As often happens this time of year, I find myself reflecting on the past 12 months at Dairy West, specifically our success, our people and our growth as an organization. In this newsletter, you can see the impact we are having across our region. I’m proud of the work we’ve done in 2019 and looking forward to the many opportunities we face in 2020 and beyond. Thank you for your ongoing support and confidence.

In working toward our core mission of inspiring trust and building demand, we have developed a more targeted vision for Dairy West. To catalyze a world where the dairy community is a positive change-maker. With that vision top of mind, we aim to maintain our relevance and continue to rise up to meet the needs of the ever-changing consumer. Our ability to be a trusted resource in a time when people are making purchasing and consumption decisions much differently than they did even five years ago will result in keeping consumers in or bringing them back to the dairy category. Our new Unbottled brand does just that—it allows us to be relevant, nimble, and grow trust, leading to increased sales, in a world that is volatile, uncertain, complex and ambiguous (VUCA).

So, let’s embrace 2020 as the year to unbotle checkoff’s success.

Unbottled: Our New Consumer Outreach

As a promotion organization, our greatest asset and also a challenge is the opportunity to work with a variety of stakeholders. With one voice, it is difficult to articulate a clear purpose to groups with such diverse needs. Therefore, after extensive research and will evaluation, we are adopting a two-brand strategy, one that will allow us to eliminate confusion about who we are and be more meaningful with our outreach.

Dairy West, as a brand, will be more focused than ever working to connect a regional dairy community focused on progress and the future.

Unbottled is new! It is designed as a consumer-facing brand that will grow on the platform to maintain dairy farmers’ relevance in a quickly-changing consumer landscape. Unbottled captures how dairy can help everyone unbotle their best selves, get back to what is simple and real and make decisions that feel right.

You will see videos that introduce the brand – both on regional networks and on PBS through a sponsorship with Idaho & Utah public television. Our website Unbottled.com is currently a landing page that is being built into a robust destination designed to tap into regional experts (including you!) to answer questions about dairy, nutrition, sustainability and farming practices.

Visit Unbottled.com to see our current videos and watch the website develop. On social media, follow Unbottled on Facebook, Instagram, and Twitter. You will continue to find Dairy West on Twitter and Instagram. We look forward to sharing progress as the brand continues to build.

Make plans to attend the FUSION 2020 Annual Conference, a Dairy West/Utah Farm Bureau joint meeting, January 30-31 in St. George UT.

Thank you for your ongoing support and confidence! You can see the impact we are having across our region. I’m proud of the work we’ve done in 2019 and looking forward to the many opportunities we face in 2020 and beyond. Thank you for your ongoing support and confidence!
Dairy West Supports Food Innovation

During TrueFood’s Boise Startup Week, an event and competition designed to showcase regional innovative food products, Dairy West supported the judging panel during the competition. We also arranged for Jacqi Coleman, VP Agriculture at Utah State University.

Utah Dairy Commission Redistricting

Given the rapidly changing landscape of dairy farming in Utah, the Utah Dairy Commission has voted to pursue a redistricting effort. The goal of this process is to align the make-up of the Commission with dairy and dairy production in Utah to meet today’s needs and prepare for a continuously changing future. It will provide flexibility and sensible representation. The proposal to redistrict will include three distinct districts, with a total of nine voting members, as follows:

Two Members from District 1: Cache and Rich Counties.
Four Members from District 2: Box Elder, Weber, Morgan, Salt Lake, Davis, Utah, Tooele, Summit, Duchesne, Uintah and Daggett Counties.
Three Members from District 3: Millard, Beaver, Iron, Washington, Sanpete, Carbon, Emery, Grand, Juab, San Juan, Price, Wayne, Kane, Garfield and Sevier Counties.

In addition, the Commission will continue to have two Ex-Offio, non-voting members: the Commissioner of Pappys Farm in Ogden Utah, As a fourth-generation member of you! looks forward to meeting all of you!

New Staff Working for You

Meet Lacey Papageorge. Lacey recently joined the Dairy West team as a Producer Relations Manager based in the Draper office. She is very excited to be working for dairy farmers and looks forward to meeting all of you.

Dairy Farm Family Scholarship

In 2010, the Dairy Farm Family Scholarship was established to honor the dairy community in Utah and to provide scholarships to children of active dairy producers in Utah. The purpose of the scholarships is to help cover college expenses for children of active dairy producers in Utah who are residents of Utah. The scholarships are awarded to sons and daughters of active dairy producers who attend an accredited college or university and submit an essay on why they want to continue the dairy tradition in their family. The deadline for applications is May 31, 2020 and the awards will be announced in June 2020. For information about the Dairy Farm Family Scholarship, please contact Lacey Papageorge (lpapageorge@dairywest.com) or Karianne Fallow (208/280-2444) or Jeff Hardy (435/230-1042).

Boise Startup Week

Dairy West hosted the first annual Dairy Optimization in Schools Symposium on October 8-10. Promotion organizations from across the country gathered to learn, network and share with the ultimate goal of working smarter to increase dairy’s reputation as a credible and exciting source for health and wellness information. For more information, contact Ann Lokuta, alokuta@dairywest.com.

