the audit of Operating Statements was pending.

BOARD OF DIRECTORS

NEW ENGLAND DAIRY & FOOD COUNCIL AND NEW ENGLAND DAIRY PROMOTION BOARD 2022-2023 BOARD OFFICERS



Heidi Dolloff
CHAIR
Springfield, VT
Dairy Farmers of America



Paul Doton
VICE CHAIR
Woodstock, VT
Agri-Mark



Harold Howrigan, Jr.
TREASURER
Sheldon, VT
Dairy Farmers of America



Mike Barnes
SECRETARY
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Warren Nop
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Dairy Farmers of America

Robin Sweet
Cambridge, VT
Dairy Farmers of America

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Chief Executive Officer
Boston, MA

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Vice President, Operations
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Marketing Communications
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