



DAIRY FARMERS OF WASHINGTON 2020 YEAR IN REVIEW

BUILD TRUST AND DRIVE SALES FOR WASHINGTON DAIRY

A WORD FROM OUR LEADERSHIP

This past year was one of transition and innovation for the Dairy Farmers of Washington. As the new Executive Director, I wanted to ensure the organization was moving ahead with clarity and purpose firmly rooted in sound strategy. My main priority was to understand how this organization can be an essential partner to our farmers and industry, and to align our strategy and efforts to fit their needs. As you know, the industry was faced with a number of unforeseen challenges this year. While the pandemic did necessitate flexibility in our work and changes to many of our tactics, our strategy remained wholly focused on building trust and driving sales for dairy.

There is a lot to be optimistic about as we close out 2020 and look forward to 2021. Dairy consumption in the U.S. is the highest it's been in the last 60 years, and while channels like food service faced setbacks, dairy retail sales in Washington (+12.9%) and U.S. dairy exports (+13.7%) showed growth resulting in dairy sales being up overall versus 2019. Farmers' essential role in feeding our communities during the pandemic resulted in farming/agriculture topping the Gallup consumer trust poll in 2020 for the first time. Simply put, when faced with crisis, consumers turn to the products and producers they trust, which is a great place to build from.

Our board is engaged and aligned in our direction, our staff has remained locked in and motivated to work on your behalf, and collaboration with our industry partners is stronger than ever, resulting in efficiency with farmer dollars and meaningful results. I couldn't be more proud of the focus and effort the DFW staff and board have shown over the last year, and I am excited and honored to continue to work on behalf of all dairy farmers in our great state.



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2020 was a challenging year in many ways, but I have never seen this level of collaboration amongst our industry organizations. Our Dairy Farmers of Washington staff and board are dialed in and are working closer than ever before with Darigold and processors across the state, the Dairy Federation, Save Family Farming, Dairy West (Idaho & Utah), Oregon Dairy & Nutrition Council, and DMI. We are getting more bang for our buck from our 15-cent dairy checkoff investment than I've seen before due to this increased teamwork and collaboration here in Washington and with those across the nation—all working together toward a common goal.

None of us know yet what 2021 has in store, but I'm confident that our local dairy checkoff program is moving in the right direction and delivering value for us as stakeholders by increasing dairy sales and consumer trust. If you haven't yet met the staff and/or board, I encourage you to get to know them and learn more about the work that is currently being done. Please feel free to call anytime.



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Build Consumer Trust

In 2020, DFW focused on positioning dairy to deliver on Millennial and Gen Z expectations: nourishment that offers multiple dimensions of wellness—including impact on the planet and animals—and fits into their modern digital lifestyles.



Building Trust Nationally

- Gen-Z targeted pilot leveraging 4 high-profile Minecraft streamers to highlight dairy farming, including environmental stewardship and animal care. Reach of 12+ million and was #1 trending video on YouTube gaming for 24+ hours. Resulted in 37 trade and business media articles showcasing efforts.
- Fuel Up to Play 60 Homeroom transitioned to a digital-first experience to support virtual learning. In three months, Homeroom generated 40+ million impressions, resulting in 250,000 website visits.



MEDIA AND ISSUE MANAGEMENT

COVID-19

Addressed media inquiries about COVID-19 impact on dairy industry, including distribution issues and on-farm concerns, and created industry talking points accordingly.

NEW MEDIA CONTACTS AT:



NATIONAL FARMERS DAY

Prepared and worked with 8 Washington dairy farmers to discuss environmental sustainability with reporters.



124
media stories
generated

104M
people
reached



YOUTH

GENYOUTH COVID-19 EMERGENCY MEAL GRANTS

So far, 281 schools across Washington have been awarded a combined \$691,596 through GENYOUth, funded by dairy farmers and numerous donors outside the dairy industry, to help with purchasing equipment and other items like milk coolers to ease the transition to grab-and-go school meals during this global pandemic.

\$691k+ awarded to WA schools

VIRTUAL FARM TOURS

Interactive map created to teach consumers about how dairy farms operate, emphasizing environmental sustainability and animal welfare. Video segments include calves, cow barn, maternity barn, milking parlor, milk storage, milk processing, farm technology, feed center, manure management, and silage fields.

4
Washington
farms featured

10
educational
videos developed



SOCIAL MEDIA

Our social media efforts targeted our key audience of Gen-Z, Millennial parents and foodies with dairy-rich content focused on sustainability, health and wellness and the superior taste and comfort dairy provides.

audience
+3%

impressions*
11.5M+

engagement**
75k+

*the number of unique people who may see content
**interaction with a post, i.e. like, share, comment, etc.

SOCIAL MEDIA INFLUENCERS

Targeted Millennial parents by leveraging two regional influencers to create dairy-rich content highlighting local products and the wellness benefits of dairy.



views
15,000+

engagements
1,500+

impressions
30,000+

Drive Dairy Sales

DFW focused on increasing dairy demand and sales through multiple channels including food insecurity, e-commerce and traditional retail partners to execute local programs that help move dairy and build a positive reputation for dairy farmers.



Driving Sales Nationally

- Within the pizza category, which represents 25% of all cheese usage, a new partnership with Papa John's resulted in tens of millions of incremental pounds of cheese sold.
- A major media integration with Pizza Hut and Jimmy Fallon, host of NBC's The Tonight Show, to celebrate the high school class of 2020 resulted in 500,000 redeemed coupons and Pizza Hut's highest sales week in years.



NW MILK REVITALIZATION

**+\$152.3M (+13%)
total dairy sales
at retail in WA***

**+2%
fluid milk
sales in WA***

**IRI data vs previous yr.*

NW FLUID MILK REVITALIZATION PARTNERSHIP

This partnership has fostered strong collaboration with Darigold, Dairy West, DMI and DFW. Focusing on driving value-added dairy sales in 2020 with Darigold FIT as the featured product, we have seen encouraging results to date. Moving forward, the partnership will expand into the full value-added fluid milk portfolio continuing to build consumer trust and drive sales in the Northwest.



**+146%
gal. per store
per week***

**+108%
total retail
sales***

**ultra-filtered category
+45% volume in NW**

**FIT sales data vs previous yr.*



NW CHEESE PROMOTION

Launched a summer cheese promotion at all Washington Safeway/Albertsons to offset loss in sales due to COVID-related restaurant closures with a portion of sales going to the Washington Food Fund.

**+50% sales increase on featured
items during promotion**



ADDRESSING FOOD INSECURITY

EASTERN WA FOOD DRIVES

Sponsored Tom's Turkey Drive and other regional Thanksgiving drives to help feed families with Thanksgiving meals featuring half gallons of Darigold 2% milk. Received media coverage through KREM 2 highlighting dairy farmers' commitment to community.

13,500+ half gallons donated



SMITH BROTHERS FARMS EGGNOG NATION

Annual promotion donated 178% more milk than 2019 to families in need. Investment return of 3x the value of DFW sponsorship in milk provided to Food Lifeline clients and triple sales increase from 2019 for Smith Brothers Farms.

**15,400 quarts of eggnog
sold over 11 days**

**7,776 half gallons
of milk donated**

HARVEST AGAINST HUNGER REFRIGERATION GRANTS

Partnered with WSDA to help foodbanks purchase refrigerators to store fresh dairy in support of the Farmers to Families Food Box program.