



IDFA
International
Dairy Foods Association



INSPIRE

DAIRY FORUM
2023



President's Breakfast
*An Inspired Vision for Dairy:
A Playbook for Success*



Michael Dykes,
DVM
President & CEO
International Dairy
Foods Association

DAIRY FORUM 2023

2022: Managed Disruption



COVID-19



Supply Chains



Inflation

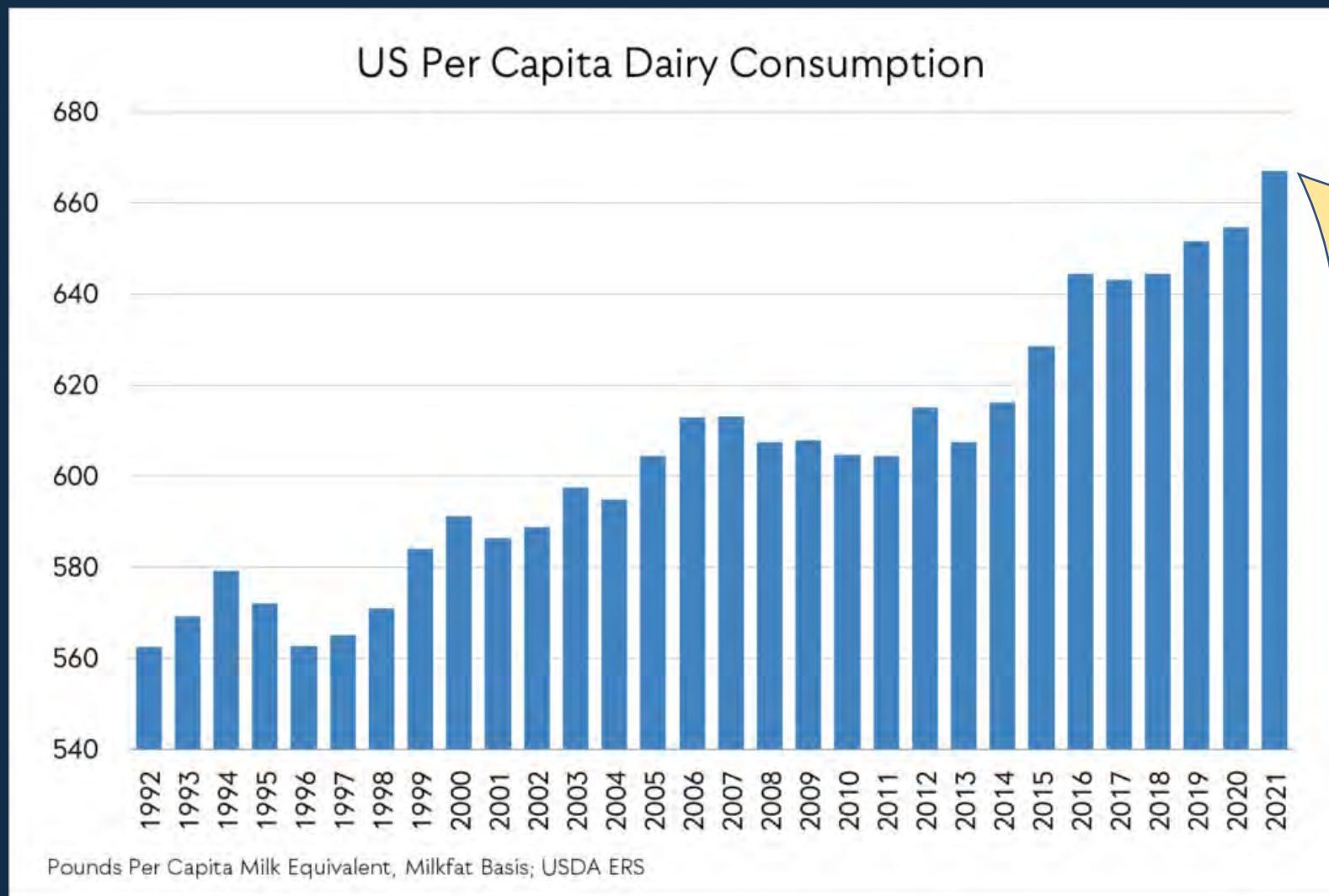


Workforce



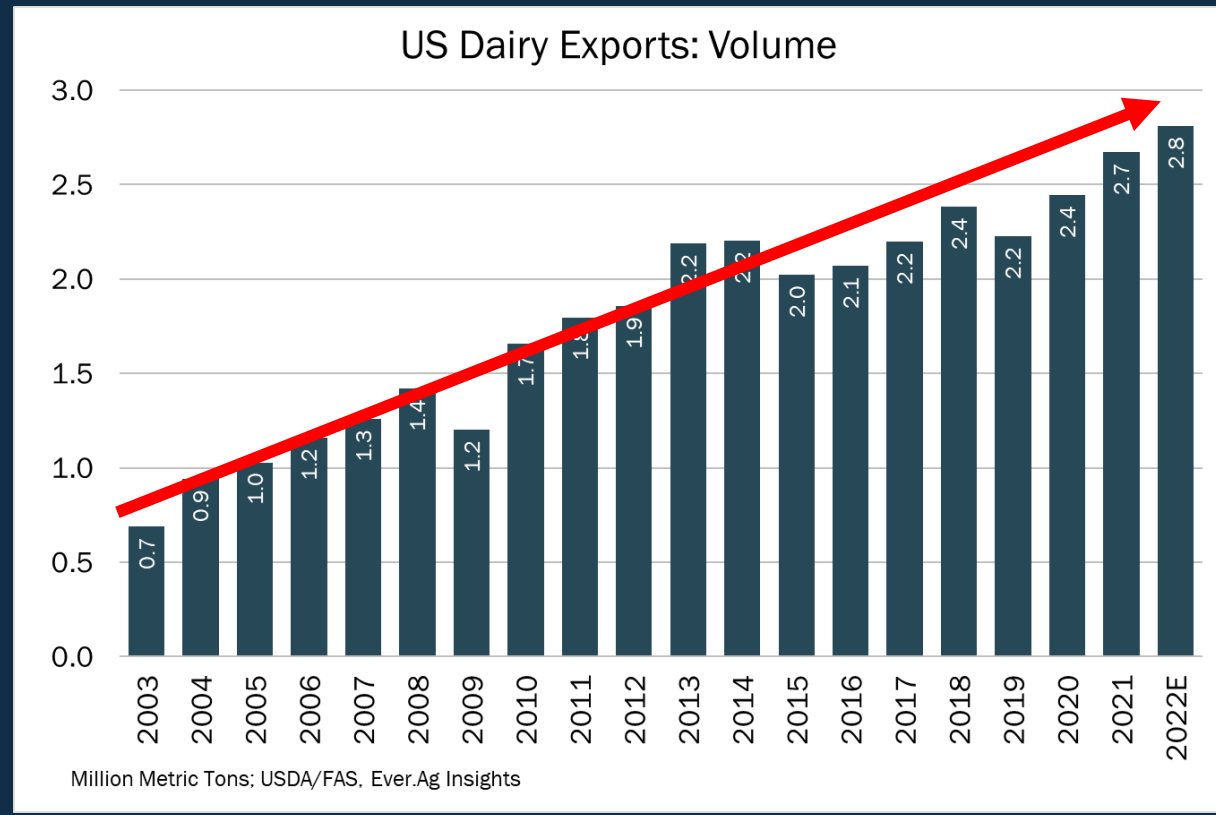
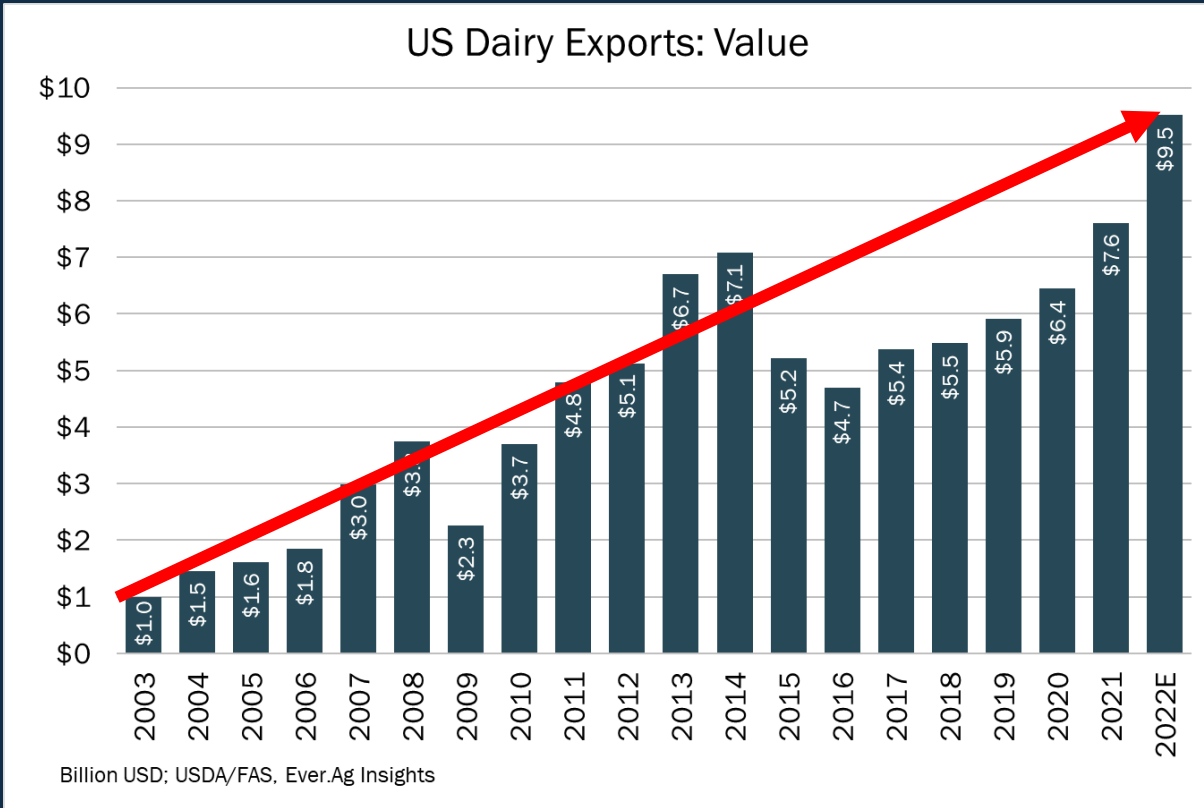
Demand

