

Dairy Nourishes America

**Opportunity to provide dairy foods to
hungry people in the United States**





Dairy Nourishes America



Dairy Nourishes America was developed through a partnership between the U.S. dairy community and Feeding America to develop community level engagement to increase the servings of milk, cheese and yogurt available for the 40+ million hungry people across the U.S. As part of the Innovation Center for U.S. Dairy, this program is a key way that U.S. dairy demonstrates its commitment to positively contribute to local communities.

Over 40 million Americans are served by Feeding America's network of 200 food banks and over 60,000 agencies (such as food pantries, soup kitchens, mobile pantries). On average, a food bank client receives only one gallon of milk per year while the average American drinks about 20 gallons of milk per year. The gap for available milk, cheese and yogurt is huge and so is the opportunity to provide dairy foods to hungry people.

The Dairy Nourishes America initiative contributes to local communities and regions by supporting efforts to increase access to dairy foods for people who are struggling to feed their families. Food bank clients want milk, cheese and yogurt in their food bank "baskets." Dairy foods complement the other staples – like cereal, bread and pasta – that food bank clients receive and provide nutrients that might be missing in their diets.



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Dairy companies and their employees contribute to local communities and regions in ways that can be obvious to consumers and stakeholders, such as direct economic support, local taxes paid and as a source for local employment opportunities. Other impacts may be less obvious including community involvement by employers and employees in service organizations, churches and schools, charitable contributions and general contributions and capacity building to support the overall vitality of many communities.

Dairy Nourishes America is one way that your company and employees can engage in your local community or region to feed hungry people by providing nutritious dairy foods. Through collective reporting, the Innovation Center will be able to share the overall impact that the U.S. dairy community is making in feeding hungry people. As individual companies, you can track and share your contributions as part of your brand's commitment to social responsibility in your community. Also, as individual companies, you can tell your stories by providing a narrative description of your Dairy Nourishes America engagement. We want to hear from you!

To find out what you can do, contact:
DairyNourishesAmerica@dairy.org





Dairy Nourishes America

Milk Purchase Model

What is it?

The milk purchase model is the consistent purchase of a supply of milk by a local food bank.

Why do it?

Processors who participate cite the following as key reasons for participating in the program:

- New distribution channel with minimal increased costs.
- Increases production and potential for higher plant efficiency.
- Leverages existing order fulfillment processes and delivery routes.
- Maintains control over all aspects of milk delivery and food safety.
- Opportunity to encourage milk consumption among food bank clients.
- Employee pride about contributing wholesome, nourishing milk to food insecure neighbors.
- Ability to promote program as part of your brand's commitment to community and corporate social responsibility.
- Opportunity to apply a tax benefit to the difference between fair market value and the contracted purchase price if that applies to your situation. You should contact your tax advisor before making a tax-related decision.



How do I get started?

Contact DairyNourishesAmerica@dairy.org to get started. We will connect you with Feeding America and the food banks in your area to:

- Identify food banks in proximity to your plant or distribution center.
- Contact food banks to assess interest.
- Identify potential volume of milk needed for contracted purchase by food banks.
- Identify legal regulations within your state/ community that might impact your efforts.
- Set up meeting with food bank staff to determine next steps including:
 - » Refrigeration capacity
 - » Delivery requirements
 - » Billing
- Pilot the model with the food banks to work out the logistics.
- Grow your business with food banks by providing a consistent supply of milk.
- Track your progress for your own social responsibility report and send to DairyNourishesAmerica@dairy.org to support U.S. Dairy's collective story.

What are the results to date?



Monthly average of 54,000 gallons (864,000 servings)



Case Study

Dairy Company and Northern Illinois Food Bank

Challenge: Northern Illinois Food Bank (NIFB) identified the need for milk. NIFB serves over 71,500 people per week in 13 counties in northern Illinois.

Opportunity: Processor was asked to provide a steady supply of fresh milk to food bank agencies.

Solution: NIFB and Dairy Company negotiated a mutually agreeable price for weekly deliveries of milk to food bank agencies. Dairy Company maintained control of milk to protect cold chain and stored milk in agency refrigerators. NIFB paid invoices and provided milk to their clients.

Results: NIFB purchases an average of 300,000 gallons of milk per year from Dairy Company.

To find out what you can do, contact: DairyNourishesAmerica@dairy.org





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Cheese Purchase Model

What is it?

The cheese purchase model is the consistent purchase of a supply of cheese by a local food bank.

