

2018 ANNUAL REPORT



If it were easy, everyone would be a dairy farmer. 2018, like the years preceding, has been one of challenge and adversity. Here in Maine we know it's not easy. Challenge and adversity due to our location, the weather, the limitations of transport, infrastructure, and population add to the already heavy lift we dairy farmers face in our everyday. But, Maine's uniqueness



Jenni Tilton-Flood gives a radio interview during Maine Dairy Night at the UMaine Black Bears hockey game that is an annual reward for our most involved Fuel Up To Play 60 schools.

and individuality is part of what makes us stronger and that strength comes, in part, from how we stand together as one, with a voice.

Our Checkoff is one way that we are able to speak loudly and be heard beyond our State. As your UDIA Director, representing each and every dairy farm here in Maine that contributes their hard earned money to our Checkoff program, I make sure your voice is heard at the national level by advocating on your behalf with regards to how our monies and efforts are utilized. It is an honour and privilege to bring our state's unique perspective and experience to the table. Time and time again our staff, programs, farmers, and dairy community here in Maine have proven that we may be at the end of the road but we are more than a dot on a map.

In order for our voice to be heard we need to speak up and speak out and as dairy farmers finding that time and being in the "right" place can be difficult so I encourage you, and hope, that you will reach out and make sure your thoughts, opinions, and concerns are known so that my advocacy is truly representative of Maine's diversity of dairy farms.

Jenni Tilton-Flood
Maine United Dairy Industry Director
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I want to talk with you farmer to farmer. The diverse group of individuals who serve on the MDPB and MDNC are farmers. We represent many different types of farms, different sizes of farms, and different processors that we work with. We want to make sure that you know how your Dairy CCheckoff money is being used locally and nationally. We want you to know that we are available to speak to, ask questions, and to provide feedback to.

Lately it has been tough being a dairy farmer. Every farm has had discussions about how to do things more economically. Dairy Checkoff has been the target of many of those conversations and farmers have been questioning if it is even necessary. I want to ask you – Where would we be without it? I hope that you spend some time reviewing our annual report and see the ways that the money you spend on Dairy Checkoff is worth it.

Youth wellness, global policy and research, retail reinforcement, and fluid milk innovation are some of the areas that our checkoff staff have been working hard on. Looking ahead, some of the highlights to come are: new innovative partnerships, building trust among youth and conflicted health seekers, and dairy's position in the global food system. In addition to learning from the past, and looking at where we are right now, we are looking into

the future, and how we can shape it. How will food and information be consumed 10+ years from now? We have a huge opportunity to get ahead by helping to create the blue print to get there.

Locally our staff keeps us on the cutting edge of promotional activities and has an active voice nationally. Work continues to occur in the schools to promote healthy eating, that includes dairy, and physical activity. They continue to be leaders when working with and educating dietitians on dairy's role in the diet. They are also active on social media sharing what we love: dairy foods, our farms, and our farm families.

**Kathryn Fogler, Stonyvale Farm, Exeter
Chair, Maine Dairy Promotion Board
tkfogler@tds.net or cell: 570-2931**



Maine School Nutrition Association members and UMaine dietetic interns on a tour of Stonyvale Farm.

Often when dairy farmers hear “promotion” they think they should be seeing television commercials, encouraging people to drink milk. Through experience and market research over the years, it has been found that main stream advertising like that is not what reaches the consumers, many of whom don’t even watch television any more but instead find entertainment on-line. Dairy Checkoff has found that partnerships with corporations like McDonalds, Taco Bell and Pizza



Teresa Hardy, her husband Henry and their grandchildren on their farm in Farmington.

Hut are more effective in increasing sales. And in 2018, we saw sales increase by 2.2 percent, mainly from exports as well as domestic sales of butter and cheese, much of which is a direct result of those partnerships in the U.S. and their chains abroad.