Dairy Consumption Up Again!



Up 12
LBS!

Dairy Exports Setting Records



What Inspires
Me?



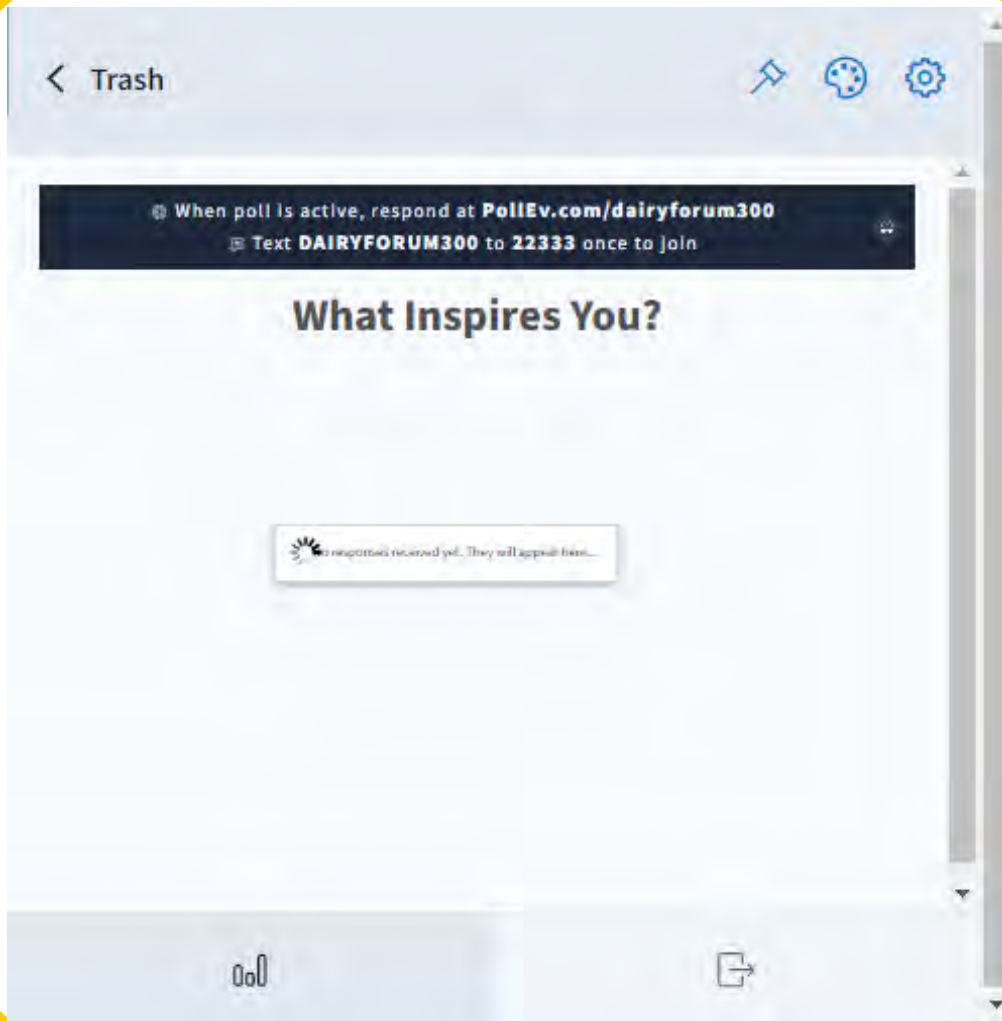
INSPIRE

What Inspires
YOU?

Text
DAIRYFORUM300
to 22333 once to
join, then text your
message.

DAIRY FORUM 2023

Your Inspiration Word Cloud



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INSPIRE



Family Business



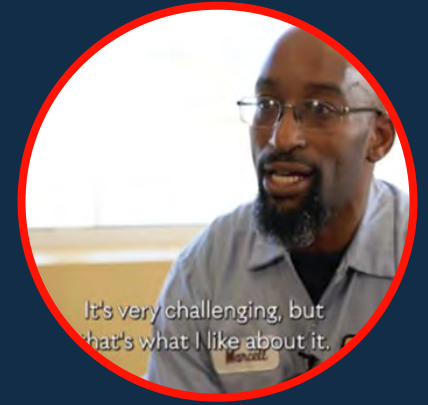
Innovation



Nutrition



Planet



Your People

How Do We Build that
Future?

