

Your Dairy Checkoff

Check-in



**MAKING
EVERY
DROP
COUNT**





A Note from CEO, *Geri Berdak*



The Dairy Alliance staff had an incredibly productive first quarter in 2024. We held eight state ADA board meetings, providing updates to 82 farmers across the Southeast. Additionally, the team collaborated with National Checkoff to present at the Georgia Dairy Conference and the Kentucky Dairy Partners Meeting. In total, we shared updates with over 200 farmers across the region. The Dairy Alliance also assisted with the DMI board meeting in Nashville, Tennessee, where we showcased our Goo Goo Milk innovation and See Dairy Differently Sustainability work. In March we presented at the Maryland & Virginia Annual Meeting and hosted the first The Dairy Alliance Board of Directors meeting for 2024 at our headquarters in Atlanta, Georgia. These meetings allow our team to receive feedback from farmers on future marketing strategies, to report to our farmer funders, and remain accountable to our strategic goals.

New officers were also elected to lead state and regional boards. The following farmers will serve as officers for 2024 on State ADA Boards and The Dairy Alliance Corporate Board:

The Dairy Alliance Officers: Michael Ferguson (President), Roddy Purser (VP), Maxie Aker (Sec.), Ken Smith (Tres.)

ADA of Alabama: Richie Traylor (Pres.), Darell Rankins (VP), Benjamin Brown (Sec./Tres.)

ADA of Georgia: Jennifer Glover (Pres.), Andy Rodgers (VP), Judd Chambers (Sec./Tres.), Pete Gelber (ACCM)

ADA of Kentucky: Chris Huffman (Pres.), Hope Renolds (VP), Kelly Obert (Sec./Tres.)

ADA of Mississippi: Michael Ferguson (Pres.), Ray Gallop (VP), Tanya Rushing (Sec./Tres.)

ADA of North Carolina: Cameron Eaker (Pres.), Bridgette Lutz (VP), Matthew Johnson (Sec./Tres.)

ADA of South Carolina: Kevin Satterwhite (Pres.), Bill Nance (VP), Mary Jo Jolley (Sec./Tres.)

ADA of Tennessee: Brian Flowers (Pres.), Steve Lee (VP), Samantha Craun (Sec.), Jason Gillespie (Tres.), Johnny Sparkman (TDPC)

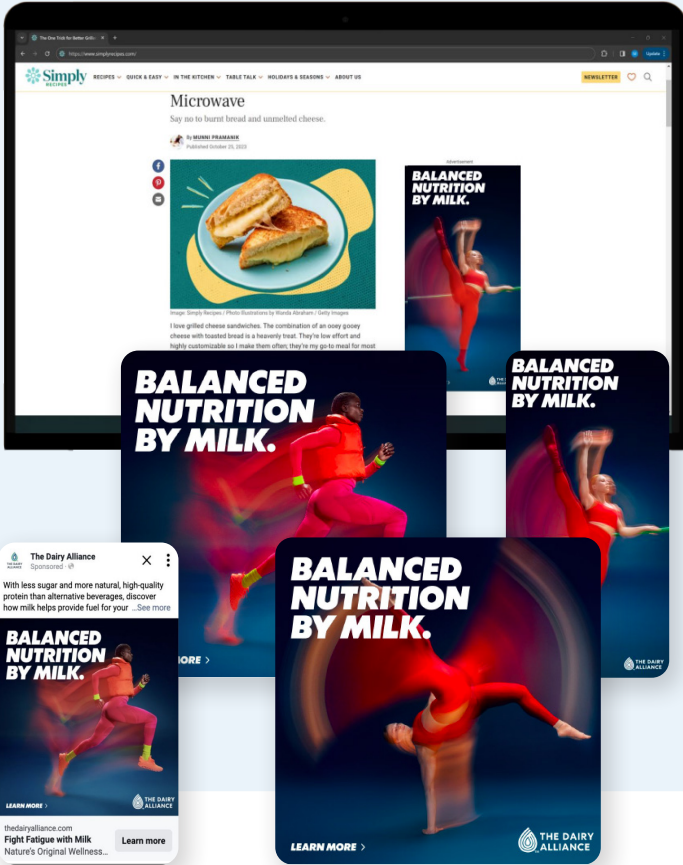
ADA of Virginia: Maxie Aker (Pres.), Dan Holsinger (VP), Tammy Craun (Sec.), Cecelia Moyer (Tres.)

