



State of Wisconsin  
Governor Tony Evers

Department of Agriculture, Trade and Consumer Protection  
Wisconsin Economic Development Corporation

**WISCONSIN**  
ECONOMIC DEVELOPMENT

DATE: June 30, 2024

TO: Edward Blazel  
Assembly Chief Clerk

Linsay Hale  
Senate Chief Clerk

FROM: Randy Romanski, Secretary  
Department of Agriculture, Trade and Consumer Protection

Missy Hughes, Secretary and CEO  
Wisconsin Economic Development Corporation

SUBJECT: Wisconsin Initiative for Agricultural Exports Report

## Background

As part of the 2021-2023 state budget, Governor Evers and the Wisconsin State Legislature authorized an investment of \$1 million each year for five years to support efforts by the Wisconsin Economic Development Corporation (WEDC) and the Wisconsin Department of Agriculture, Trade, and Consumer Protection (DATCP) to promote Wisconsin agricultural products internationally, cultivate and train Wisconsin agricultural exporters, and elevate the Wisconsin brand internationally. On December 3, 2021, the Governor signed 2021 Wisconsin Act 92 (Wis. Act 92) into law, directing DATCP to establish and administer a program to promote the export of Wisconsin agricultural and agribusiness products and to cooperate with WEDC to meet the program objectives.

Wis. Act 92 requires DATCP and WEDC to submit a report to the legislature by June 30, 2024, outlining progress made in achieving a 25% increase in the value of dairy, meat, and crop exports since the enactment of this law. This report provides an overview of the international trade activities DATCP and WEDC developed and participated in to promote export growth from Wisconsin. This report also serves as an update to the [required plan](#) submitted to the Legislature in December 2021, which outlined how DATCP and WEDC would meet statutory objectives. This report covers the period from the approval of funds in March of 2022 until December of 2023. After June 30, 2026, the Legislative Audit Bureau must conduct an audit of the exports program and file a copy of the audit report by December 31, 2026.

The Wisconsin Initiative for Agricultural Exports (WIAE) was created to guide DATCP's development of this new program and is administered by DATCP's International Agribusiness Center (IABC) in coordination with WEDC. Aiming to increase Wisconsin's share of global markets for agricultural products, the WIAE

leverages federal programs and utilizes state funds to target specific markets and activities. WIAE activities include the following:

- Enhancing trade promotion activities by expanding current opportunities based on Wisconsin priorities
- Creating an Export Expansion Grant Program to foster innovation in exporting agricultural products
- Designating funds solely for Wisconsin dairy, meat and crop product exporters participating in WEDC's International Market Access Grant (IMAG) program, which helps businesses further their exporting goals
- Augmenting the WEDC scholarship to support Wisconsin agricultural producer participation in the ExporTech™ program—a program delivered by the University of Wisconsin–Stout Manufacturing Outreach Center and the Wisconsin Manufacturing Extension Partnership that helps Wisconsin companies develop their export strategies, determine their top three markets, share best practices, and learn the mechanics of exporting

## 2022 and 2023 Results

To guide WIAE activities, DATCP established the Wisconsin Agricultural Export Advisory Council (WAXC) comprised of 15 agribusiness voting members, one DATCP employee voting member, four legislative non-voting members and the WEDC secretary or designee, also a non-voting member. Between 2022 and 2023, WAXC met four times and held seven informational webinars.

The \$558,400 approved for WIAE in both fiscal year 2022 and 2023 and the \$883,191 provided in 2021 Wisconsin Act 207 for dairy export grants were used to accomplish the following across all targeted sectors identified in statute from March 2022 to December 2023:

- Completed 39 trade promotion activities,<sup>1</sup> with more than 350 Wisconsin companies participating
- Generated more than \$16 million in immediate and anticipated one-year sales reported in post-event evaluations by participating companies
- Issued \$120,644 in IMAGs to 11 companies
- Awarded \$1,248,233 in Export Expansion Grants for 21 projects
- Awarded grants totaling more than 68% of the \$2 million in spending authority for fiscal year (FY) 2022 and 2023 and more than 27% of the five-year spending authority of \$5 million

In total, Wisconsin food, forestry and agriculture product exports reached a combined \$3.87 billion in 2023. This is the third highest year on record, with 2022 being the highest and 2021 the second highest. Despite the disruptions to supply chains and logistics in several countries from late 2021 through early 2022, the post-COVID-19 demand as well

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<sup>1</sup> Trade promotion activities connect prospective international buyers (distributors, dealers, agents, representatives, end-user customers, influencers, intermediaries) with Wisconsin exporters. The activities consist of outbound international trade missions, inbound international buyer missions, Wisconsin pavilions at international food and agriculture shows, international industry conferences, buyer education activities, and in-state or international promotional events.

as the higher cost of inputs were significant drivers of the extraordinary dollar value and volume increase of dairy, meat, and crop exports in 2022.

Since 2021, the WIAE base year, the state’s exports of dairy products have grown by \$199 million, or 43%. To date, this exceeds the five-year target of 25% for the sector. Wisconsin’s crop exports have also increased by more than \$40 million. Wisconsin’s meat sector continues to face growth challenges since 2021 (see Table 1), with a decrease in overall exports reported. Wisconsin meat companies are typically exporting higher quality, higher price point products at a lower volume than the dairy and crop sectors. That makes Wisconsin’s meat products more sensitive to declines in purchasing power due to global economic factors. Given the programmatic goals of Wis. Act 92 and the dollars allocated to each sector, DATCP will continue working to strengthen dairy exports, while bolstering current markets and targeting emerging markets for Wisconsin’s meat and crop exporters.