What Is Required?

A Playbook for Success

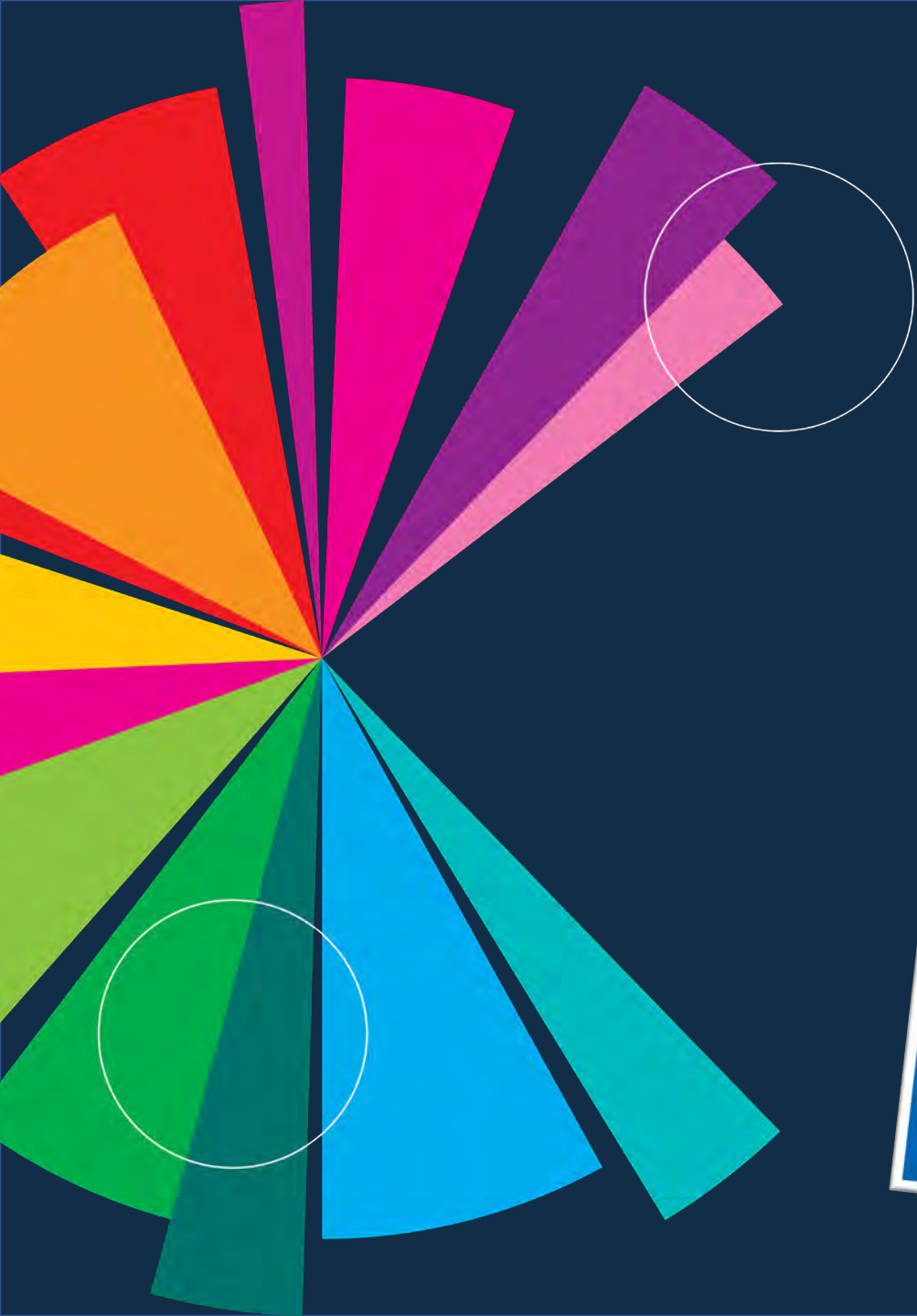
Becoming the World's
Leading Supplier of
Affordable,
Sustainable Dairy
Nutrition



Chapter 1: Act with Courage

Act with Courage

**Courage to
move the
business
forward even
when decisions
are not the
most popular.**



Chapter 2: Anticipate & Adapt

Anticipate & Adapt

Evolve. Change.
Act on data &
adapt to trends.
Make informed
choices.



Chapter 3: Put People First

Put People First

Put people at the center of everything you do. Value people & they will value your vision.



Chapter 4: Be Bold

Be Bold

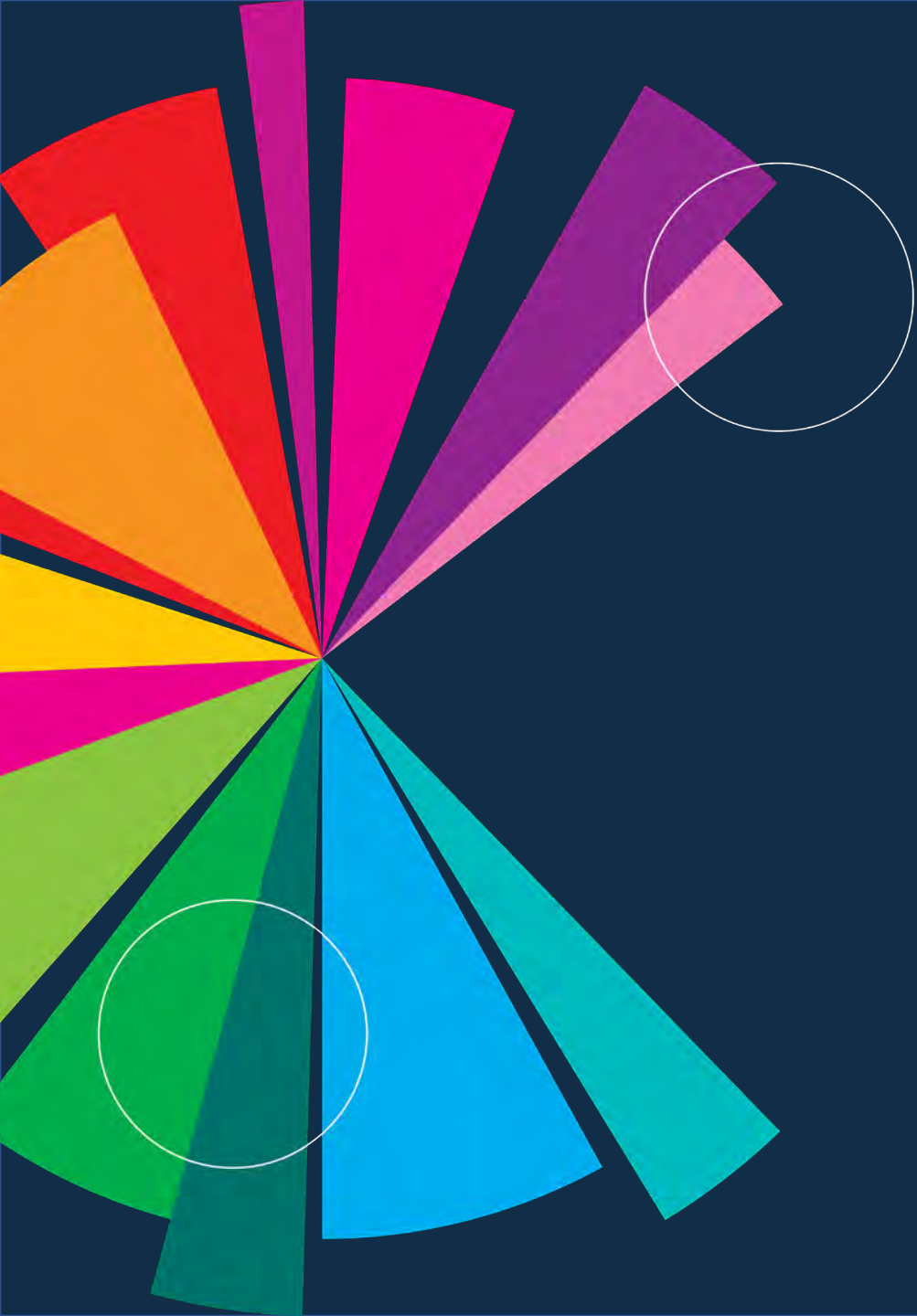
What got us here will not get us there. Foster a culture that rewards bold actions & can-do attitudes.