Your Dairy Checkoff is farmer-funded and farmer-directed, and we are proud to have this group of dedicated leaders willing to serve on our boards on behalf of the nearly 1,200 farmers across the region. Our objective is to increase milk demand while helping catalyze dairy industry growth in the Southeast. This quarterly newsletter focuses on one of our key strategic pillars - *Drive Volume Growth Through Value*. Our efforts are concentrated on safeguarding and expanding fluid milk sales by 3% through targeted programs that showcase the value of dairy to Southeast consumers.



Driving Milk Reconsideration through our campaign

Balanced Nutrition By Milk




The Dairy Alliance positioned milk as the top choice to achieve balanced nutrition during the 2023-2024 fall and winter months.

Benefit-led messaging touted wellness claims that highlighted milk's high-quality protein and its role in providing energy, fighting fatigue, and overall wellness as a simple, natural health food. These claims compared milk's benefits to those of alternative beverages like plant-based drinks or sports drinks.


This marketing campaign utilized various channels to reach our targeted audience, which is young and active consumers. They included billboards in three states (GA, NC, TN), targeted ads on gas pumps and on social media, engaging blogs, TikTok videos, media appearances, and social media influencers.



The Balanced Nutrition By Milk Campaign Results:

 **58.2 million impressions** through billboards, social media posts, and social ads

 **4.4 million impressions** through retail video at the pump ads

 **38 thousand social ad clicks**

For the summer 2024 Hydration Campaign, The Dairy Alliance will promote milk being more hydrating than water or sports drinks. Milk's natural electrolytes, carbohydrates, and high-quality protein make it more effective at improving hydration status and keeping you hydrated for longer. Because the south's summers are very hot and humid, this hydration messaging is timely to consumers. Results from our Hydration Campaign will be available in a future edition of the Checkoff Check-in.

Milk Powers 2024 Races

Following the success of the 2023 Peachtree Road Race, The Dairy Alliance will continue to highlight milk as the performance beverage in 2024 at the Cooper River Bridge Run in Charleston, SC, the Rock 'n' Roll Nashville, TN, Marathon, the Peachtree Road Race in Atlanta, GA, and at MilkPEP's Every Woman's Marathon in Savannah, GA. Our marketing and wellness teams are showcasing the power of milk by providing samples to runners at the finish line.

Kicking off the race season this spring, The Dairy Alliance recently exhibited at the **Cooper River Bridge Run Health and Wellness Expo in Charleston**. While runners collected their bib numbers during the expo, our team shared milk benefit-led messaging and had an opportunity to interact with trained dairy advocate **Tori Medlin**, Director of Sports Nutrition for the College of Charleston at our booth. Medlin shared her sports nutrition expertise with runners, integrating messages that milk

will help them fuel and hydrate both before and after the race. Nearly **40,000 people** participated in the event, many with You're Gonna Need Milk for That swag. To keep milk top of mind for race day and every day, we also registered 196 women for the Team Milk online community, which shares resources and merchandise for female runners in training through our partnership with MilkPEP.



Grow Dairy Volume Through Partnerships

By tapping into our Southeast consumer's passion of faith, family sports and food, The Dairy Alliance effectively markets the nutritional benefits of milk. We achieve this by collaborating with college student-athletes and lifestyle influencers. These influential figures connect authentically with their audiences, empowering your local checkoff program to target

specific demographics and boost sales volume. Notably, since the National Collegiate Athletic Association (NCAA) approval in 2021 for college athletes to utilize their Name, Image, and Likeness (NIL) as a brand platform, The Dairy Alliance has witnessed remarkable growth in engagement and impression rates within our region.