Fuel Up to Play 60 continues to get kids motivated and consuming more milk. Coolers, breakfast carts, smoothie machines and more purchased with FUTP60 funds for schools has had a direct impact on milk and other dairy sales within the schools. It isn't just the sales in schools though, we are creating life-long milk drinkers through this program; they are influencing their parents' purchases now and will one day be doing the grocery shopping for their own families and hopefully remember the lessons they learned in our program.

Getting our farmers perspective out there is a great way to encourage milk sales, whether it be on social media - #UndeniablyDairy - or by participating in events like Maine Open Farm Day, Open Creamery Day, school tours, etc., or by saying “yes” when someone from the Maine Dairy & Nutrition Council calls to ask you to visit a local school for a Fuel Up to Play 60 event.

**Teresa Hardy, Hardy Farm, Farmington
Chair, Maine Dairy & Nutrition Council
ayrshiresr1@gmail.com**

GROWING SALES

short- and long-term

your
DAIRY
CHECKOFF
Dairy Management Inc.

PARTNERS

Checkoff's partnership with Pizza Hut branched outside the U.S.,

GROWING U.S. CHEESE SALES BY NEARLY

30%

at Pizza Hut Asia Pacific locations.

Marketing includes "made with U.S. cheese" TV advertising to global consumers.

Fluid milk sales at foodservice restaurants remain a bright spot. Milk offered through coffees and other specialty beverages

GREW 2%

McDonald's has averaged

3.2% ANNUAL GROWTH IN DAIRY SALES

over the 10-year partnership with the Checkoff. Successes include: McCafe relaunch, adding Yoplait® GO-GURT® Yogurt and transitioning to real butter.

NATIONALLY TOTAL DAIRY SALES

↑ 2.2% IN 2018
(THRU NOVEMBER)

compared to 2017. Primary sales drivers were domestic cheese and butter sales, along with exports of U.S. dairy.



UNDENIABLY DAIRY

300+ companies participating, including dairy co-ops, manufacturers and food service leaders.

In 2018, Undenifiably Dairy invested \$5 million in paid media, generating

100M and **460M**
VIDEO VIEWS and IMPRESSIONS

To compare - a single SuperBowl LIII ad cost \$5.2 million and generated 98 million views for a single-time opportunity.

FLUID MILK

Over the last 4 years, MILK COMPANY PARTNERS HAVE INVESTED MORE THAN **\$700M**

in new and upgraded plants to offer new products, and nearly doubled their investment in advertising.

2019 new product launches will focus on

VALUE-ADDED DAIRY

including protein and flavored options, with new products from Darigold, Kroger, Dairy Farmers of America, and Shamrock, among others.



DAIRY EXPORTS

In 2018 (thru November), U.S. Dairy exports represented nearly

16% OF TOTAL PRODUCTION.

International demand for cheese, butter and milk powders is strong.





Ben Taylor,
Taylor Farms
St. Albans



Harold Larrabee
Treasurer
Aghaloma Farm
Knox



Kate Fogler
Chair
Stonyvale Farm
Exeter



Tim Drake
MDOAC&F



Jenni Tilton-Flood
UDIA Director
Flood Brothers Farm
Clinton



MAINE DAIRY PROMOTION BOARD

MAINE DAIRY & NUTRITION COUNCIL



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Green Valle Farm
Newburgh



Betsy Bullard
Brigean Farms
Turner



A Changed Perspective

***Sarah Littlefield, Executive Director
Maine Dairy Promotion Board/Maine Dairy & Nutrition Council***

Having been a dairy farmer myself, I am confident in assuming that at some point you have had a conversation with someone who asked about your profession. Then upon hearing you are a dairy farmer they reply, “Oh, so you milk cows,” which then triggers a response of listing off all the things you do in addition to milking cows!

In my new role as Executive Director, I have learned that similar to dairy farming there is more to your Checkoff organizations than someone may realize. There are many areas that Checkoff focuses on – market analysis, consumer trust, product innovation, responsible management practices, and dietary science; just to name a few.