The logo of the International Dairy Foods Association, featuring a circular emblem with a milk splash and the text "INTERNATIONAL DAIRY FOODS ASSOCIATION" around the perimeter.



Chapter 5: Unite



Unite

**Unite for the
greater good.
Collaboration
takes courage.
Courage
inspires others
to act.**



A Playbook for Success

ACT WITH COURAGE
*

ANTICIPATE & ADAPT
*

PUT PEOPLE FIRST
*

BE BOLD
*

UNITE





Set a Clear
Goal

Become World's
Leading Supplier
of Affordable,
Sustainable
Dairy Nutrition

DAIRY FORUM 2023

Apply Playbook to Our Priorities

**People &
Workforce**

**Technology &
Innovation**

**Nutrition, Health
& Wellness**

Sustainability

**Domestic &
Global
Competitiveness**

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People & Workforce

Dairy industry leaders are putting plans & personnel in place to attract & retain a diverse, skilled, & more inclusive workforce



DAIRY FORUM 2023



IDFA Chief
People Officer
Mia Mulrennan,
Psy.D.

Leading IDFA People Strategy

DAIRY FORUM 2023

IDFA People Strategy



HR Leaders
— in Dairy



NextGen
Leadership Program

The **Power of**
People



DAIRY
DIVERSITY COALITION



Women
in Dairy

Empower | Encourage | Support

DAIRY FORUM 2023

Careers In Dairy Series



DAIRY FORUM 2023

Immigration Reform Needed



A Playbook for Success

PUT PEOPLE
FIRST
*

ANTICIPATE &
ADAPT
*

BE BOLD



Apply Your
Playbook



Tech & Innovation

**Dairy is on a digital transformation journey ...
managing costs, connecting
with consumers, & creating
growth**

DAIRY FORUM 2023



Tech & Innovation



Automation



Digital Supply
Chains



Consumer Data

Managing Risk

600%

**Increase in
cybercrime
since 2019**

43% of cyber attacks
target SMBs (CybintSolutions)

Food and Beverage
Industry experienced
greatest increase in
data breaches (CyberRisk)

95% of cyber attacks
involve human error
(CybintSolutions)

16% of companies are
prepared for cybercrime
(McKinsey)

Dairy Technology & Innovation Network

IDFA's professional community, the Dairy Technology & Innovation Network, has grown to 75 experts across our industry



DAIRY FORUM 2023

Tech & Innovation



The banner features a central graphic of a large blue plus sign. The top-left quadrant of the plus sign contains a circular image of a milk splash. The top-right quadrant contains a blue circular graphic with white circuit-like patterns. The text 'dairytech CONFERENCE' is on the left, 'WHERE DAIRY' is above the plus sign, and 'TECH CONNECT' is to the right. A 'REGISTER' button is in the top right, and logos for Ever:Ag and IDFA are at the bottom left.

dairytech CONFERENCE

WHERE **DAIRY**

MAY 17-18, 2023
REGISTER

PRESENTED BY: **Ever:Ag** **IDFA**
International Dairy Foods Association

TECH
CONNECT

May 17-18, 2023
Minneapolis, MN
Register Today!

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A Playbook for Success

ACT WITH
COURAGE

*

ANTICIPATE &
ADAPT



Apply Your Playbook





Nutrition, Health & Wellness

**We are demonstrating how
dairy fits into all cultures &
lifestyles as a major contributor
to nutrition, health & wellness
among all people &
communities**

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Nutrition, Health & Wellness