NIL Deals Position Milk as *Vital Component to Sports Nutrition*

Southeastern residents have an unwavering passion for sports, especially at the collegiate level. This intense passion for the game extends to a keen interest in the lives of student-athletes and the products they endorse. For the past couple of years, The Dairy Alliance has tapped into this enthusiasm by collaborating with well-known student-athletes.

In 2023, The Dairy Alliance partnered with several college athletes to position milk as the ultimate wellness beverage for both athletes and fans. This successful NIL program will expand in 2024 and emphasize key milk benefits that resonate with fans, including its contributions to strength, energy, and hydration.



Fall 2021: Powered by Georgia Milk, UGA Football Players Nolan Smith, Jordan Davis, and Nakobe Dean



Fall 2022: "Mailman" to "Milkman" with Stetson Bennett, UGA Football Quarterback

Where our NIL Journey Began



Summer 2021: NCAA NIL Policy Passed



January 2024 Milk's Got Game™: University of Kentucky basketball player Reed Sheppard



Fall 2023 Milk Bowl: University of Georgia's Ladd McConkey and the University of Tennessee's Joe Milton



2024 Spring Handoff: University of Georgia softball player Jaiden Fields and University of Tennessee basketball player Zakai Zeigler return this spring to highlight how Milk's Got Game™ in YOU'RE GONNA NEED MILK FOR THAT.



2023 Spring Handoff: University of Georgia softball players Sydney Chambley and Jaiden Fields, soccer player Tori Penn, and basketball player Kario Oquendo



March Madness 2023 Dunks on You: Basketball players Zakai Zeigler of the University of Tennessee Knoxville and Kendrick Davis of the University of Memphis

The Story Continues in Fall 2024

Sports Marketing Into 2024

In total, the 2023 and 2024 campaigns gained over 211.3 million impressions for content positioning milk's vital role in sports nutrition.

13.6 million impressions

for Dunks On You

2.6 million impressions

for 2023 Spring Handoff

115 million impressions

for Milk Bowl

80.1 million impressions

for 2023 Milk's Got Game™

211.3 million total impressions

from college athlete campaigns

PROMOTING LACTOSE-FREE OPTIONS THROUGH GSU Partnership

The Dairy Alliance is expanding further into collegiate sports beyond campaigns centered solely on players. By sponsoring **Georgia State University (GSU) basketball and softball**, we have strategically positioned messaging around the performance benefits of milk and added that fans and athletes can enjoy dairy products even if they have lactose intolerance. During home games, our messaging took center stage, resulting in approximately **6 million impressions** during the 2023-2024 school year. With a high African American student population, positioning lactose-free milk to this demographic aligns with The Dairy Alliance's strategic initiative of reaching people of color about enjoying dairy and its benefits without any discomfort or symptoms. By combining this campaign with our work to build trust among students at Historically Black Colleges and Universities (HBCUs) throughout the Southeast, we will be successful in reintroducing lactose-intolerant consumers to dairy products.