Health Professionals

Our events for health professionals are building on Dairy West’s reputation as a credible and engaging source for health and wellness information. For more information, contact Ann Lokuta, alokuta@dairywest.com.

programs for farmers

Dairy Farmers of Canada have created programs for farmers, including those specifically to farmers and farmer resources! Visit www.dairywest.com/for-farmers. Did you know there’s a page on dairywest.com dedicated specifically to farmers and farmer resources? Visit www.dairywest.com/for-farmers. For more information about producer resources, contact Melinda Wolfe mwolfe@dairywest.com or Lacey Papageorge lpapageorge@dairywest.com.

Lee’s Milk Drive

In its sixth year, the 2019 Lee’s Milk Drive proved to be the best yet! Over 6,490 gallons of milk donated by store patrons!

1302 gallons matched by Gossner Foods
842 equivalent gallons contributed by DFA

This was hands on of the best trainings I have ever been to since I started in this industry almost 10 years ago. The educational sessions were informative and engaging, and this sharing was incredibly helpful."

Utah Dairy Farm Family Scholarship

Is someone you know planning to enroll in college or trade school next year? Applications for the 2020-21 school year are now being accepted for the Dairy Farm Family Scholarship. Immediate family members of current dairy producers in Idaho and Utah are eligible to apply. Recipients are selected by a committee of Idaho and Utah dairy producers.

For complete guidelines and online application, visit dairywest.com/apply. Questions? Melinda Wolfe mwolfe@dairywest.com.
# GROWING Sales
Over the Short- and Long-Term

## TOTAL U.S. DAIRY SALES

<table>
<thead>
<tr>
<th>0.5% GROWTH</th>
<th>TOTAL COMMERCIAL USE OF ALL DAIRY EXCEEDS TOTAL MILK PRODUCTION.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Compared to 2018)</td>
<td>Projected through September 2019. Source: USDA, total dairy reported on milk equivalent, milkfat basis</td>
</tr>
</tbody>
</table>

## PARTNERS

<table>
<thead>
<tr>
<th>33% MORE USE OF U.S. CHEESE</th>
<th>by Domino’s in Japan in the first half of 2019.</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABOUT 2.2 POUNDS</td>
<td>of U.S. cheese per large New Yorker Pizza from Domino’s Japan.</td>
</tr>
<tr>
<td>120% GROWTH OF U.S. CHEESE</td>
<td>by Pizza Hut Asia-Pacific in 2019, to date. Pizza Hut’s “Cheeses of the World” Pizza, offered in Indonesia, uses 100% U.S. string and mozzarella cheese.</td>
</tr>
<tr>
<td>5.2M VIDEO VIEWS</td>
<td>in Korea of Pizza Hut’s “More Cheese, More Love” featuring U.S. dairy farmers.</td>
</tr>
<tr>
<td>KFC CHICKEN AND CHEESE POPS</td>
<td>bring together friend chicken and fried U.S.-sourced cheese curds in KFC Latin America &amp; Caribbean.</td>
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## FLUID MILK

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<tr>
<th>94% OF U.S. HOUSEHOLDS PURCHASE FLUID MILK</th>
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<tbody>
<tr>
<td>Fluid milk revitalization partners have contributed:</td>
</tr>
<tr>
<td>1.3B cumulative new product sales.</td>
</tr>
<tr>
<td>$1B+ in infrastructure/plant and equipment investments.</td>
</tr>
<tr>
<td>$250M+ in incremental consumer marketing and advertising spend.</td>
</tr>
<tr>
<td>1.4 BILLION POUNDS OF ADDITIONAL SALES</td>
</tr>
<tr>
<td>from checkoff investment in nutrition science (whole milk, chocolate milk as recovery beverage, lactose-free).</td>
</tr>
</tbody>
</table>

## DAIRY EXPORTS

U.S. dairy’s sustainability story remains a marketing asset to GROWING EXPORTS IN KEY MARKETS.

| U.S.-SOURCED CHEESE | showcased at opening of Costco in Shanghai, with plans to expand to South Korea, Taiwan and Mexico. |
The Innovation Center brings the industry together to advance dairy farmer, and U.S. dairy’s, priorities to grow trust and sales over the long term.

The Dairy Sustainability Alliance includes:

- **40** farmer representatives from across the country.
- **370+** professionals from more than 100 cooperatives.
- **PLUS** processor, industry suppliers, retailers, academia, government and advocacy organization reps.
- **750M** POUNDS ADDITIONAL milk and dairy products distributed to **200** food banks between 2016 – 2018.

**UNDENIABLY DAIRY**

Since Undeniably Dairy’s inception, **300+** DAIRY AND FOOD COMPANIES have helped advance public trust in dairy through participation in the campaign.

**SIGNIFICANT INCREASES IN TRUST**

on key consumer perceptions related to trust in farmers and farmers taking care of their land and animals

*(June 2019 DMI Equity Tracker that measures consumer perceptions on dairy/dairy farming)*

- **+6** point increase in trust in farmers and farmers taking care of the land.
- **+8** point increase in trust in farmers treating cows humanely.
- **+5** point increase in consumers trusting dairy as superior to plant-based proteins.

**YOUTH WELLNESS**

Fuel Up to Play 60 helped increase milk use by **1.2B** POUNDS SINCE 2010.

This year, Fuel Up to Play 60 will reach **1+ BILLION TOTAL IMPRESSIONS** of milk containers, exposing millions of students to the program multiple times since its inception.

**NEARLY 3 MILLION ADDITIONAL STUDENTS PARTICIPATE** in school breakfast programs since 2010.