Policy

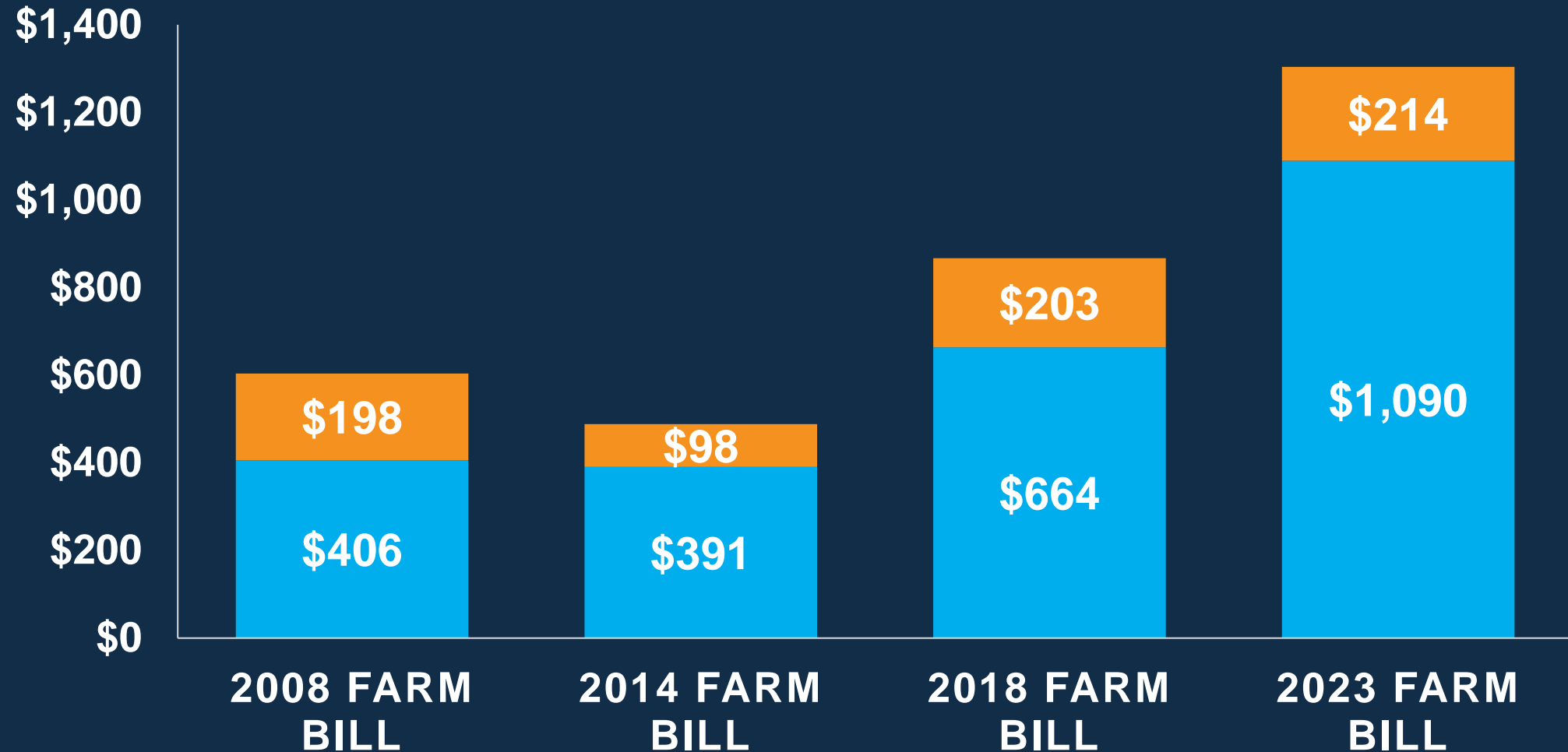


Science &
Research



Consumer
Habits

Nutrition, Health & Wellness



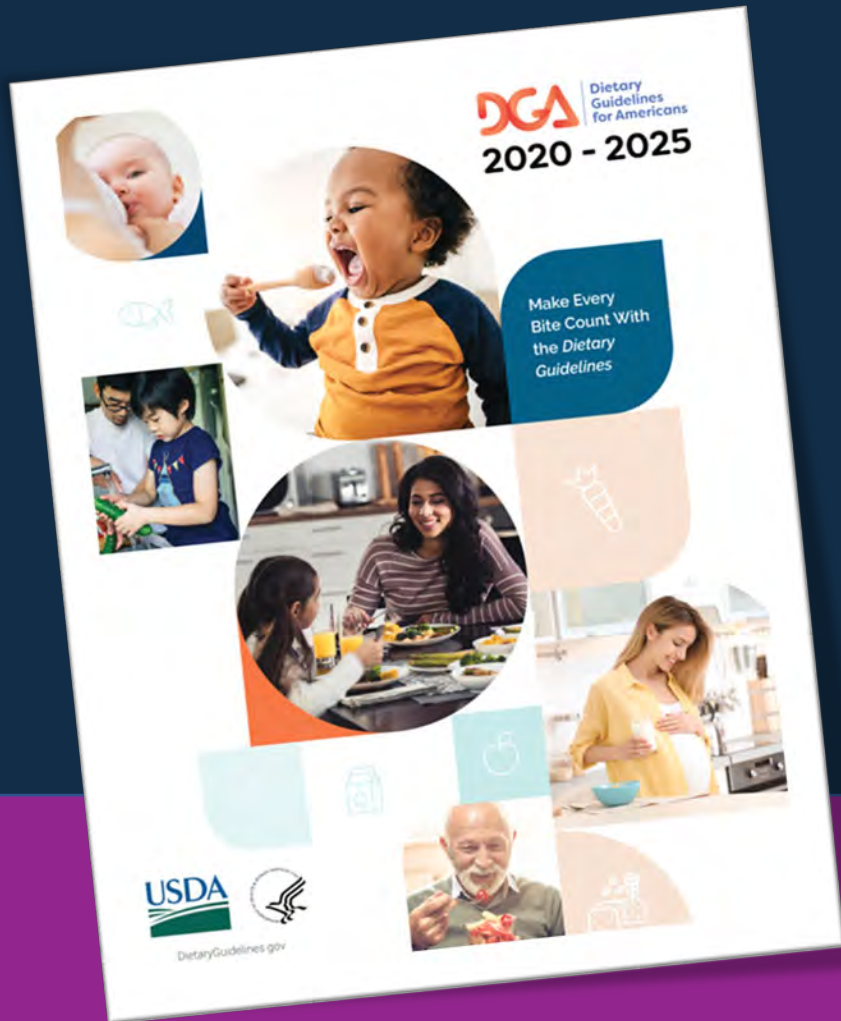
Billion USD; Congressional Research Service

■ Nutrition ■ All Other Programs

Healthy Fluid Milk Incentives



Nutrition, Health & Wellness



WIC: 20% of WIC participants will drop out if USDA cuts milk & dairy benefits – *Morning Consult*

DGA: 90% of Americans not consuming enough dairy



U
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I
T
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IDFA
International
Dairy Foods
Association



NMPF
NATIONAL MILK
PRODUCERS FEDERATION



ADPI American Dairy
Products Institute

**MAKING
EVERY
DROP
COUNT**



your
DAIRY
CHECKOFF
Dairy Management Inc.

NDC
NATIONAL DAIRY COUNCIL™



milk pep



USA U.S. Dairy
Export Council.
Ingredients | Products | Global Markets

A Playbook for Success

BE BOLD
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UNITE



Apply Your Playbook



Sustainability

U.S. dairy investing significant resources to achieve ambitious environmental goals related to sustainability, including packaging solutions, GHG neutrality, optimized water use & quality



DAIRY FORUM 2023

Sustainability

75%

Growing
Adoption



Future Trade
Advantages?