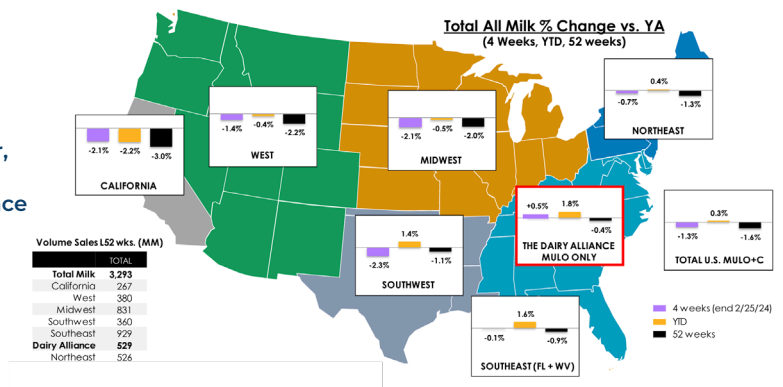
MILK SALES DATA DRIVES

Marketing Decision Making

As part of our membership with Dairy Management Inc. (DMI), The Dairy Alliance gains access to retail milk sales, volume, unit, and price datasets through Circana. These datasets provide invaluable insights into the health of the dairy market landscape, consumer behavior, and assists with decision-making when developing marketing campaigns for our region. Circana is the industry standard for tracking and analyzing retail sales, offering deep insights into consumer purchasing behavior. The Dairy Alliance continually refines methods to measure the success and impact of our marketing programs. We also consider external factors that influence sales that are not captured by Circana.

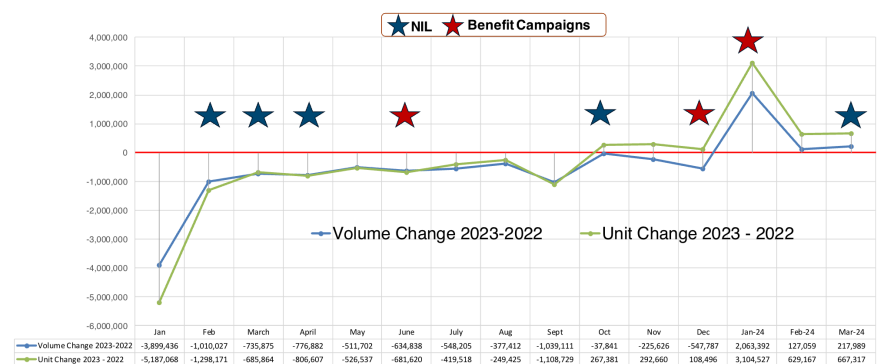
Our analysis, verified by Cirana, shows growth for retail milk sales in the Southeast region (excluding Florida and West Virginia) during the first few months of 2024. **For the first quarter of 2024, milk sales have increased by 0.3% year-to-date compared to last year, surpassing national averages and outperforming all other regions across the U. S.**

Milk Sales in TDA Up by 0.3% Compared to Last Year, SE & The Dairy Alliance Dominate Regions



By monitoring sales within our region, The Dairy Alliance can cross-reference campaign timelines to assess whether volume and unit retail milk sales have grown compared to the previous year. For instance, in this graph, our campaigns featuring NIL athletes (blue stars) and benefit-led integrated messaging (red stars) show noticeable spikes in sales for the Southeast. Interestingly, there was a **significant decline in September when the Hydration benefit led messaging campaign with Ecommerce ended**. This also underscores the pivotal role of Ecommerce and speaking with a unified benefit-led message across all marketing channels. While we are still working to develop and refine this sales tracking method and evaluating the success of our campaigns, we are excited to be one step closer to demonstrating the value of farmers' investment in their local dairy checkoff organization.

The Dairy Alliance - Volume and Unit Change v Last Year (2 Year View)