Your local staff is a team of people who have just as much pride and passion in the dairy industry as you do. They work diligently to represent your products and tell your incredible story throughout the state. Your national staff covers as much ground as you do in a day, each of them looking toward the future of dairy and applying their individual strengths to make a difference in the industry. Your farmer board members, both locally and nationally, represent a cross section of all dairy demographics and carry the weight of making decisions within the organizations with you in mind.

I am very excited to have joined the team in 2018, leading your Dairy



Checkoff here in Maine. Please reach out to me to introduce yourself as a member of the Dairy Checkoff with any questions, concerns or comments.

2018 Audited Financial Statement

Maine Dairy Promotion Board

INCOME

Carried forward from previous year	\$ 163,637
Current Year Income:	
Producer Checkoff Remittance	\$ 612,653
Transfer to Maine Dairy & Nutrition Council	(122,289)
Net Checkoff Income	<u>\$ 490,363</u>
Interest Income	\$ 1,021
MEMIC Dividend	186
Other Income	25
Supplemental Funding (Restricted)	125,200
Total Current Year Income	<u>\$ 616,795</u>
Total Current Income & Carryover	<u>\$ 780,432</u>

EXPENSES

Local Marketing Implementation:	
Operating Expenses	\$ 202,519
UDIA Dues	<u>125,000</u>
Total Local Marketing Implementation	\$ 327,519
National Program Funding Commitment	\$ 159,812
Unified Marketing Plan Programs	\$ 87,595
Total Expenses	<u>\$ 574,925</u>
Funds available for future year programs	<u>\$ 205,507</u>

2018 Audited Financial Statement

Maine Dairy & Nutrition Council

INCOME

Carried forward from previous year	\$ 82,852
Current Year Income:	
Transfer from Maine Dairy Promotion Board	\$ 122,289
Dealer Fee	100,578
Sale of Materials	20
Interest Income	635
Total Current Year Income	<u>\$ 223,522</u>
Total Current Income & Carryover	<u>\$ 306,374</u>

EXPENSES

Local Marketing Implementation:	
Operating Expenses	\$ 182,250
Unified Marketing Plan Programs	\$ 13,118
Total Expenses	<u>\$ 195,368</u>
Funds available for future year programs	<u>\$ 111,006</u>



Funds for Fuel Up to Play 60 support healthy eating & physical activity

A partnership between the National Dairy Council and the NFL, Fuel Up to Play 60 allows us to connect with schools all across Maine. Not only is it a way to encourage healthy eating and physical activity among students, promote dairy as part of a balanced diet, and help students make the connection between milk, cheese and yogurt and the Maine farms it comes from, it's also an opportunity for dairy farmers to see their Dairy Checkoff funds doing good in schools in their communities.

In 2018, we were able to award Fuel Up to Play 60 funds totaling \$13,000 to eight schools across the state. Area dairy farmers presented checks to students, administration and faculty, and sometimes during an entire school assembly.

Schools used the funds to complete healthy eating and physical activity "Plays",

the ideas for which are student driven.

Selected Healthy Eating Plays in 2018 included: Snack Smarter School-wide, Farm to School - Know Your Food, Breakfast for Everyone - First Meal Matters, Highlight Healthy Foods - Go Nutritious and Fight Hunger - Help Nourish Your Community. Selected Physical Activity Plays included: Recess Refresh - It's Not So Elementary, All In, All Abilities - Activate Your School, In Class Physical Activity Breaks - Good for Mind & Body and Walk This Way - Start a Walking Club.



The perks of being an active FUTP60 School

We don't want a school to simply sign up for Fuel Up to Play 60; we like to keep them active and enthusiastic about the program.