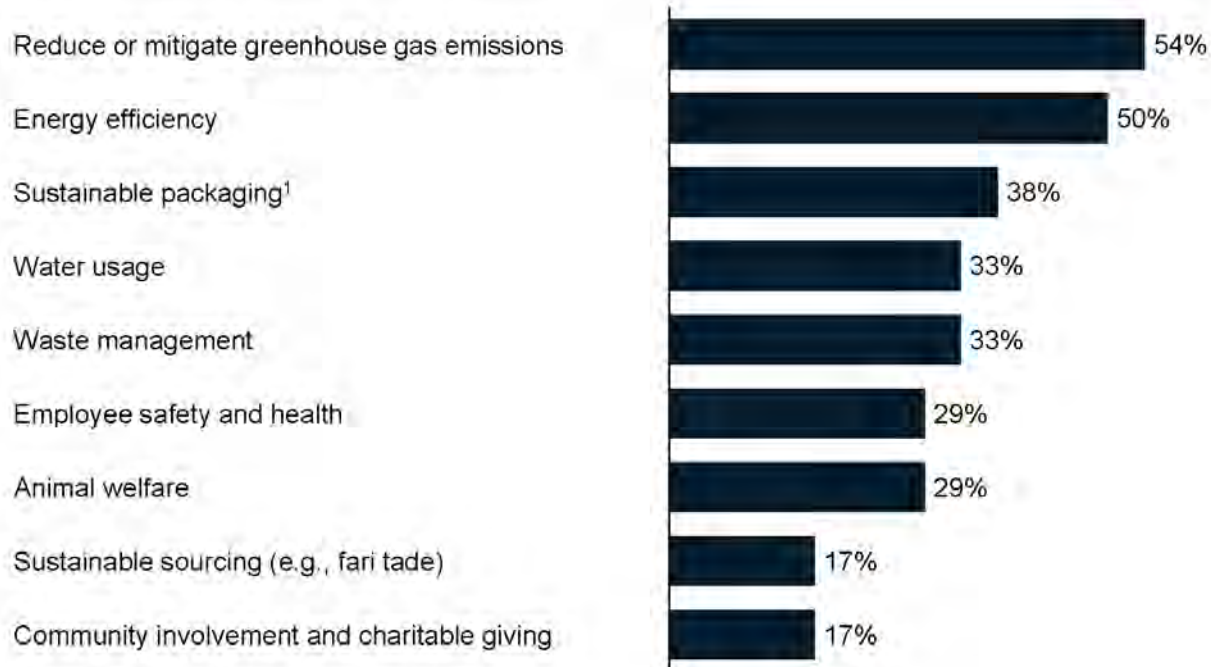


GREENHOUSE
GAS PROTOCOL

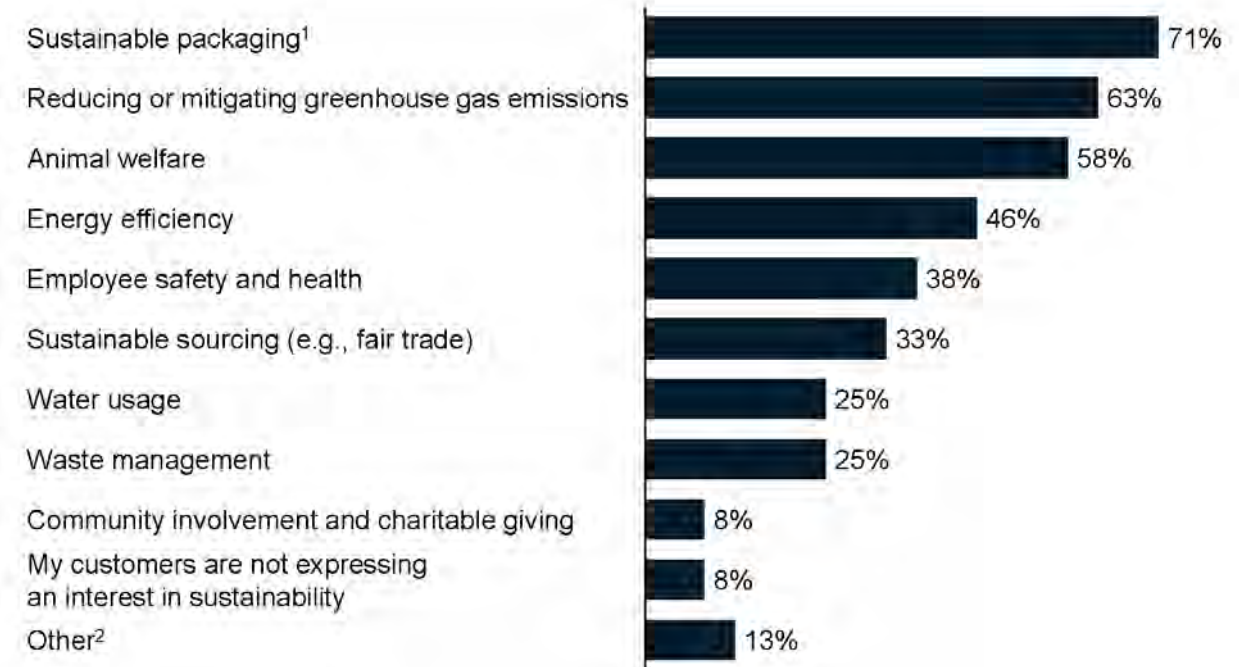
Data &
Accounting

What Is Driving Sustainability?

What are the top three priorities of your company's sustainability strategy?



Which sustainability measures and/or reporting information are your **customers** requiring?

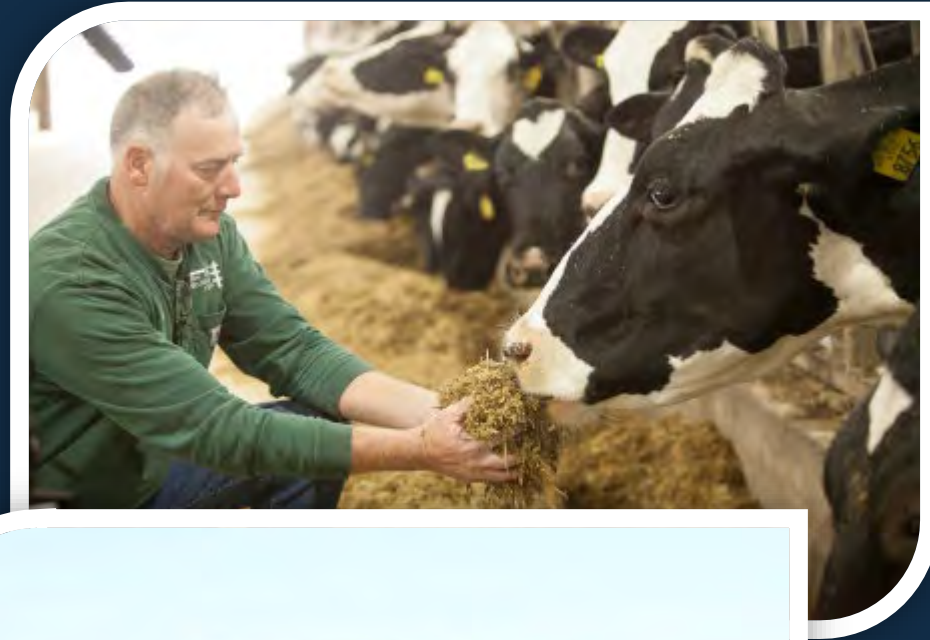


U.S. Dairy's Advantage

Net Zero: Companies representing 70%+ of milk produced in U.S. have committed to become carbon neutral by 2050

Incentives on the Table: USDA has committed to spend ~\$4B in climate & conservation funds on sustainable ag—\$500-\$700M going to dairy

Providing Global Leadership: USG launches Coalition on Sustainable Productivity Growth for Food Security & Resource Conservation in 2021



A Global View



DONATE

ENVIRONMENT

New Zealand angers its farmers by proposing taxing cow burps

October 11, 2022 · 12:06 AM ET

THE ASSOCIATED PRESS



BUSINESS

Australia's Dairy Problems Persist



USDA says European Milk Production is Declining due to Environmental Constraints

EU dairy industry experts anticipate a further decline in EU milk production beginning in 2023, when the new Common Agricultural Policy (CAP) and accompanying Farm to Fork Strategy (F2F) conditions require EU dairy farmers to adjust their production systems take effect.