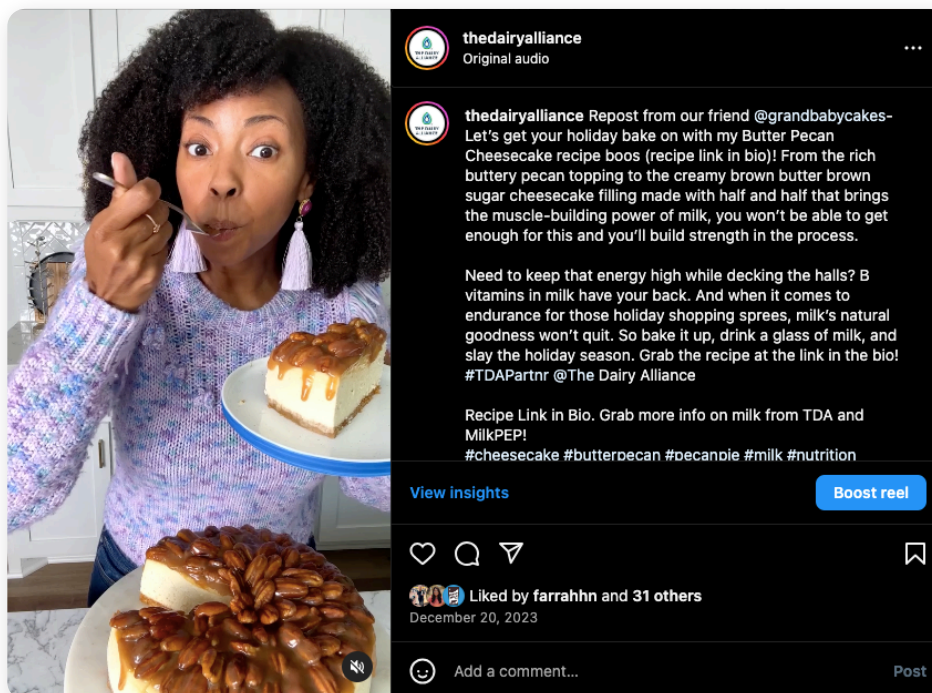


Why Influencer Marketing Helps Milk's Image

Sports fans aren't the only ones seeing more dairy on their social feeds, The Dairy Alliance is also reaching more consumers through lifestyle influencers. From foodie feeds to health-conscious tips to farmers in the field, these influencers reach new audiences, increase engagement, and build awareness that milk remains an important piece of our diet. It's difficult to grab and maintain the attention of today's consumers, but partnering with influencers relevant to milk builds our brand and positively impacts sales. In previous years, our work with social media influencers reached 20-30K consumers, but by analyzing and selecting influencers with high engagement rates, an established follower base and supplying influencers with messages that resonate with our industry, we can increase engagement with our target audience, build impressions, expand messaging across our region to reach the greatest impact possible.

GrandbabyCakes Joselyn Delk Adams

Shared dairy-centric recipes for the holiday season including scalloped potatoes for Thanksgiving and her Butter Pecan Cheesecake recipe for Christmas. Originally from Jackson Mississippi, Joselyn's post tie back to her life in the South.



The Holiday campaign had a total of over **826,000 holiday impressions** and **15,000 engagements** highlighting milk as an essential ingredient to the holiday season.



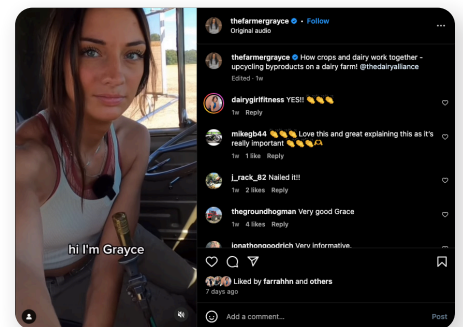
Emily Schaapman of DairyGirlFitness

Highlights dairy in her health-conscious content all year long to her **297,500 followers** including protein in dairy as part of your fitness routine and lactose-free dairy options for those with lactose intolerance.



EatingwithErica, Erica Thomas

Erica joined in during the November Milk Bowl competition between collegiate football players Joe Milton and Ladd McConkey. Erica shared tailgating milkshakes inspired by the players to her blog and channels with over **91,100 followers**. Her Spiked Peach Milkshake and Spiked Caramel Milkshake with Tennessee Whiskey promoted milk's high-quality protein and better hydration status in tasty adult drink options for fans to celebrate the Milk Bowl.



The Farmer Grayce, Grayce Emmick

In 2024, The Dairy Alliance is working with TheFarmerGrayce, Grayce Emmick. While Grayce is not a dairy farmer, she is a popular farmer influencer based in Kentucky with over **2.2 million** followers across her channels. Grayce is working with The Dairy Alliance this year to highlight sustainable farm practices amongst her audience.