New Program Advisors receive welcome packs, active students receive Student Ambassador packs when they reach 30,000 points, and active schools are rewarded with a FUTP60 reception at a University of Maine Men's Ice Hockey Game. In 2018, schools where at least one student applied to become the State Ambassador were invited to attend a special recognition day at Gillette Stadium. In Maine, we also hosted a Student Leadership Day for active schools at the University of New England, where students presented their Healthy Eating and Physical Activity Plays from the past year, lead group physical activities and developed leadership skills. New England Patriot Jacob Hollister was the special guest for the day, along with dairy farmer Jenni Tilton-Flood. Four Maine students and two educators, including the State Ambassador and her Program Advisor, attended the National Fuel Up to Play 60 Summit in Atlanta, Ga. Maine also boasts one student member of the national Fuel Up to Play 60 Youth Council, which is responsible for planning the national summit and program direction. And as a reward for the State Ambassador, Patriots player Derek Rivers visited Bath Middle School.



FUTP60 Small Equipment Grants focus on serving milk

Small food service equipment grants were offered to schools in the spring of 2018, with emphasis placed on serving cold, attractively marketed milk and increasing meal consumption through innovative dairy-related meal offerings. Three elementary, two middle and two high schools were selected for the following: a grab and go breakfast cart; a milk cooler; yogurt bar carts and milk cooler barrels. The equipment was ordered for the schools over the summer

and arrived during September.

To celebrate the new equipment, we arranged for a welcome celebration with each school, featuring a local dairy farmer as a special guest. The principal at each school welcomed the farmer and provided the opportunity for him/her to speak to the students about dairy farming. DrinkMaineMilk pencils, I Love Maine Milk stickers and Holstein-spotted wrist bands were distributed to each student.

The new cooler has been absolutely wonderful! Not only is it colorful and fun to look at, the students are now enjoying more icy, cold milk with their meals. Thank you, Maine dairy farmers!

- Dr. Lewis S. Libby School, Milford



Westbrook student wins national prize, takes fellow students on a farm tour

While at the 2018 National Fuel Up to Play 60 Student Ambassador Summit in Atlanta, Westbrook Middle School student Abdullah Khuder pitched his nutrition idea during the Fuel Up Innovation Challenge and won a \$1,000 grant for his school. Among other projects, the funds were used for transportation for WMS students involved in FUTP60 to visit **Mineral Springs Farm** in Windham last fall. While there, farm family member Heather Hall Emmons was also able to present a FUTP60 funds check for the school's healthy eating and physical activity initiatives. Another group will have the opportunity to tour the farm in spring 2019.



Milk consumption up with Summer Meals Programs

In Spring of 2018, we offered Maine schools a chance to apply for up to three Fuel Up to Play 60 soft-sided insulated coolers for use in their summer meals program. We collaborated with the Maine Department of Education Child Nutrition Program whose staff advised us and helped publicize the opportunity. We had one stipulation that the summer meal program sponsor be a Fuel Up to Play 60 school, with the understanding that the coolers would be used during the school year, as well.

As part of the application, we asked school nutrition directors for their summer 2017 milk usage. At the end of the summer, we followed up and asked for their summer 2018 milk usage. All 19 school districts replied. These 19 districts served approximately 7,835 more cartons of milk in 2018 than the previous year. Our farmers were really pleased to be able to support a program that not only helped increase milk consumption among children, but made such a positive impact on alleviating child hunger during the summer months.



Comments from School Nutrition Directors

Lewiston Public Schools is THRILLED to participate in the grant offered by the Maine Dairy (and Nutrition) Council. The coolers supplied are FANTASTIC and they are used year round in all of our nutrition facilities.

These brightly colored coolers are a huge marketing tool for us, it definitely attracts kids at the meal sites, and then having the milk stay real cold, helps with the kids drinking the milk, these coolers have made a huge impact on our program.

Handy, dandy , cool looking, easy to carry ~ flexible, insulated Fuel Up to Play 60 coolers worked great for our summer feeding program!

The weather was HOT and humid, so having these amazing Bright RED coolers to keep the milk icy cold was a gift! The kiddos easily recognized the coolers and came running across the park for their choice of icy cold milk! Thank you again for helping reach more kids in our local area!

These coolers help keep milk cold, at proper temperatures, to ensure product quality as well as safety.