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Environmental Sustainability Principles for Trade

Sustainability will require us to review our trade principles with policies that focus on efficient production & global standards of measurement

A Playbook for Success

ANTICIPATE &
ADAPT
*

BE BOLD
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Apply Your
Playbook



Competitiveness

We are creating the infrastructure, policies, & momentum to grow the category in the U.S. & abroad, including new tools & technologies to expand our reach & enhance trade opportunities



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Competitiveness



Infrastructure
& Supply
Chains



Trade



Pricing Policy

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Leverage New Tools

IDFA, the Port of Los Angeles, and CMA CGM Alliance

- Working together to prioritize exports of U.S. dairy products

OSRA: Ocean Shipping Reform Act (OSRA)

- Work with FMC to write rules for full implementation

FLOW: Freight Logistics Optimization Works and
SCORE: Supply Chain Optimization & Resilience Coalition

- International standards to digitalize the supply chain

Infrastructure: Bipartisan Infrastructure Act ~\$1.2T



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U.S. Dairy's Competitive Edge



Economic Stability & Regional Peace

Advanced Infrastructure & Supply Chains

Open Land

Abundant Water (though shifting)

Record of Food Safety

Leaders in Ag Productivity

Robust Animal Welfare Standards

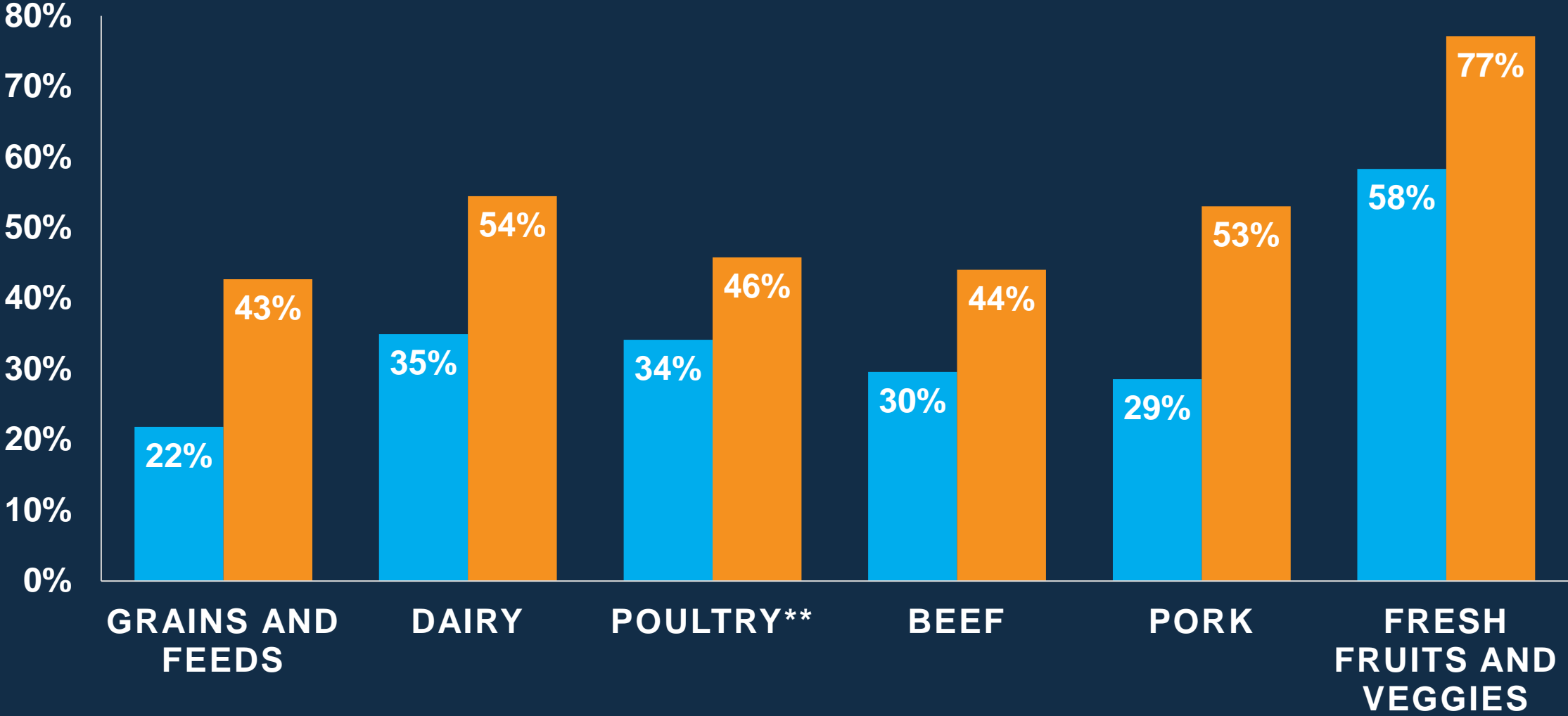
Growing Edge in Sustainability

Competitive Prices

Less Burdensome Regulation

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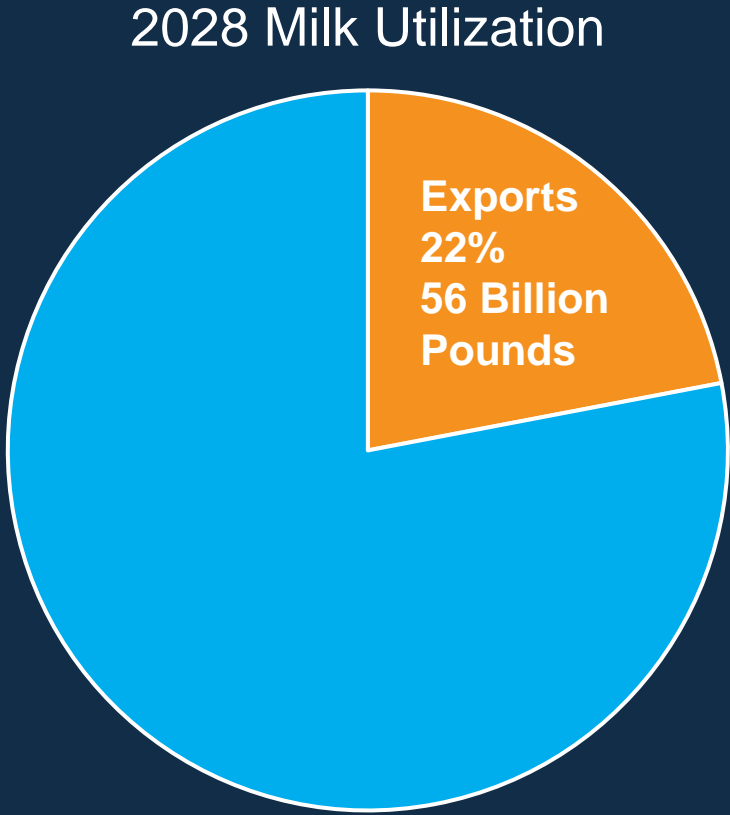
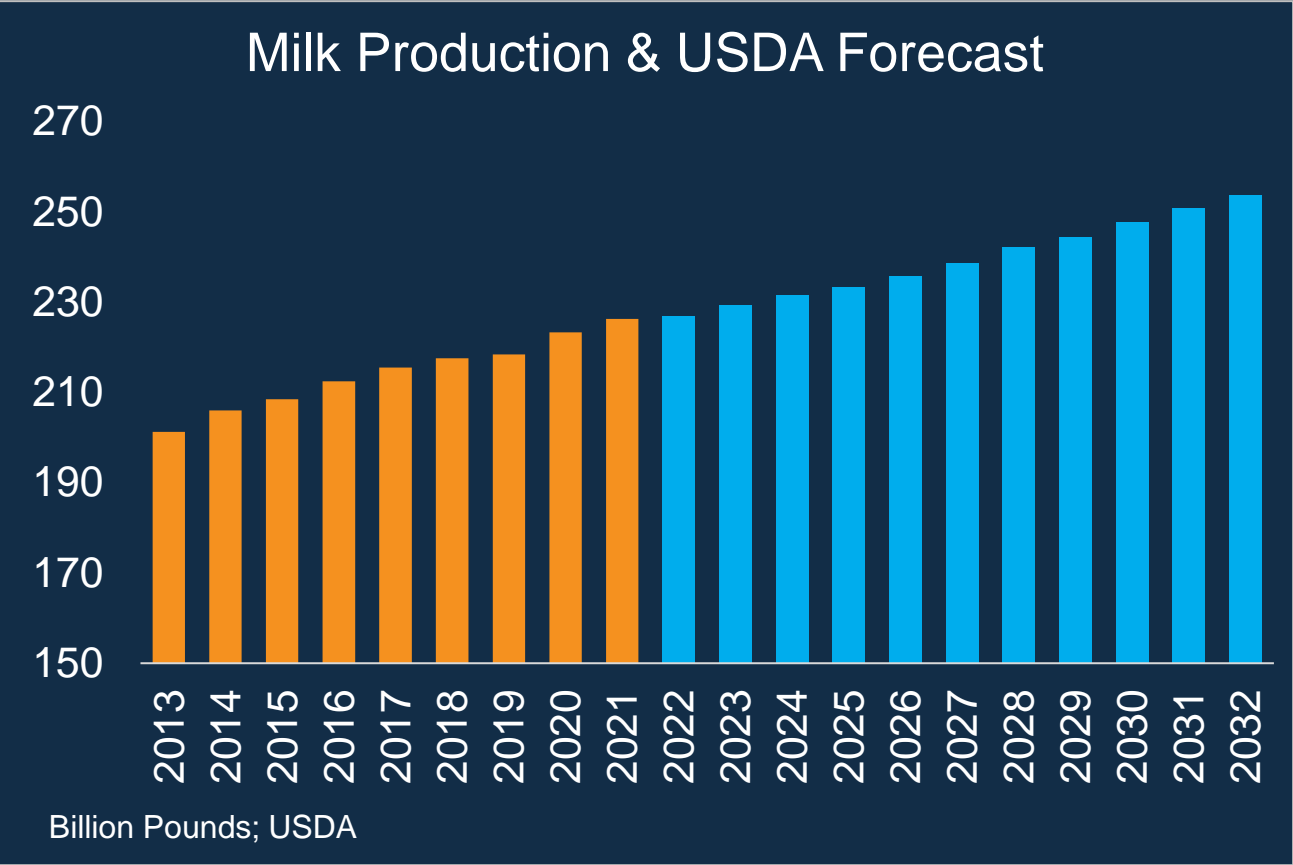
Total U.S. Exports to FTA Countries