Why do it?

Processors who participate cite the following as key reasons for participating in the program:

- New distribution channel with minimal increased costs.
- Increases production and potential for higher plant efficiency.
- Leverages existing order fulfillment processes and delivery routes.
- Maintains control over all aspects of cheese delivery and food safety.
- Opportunity to encourage cheese consumption among food bank clients.
- Employee pride about contributing wholesome, nourishing cheese to food insecure neighbors.
- Ability to promote program as part of your brand's commitment to community and corporate social responsibility.
- Opportunity to apply a tax benefit to the difference between fair market value and the contracted purchase price if that applies to your situation. You should contact your tax advisor before making a tax-related decision.



How do I get started?

Contact DairyNourishesAmerica@dairy.org to get started. We will connect you with Feeding America and the food banks in your area to:

- Identify food banks in proximity to your plant or distribution center.
- Contact food banks to assess interest.
- Identify potential volume of cheese needed for contracted purchase by food banks.
- Identify legal regulations within your state/ community that might impact your efforts.
- Set up meeting with food bank staff to determine next steps including:
 - » Refrigeration capacity
 - » Delivery requirements
 - » Billing
- Pilot the model with the food banks to work out the logistics.
- Grow your business with food banks by providing a consistent supply of cheese.
- Track your progress for your own social responsibility report and send to DairyNourishesAmerica@dairy.org to support U.S. Dairy's collective story.

What are the results to date?

Food banks might receive cheese from processors as part of their donation programs. However, we have a limited number of examples with quantifiable results for the Cheese Purchase Model at this time.

We are looking for more case studies and results from processors and food banks.

Send your stories to DairyNourishesAmerica@dairy.org.



Case Study

Dairy Co-op and Philabundance Food Bank

Challenge: Dairy farmer co-op had available milk supply and recognized the need for cheese in food banks in Pennsylvania.

Opportunity: Philabundance Food Bank wanted to secure more nutritious dairy foods for their clients and identified cheese as a food that would help them meet their needs.

Solution: The dairy co-op processed available milk into highly valued cheese and provided it to the food bank.

Results: Philabundance Food Bank purchased 27,680 pounds of cheese made from available milk supply to provide cheese to their clients.

To find out what you can do, contact:
DairyNourishesAmerica@dairy.org



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Guaranteed Donation Model

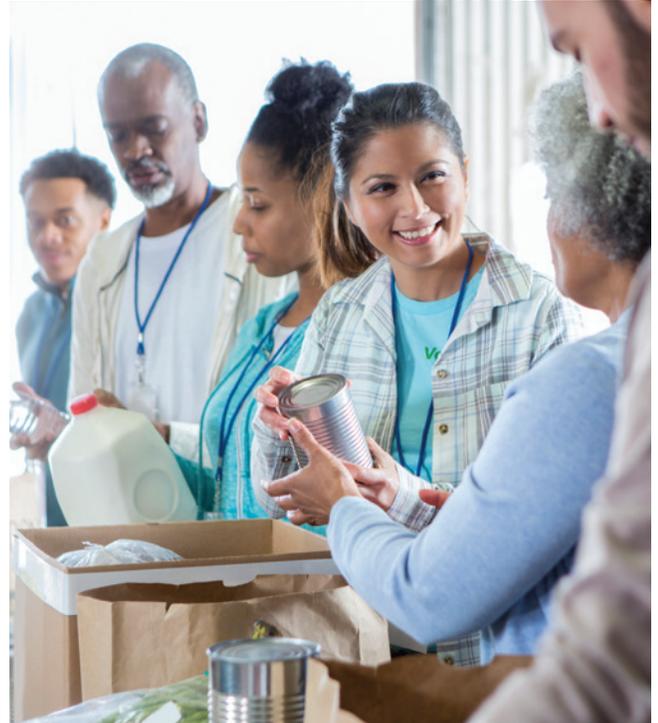
What is it?

Processor commitment to consistently donate dairy foods to food banks.

Why do it?

Processors who participate cite the following as key reasons for participating in the program:

- Community engagement with food banks which are trusted community resources.
- Increases production and potential for higher plant efficiency.
- Opportunity to encourage dairy consumption among food bank clients.
- Employee engagement and pride about contributing wholesome, nourishing dairy foods to food insecure neighbors.
- Ability to promote program as part of your brand's commitment to community and corporate social responsibility.
- Opportunity to apply a tax benefit to the difference between fair market value and the contracted purchase price if that applies to your situation. You should contact your tax advisor before making a tax-related decision.