Grayce shared her experience visiting Compton Dairy Farm in Kentucky highlighting technological advances on dairy farms. The first day of the video received over **18,000 views!**

Our heightened focus on influencer marketing will bring milk's versatility and benefits to Southeast consumers with the purchasing power to move more milk.



ECOMMERCE CHOOSING MILK Through Shoppable Ads

To encourage the sale of fluid milk in the Southeast region, The Dairy Alliance promotes the consumption of milk through Instacart using lifestyle imagery and messaging around milk's benefits. During the holiday season, these ecommerce ads promoted milk and eggnog consumption. The holiday ecommerce efforts garnered over **1.7 million impressions** from consumers. The ads have a direct impact on fluid milk conversions, driving over **\$2 million** in direct sales during the holiday ad run.

Foodservice Opportunities

Abound in the Southeast

Over the past 8 years, The Dairy Alliance has worked with restaurants to bring trendy dairy offerings to menus that appeal to consumers and move more dairy volume.

The food service industry presents a significant opportunity for the Southeast region. A recent study by Technomic on the food service landscape in the United States revealed that 17% of U.S. milk production is channeled through domestic food service, amounting to approximately 38 billion pounds of milk.

Notably, cheese and fluid milk constitute 83% of total dairy usage within the food service sector. Additionally, the Southeast hosts the headquarters of a disproportionate number of expanding food service chains .



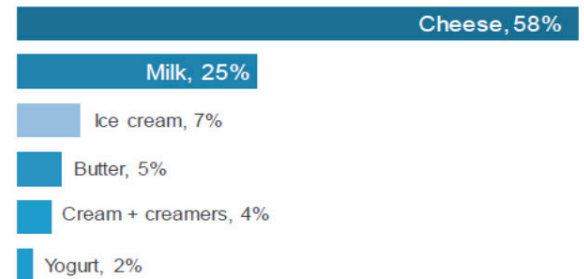
These chains and their menus and trends are projected to contribute to 60% of total food service growth by 2030.



17% of US milk production, moves through domestic food service industry

38 billion pounds of milk weight equivalent were consumed through food service industry in 2022

Cheese & Milk account for **83%** of Dairy usage in Food service



Last year, The Dairy Alliance helped launch 12 new items on menus at 4,626 foodservice locations. In 2024, in response to The Dairy Alliance's identification of an operator-to-consumer gap, **Round Table Pizza** launched **9 new Specialty Stuffed Crust pizzas** and **4 new Stuffed Crust Classic pizzas** across all of their **400 locations**. The Dairy Alliance is working closely with Round Table Pizza to grow cheese-centric menu items and introduce new platforms for cheese. Stuffed crust options are now available for all thirteen pizza options.



Have You Heard?

UPCOMING EVENTS

<p>APRIL 25-26 Georgia FFA State Convention Georgia</p>	<p>MAY 18 MSU Baseball Game Dairy Day Mississippi</p>	<p>MAY 31 June Dairy Month Kickoff Dinner and Awards North Carolina</p>	<p>JUNE 1 Putnam County Dairy Festival Georgia</p>
<p>JUNE 1 Walthall County Dairy Festival Mississippi</p>	<p>JUNE 1 MooFest Tennessee</p>	<p>JUNE 5-6 Alabama FFA Convention Alabama</p>	<p>JUNE 13 & 18 Dairy Nights at The Ballgames Kentucky</p>
<p>JUNE 15 Down on the Farm Day a Explore More Discovery Museum Virginia</p>	<p>JUNE 19-20 South Carolina FFA Convention South Carolina</p>	<p>JUNE 20 Farmer Night at the Danville Dairy Daddies Virginia</p>	<p>JULY 12 Virginia Dairy Expo Virginia</p>

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