Local activation of national messages - A united front



National Farmers Day

Like Comment Share

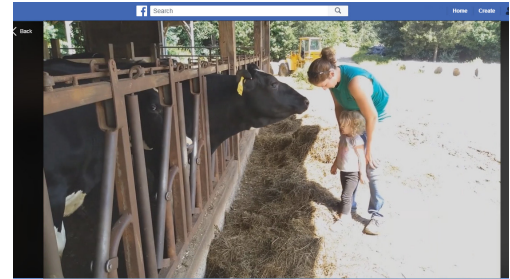
DrinkMaineMilk.org

5 Comments 155 Shares

#NationalFarmersDay



#WorldMilkDay



Maine kids deserve Maine milk

Like Comment Share

DrinkMaineMilk.org

2 Comments 45 Shares

5.5K Views · about 6 months ago

Chat (2)

#10GallonChallenge

#GreatAmericanMilkDrive

#HungerAction Month

In an attempt to make our voices better heard among the throngs of social media influencers, DMI will often rally all the state and regional dairy councils around a specific theme, day or event. Most often that involves sharing our own posts with a common hashtag (in addition to #UndeniablyDairy, which is used year round). Some examples of how we activated those messages locally include a video on National Farmers Day, featuring Maine farmers and their commonality with consumers, a day of social media posts while on a ridealong with Chad the Milk Truck Driver on World Milk Day, and a video of dairy farmer and mother Sarah Keene of Conant Acres appealing to folks to donate to the Great American Milk Drive (the latter did double duty as our television spot on Black Bear Insider during the holidays).

We couldn't do it without you

Thank you to those of you who answered our calls, emails and messages and allowed us to come to your farm with camera in hand and gave of your time so that we could share what you do and what wonderful people you are with the rest of the world. And thank you to all those who have visited schools with us this past year - there were several of you. Also, thank you to those who take it upon yourself to post images of your farm, family and cows on social media or welcome people to your farms for tours or for events like Open Farm Day. We know your time is valuable. It is appreciated, and it does make a difference.



For June Dairy Month, we highlighted the localness of Maine dairy with a series of posts called "Straight from the Source."

We featured ice cream, cheese and even chocolate makers, along with bottled milk.



On the cover: Hilton Farms, 2018 Green Pastures Winner

Hilton Farms, owned by Jim and Elizabeth Hilton and operated with the help of their two sons, is the 2018 Green Pastures winner for Maine. Hilton Farms has been a mainstay of Norridgewock since it was purchased by Ralph and Lora Hilton in 1927. At that time, the farm was diversified with prize winning sheep, chickens and work horses.

The farm started commercial dairy production in 1949 with the construction of a dairy barn for 40 animals. In 1954, Jim's dad Frank returned to the farm, increasing his ownership of the farm until he purchased it in 1957, milking 40-45 cows. Hilton Farms was one of the first farms to convert from milk cans to bulk tank milk. Frank was also a Green Pastures winner in 1969.

In 1975, the farm sold all of the milk cows but was back in production by 1976 with 16 cows. A pipeline milking system was added in 1977 and the milking herd was rebuilt to 89 by 1980.

Jim took over the farm operation in 1993, adding a new double 10 parallel parlor two years

later and converting to freestalls. Two years after that, a new barn was built, followed by an updated milkroom in 2001.

Currently the farm milks 250 cows, mostly Holsteins. The herd is homebred, producing just over 25,000 lbs of milk per cow testing 3.72% fat and 3.1% protein. Technology is used to monitor cow activity, diet composition, forage yields, milk production and cow management. The farm has adopted several energy efficiency measures so that their power bill is similar to what it was in the 1990s.

The farm has an active cropping program to produce feed for their cows and youngstock with 500 acres of corn, 140 acres of alfalfa, 270 acres of grass as well as maintaining 70 acres of pasture. The farm produces grain corn for their use as well as sale off the farm. They have installed a new computerized grain dryer and storage bins for their crop. The Hiltons have also been instrumental in growing small grains as they look to new opportunities to improve efficiency or develop markets.

Maine Dairy Promotion Board and Maine Dairy & Nutrition Council Staff

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