How do I get started?

Contact DairyNourishesAmerica@dairy.org to get started. We will connect you with Feeding America and the food banks in your area to:

- Identify food banks in proximity to your plant or distribution center.
- Contact food banks to assess interest.
- Identify potential volume of dairy foods that are needed by food banks.
- Identify legal regulations within your state/ community that might impact your efforts.
- Set up meeting with food bank staff to determine next steps including:
 - » Refrigeration capacity
 - » Delivery requirements
- Pilot the model with the food banks to work out the logistics.
- Grow your business with food banks by providing a consistent supply of dairy foods.
- Track your progress for your own social responsibility report and send to DairyNourishesAmerica@dairy.org to support U.S. Dairy's collective story.

What are the results to date?

- The volume of dairy donated depends on volume of product available from your plant and the capacity and infrastructure at the food bank to handle the product.
- In one food bank, this model has resulted in the distribution of 1.0 - 1.4 million pounds of fluid milk yearly (about 3,500 gallons/56,000 servings of donated milk weekly).
- In terms of percentage of pounds of dairy to total food, this model has generated the highest amount of dairy in a food bank within the entire Feeding America network.



Case Study

Dairy Company and Community Food Share

Challenge: In 2007, Dairy Company was seeking a way to differentiate its brand.

Opportunity: As a Dairy Company they had a responsibility to provide nutritious food to people in their community.

Solution: The Dairy Company wanted to make a big impact, find their niche and affect the community where they lived and worked.

Results: The Dairy Company met with Community Food Share and made the commitment to donate fresh milk as a company. The company committed to doing social good as a pure donation without extensive consideration for the financials. The Dairy Company has donated 1.0 - 1.4 million pounds of fluid milk yearly (about 3,500 gallons/56,000 servings of donated milk weekly).

To find out what you can do, contact:
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Consumer Donation Model

What is it?

Consumer donations and retail activations generate funds that are used to purchase milk for food bank clients. The largest consumer donation model is The Great American Milk Drive (GAMD) which was launched in April 2014. GAMD is the first-ever nationwide program to help deliver highly-desired and nutrient-rich gallons of milk to hungry families who need it most. It is an industry-wide evergreen cause marketing campaign, funded by consumer online donations and CPG partnership donations at retail.

Why do it?

MilkPEP [National Fluid Milk Processor Education Program, a USDA checkoff program of dairy processors] has invested in this program that involves partnerships with CPGs, retailers, local food banks, state/regional dairy councils, and dairy processors.

The campaign is built on these principles:

- Financial donations are made (either via consumers online or through product partners at retail).
- Those donations fund Feeding America milk grants or gallons of milk -- that are distributed to local Feeding America food banks.

How do I get started?

Contact MilkPEP to learn how you can engage in this model.
Melissa Malcolm-Cullison, Mmalcolm@milkpep.org



What are the results to date?

- The volume of funds donated varies based on consumer engagement in the cause for each activation.
- To date, the Great American Milk Drive has generated more than 30 million servings of milk or over 1.9 million gallons of milk.

Case Study

Challenge: Retailers want to participate in fundraising efforts to donate fresh milk to local Feeding America food banks. However, they already have a full calendar of charity register check-out programs. Retailers are looking for a non-register, consumer-facing program in support of June Dairy Month.

Opportunity: The Great American Milk Drive offers an established model to get much-needed fresh milk to local food banks through direct gallon donation or a grant-funding model. The program also offers a strong consumer message “to donate now” in June, when kids are out of school and they are missing out on milk’s nutrition.

Solution: Through retailers, offer national consumer packaged goods (CPG)’s sponsorship packages for the Great American Milk Drive. CPGs are awarded the opportunity to utilize The Great American Milk Drive and Feeding America logos, while also receiving marketing promotional support and secondary display for their brand. The sponsorship pay-in is divided between the retailer and The Great American Milk Drive.



Results: A major east-coast retail chain added a June Dairy Month sponsorship program in their year-long marketing playbook. CPG partners opted into this June dairy month program paying \$25,000-\$50,000 for the rights to use GAMD and Feeding America logos, the ability to use the kids’ hunger relief message and creative, while also receiving secondary displays and trade promotion. The retailer raised \$250,000 for The Great American Milk Drive! All funding went directly into purchasing gallons of milk for local Feeding America food banks.

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