USDA

■ 1990 ■ 2021

U.S. Productivity Demands Markets



27B LBS More Milk by 2032

2028: 22% to Keep Pace

Global Markets Are Evolving

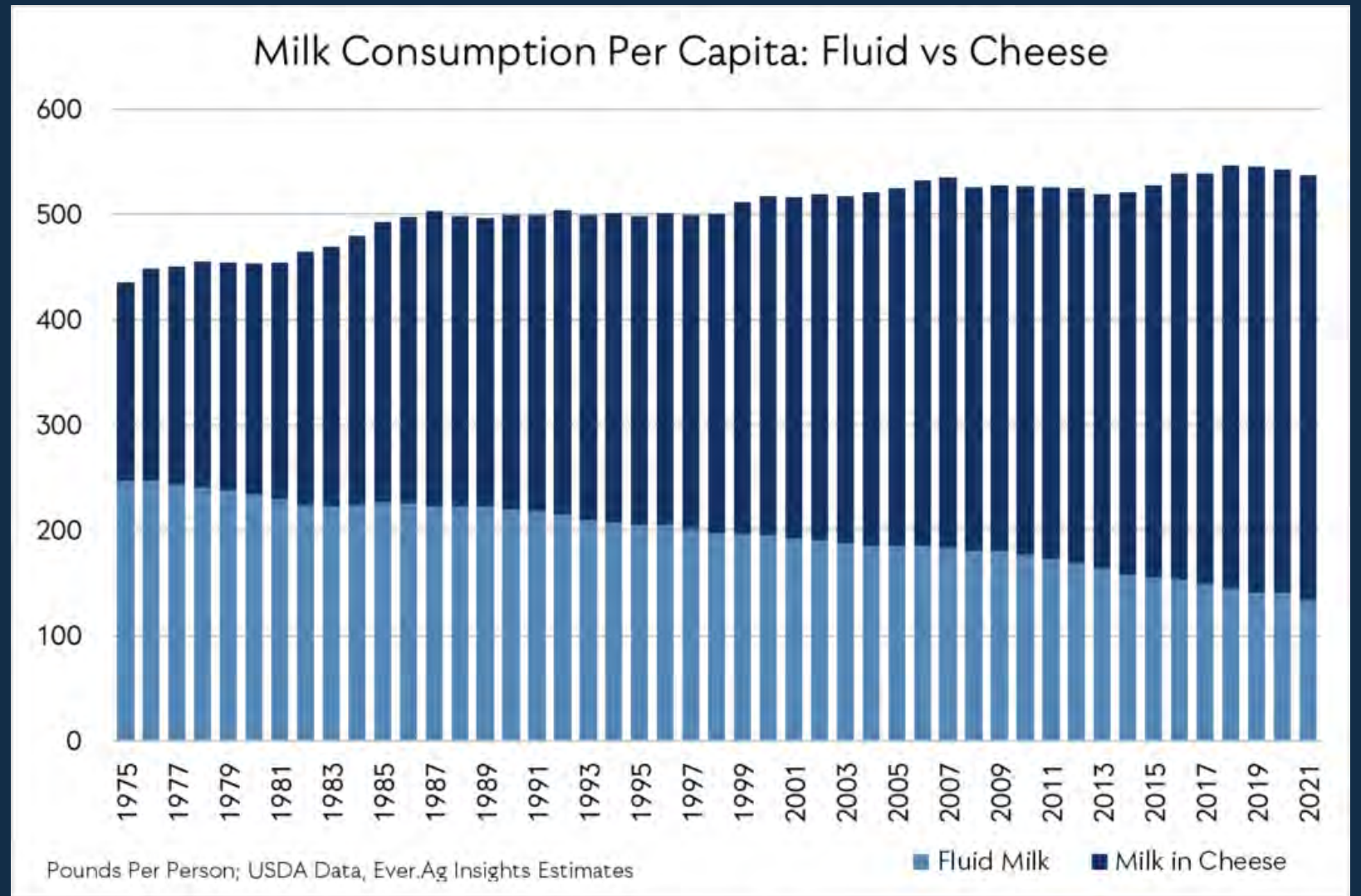
World's Fastest Growing Economies by 2050

1. China
2. India
3. United States
4. Indonesia
5. Brazil

World's Fastest Growing Populations by 2030

1. India
2. Nigeria
3. Pakistan
4. Democratic Republic of Congo
5. Ethiopia, Tanzania, Indonesia

Dairy Is
Evolving.
Pricing
Must
Keep
Pace.



Dairy is Evolving. Reform Needed.



“Frankly, I think it’s up to the dairy industry itself to work through this process. ... But if you all can do that and then come to the [USDA] and say, ‘This is what we think, collectively, will work,’ then I think you’d find the Department very anxious to provide the help and assistance to get it done.”

**- Secretary Vilsack, 12/20/21,
Hoard’s Dairyman**

A Playbook for Success

ACT WITH
COURAGE

*

BE BOLD

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UNITE



Apply Your
Playbook





A Playbook for Success

ACT WITH COURAGE
*

ANTICIPATE & ADAPT
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PUT PEOPLE FIRST
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BE BOLD
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Thank You!

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