**Table 1: Wisconsin Dairy, Meat and Crop Exports 2021-2023**

	2021	2022	2023	Two Year Aggregate Change
<b>Dairy Exports</b>	<b>\$467 million</b>	<b>\$616 million</b>	<b>\$518 million</b>	
Dairy \$ Change to 2021		\$149 million	\$50 million	\$199 million
Dairy % Change to 2021		32%	11%	43%
<b>Meat Exports</b>	<b>\$799 million</b>	<b>\$782 million</b>	<b>\$778 million</b>	
Meat \$ Change to 2021		-\$18 million	-\$21 million	-\$39 million
Meat % Change to 2021		-2%	-3%	-5%
<b>Crop Exports</b>	<b>\$2,677 million</b>	<b>\$2,818 million</b>	<b>\$2,577 million</b>	
Crop \$ Change to 2021		\$141 million	-\$100 million	\$41 million
Crop % Change to 2021		5%	-4%	1%
Source: U.S. Census Trade Data				
Note: Export dollar amounts are regularly adjusted by the U.S. Census and may differ from previous reporting.				

Nationally, agricultural exports in 2023 were \$199 billion, down 9.7% from 2022. Wisconsin’s current ranking is 11th in the U.S. for agricultural exports by state, up from

13th in 2021. The funding provided by the Governor and the Legislature played a role in Wisconsin's ability to continue achieving disproportionately higher national market share of agricultural exports.

According to data available at the end of 2023, Wisconsin's top five agricultural export markets are Canada, Mexico, China, Korea, and Japan. Combined, these represent 69% of Wisconsin's total agricultural exports. Mexico finished 2023 up nearly 39% from 2022. In 2022, Canada, Mexico, and Korea all showed double-digit increases. While we continue to identify additional opportunities in emerging markets, Wisconsin's top trading partners remain a key focus of the WIAE.

Wisconsin is the national leader in the following agricultural export categories:

- Ginseng
- Cranberries
- Specialty cheeses
- Prepared meats
- Dairy bovine genetics
- Mink pelts

WIAE funds supported the following 39 trade promotional activities in 2022 and 2023 with more than 350 Wisconsin companies participating:

- Forestry Exporter Training - Appleton, Wisconsin, USA, March 2022
- National Restaurant Association – Chicago, Illinois, USA, May 2022
- VIV Netherlands Trade Show - Utrecht, Netherlands, May 2022
- Deli, Dairy, and Bakers Association – Atlanta, Georgia, USA, June 2022
- Japan Inbound Buyer – Madison, Wisconsin, USA, June 2022
- Pakistan Inbound Buyers Mission - Green Bay, Wisconsin, USA, June 2022
- USDA Trade Mission – Manila, Philippines, July 2022
- Fona Holstein Show México – Queretaro, Mexico, August 2022
- China Dairy Expo – Shanghai, China, September 2022
- Indonesia Inbound Buyers at World Dairy Expo – Madison, Wisconsin, USA, October 2022
- Global Dairy Summit at World Dairy Expo – Madison, Wisconsin, USA, October 2022
- SIAL Paris Specialty Cheese Pavilion – Paris, France, October 2022
- Indonesian Buyer Seminar – virtual, October 2022
- USDA Trade Mission – Nairobi, Kenya and Zanzibar, Tanzania, November 2022
- USDA Trade Mission – Madrid, Spain December 2022
- Winter Fancy Food Thai Cheese Buyers – Las Vegas, Nevada, USA, January 2023
- Lake States Lumber Association Conference – Green Bay, Wisconsin, USA, January 2023
- GulFood, Wisconsin Pavilion - Dubai, United Arab Emirates, February 2023
- United States Livestock and Genetics Export Annual Meeting – Ft. Worth, Texas, USA, February 2023

- VIV Asia Genetics and Feed, Wisconsin Pavilion – Bangkok, Thailand, March 2023
- Ginseng Growers Meeting Exporter Development – Mosinee, Wisconsin, USA, March 2023
- SIAL America Show, Dairy Farmers of Wisconsin Pavilion – Las Vegas, Nevada, USA, April 2023
- ANUFood Brazil Food Show – Sao Paulo, Brazil, April 2023
- Wisconsin Cheese Makers Association CheeseCon – Madison, Wisconsin, USA, April 2023
- Tutto Food Show – Milan, Italy, May 2023
- Thaifex Food Show with Dairy Farmers of Wisconsin – Bangkok, Thailand, May 2023
- Inbound Wood Buyers Mission – 12 North East and North Central Wisconsin cities, USA, June 2023
- DATCP Secretary-Led Trade Mission – London, United Kingdom, June 2023
- Thailand Cheese Exporting Seminar – virtual, July 2023
- Cochran Agricultural Delegation – Madison, Wisconsin, USA, August 2023
- International Chef and Food Influencer Tour – 8 Wisconsin cities and Minneapolis, Minnesota, USA, August 2023
- Espacio Food Service Show – Santiago, Chile, September 2023
- SIAL Paris Food Show – Paris, France, October 2023
- Kazakhstan Delegation with Livestock Export Association World Dairy Expo – Madison, Wisconsin, USA, October 2023
- Livestock Exporter and Importer Seminars at World Dairy Expo – Madison, Wisconsin, USA, October 2023
- International Dairy Federation World Dairy Summit – Chicago, Illinois, USA, October 2023
- Dairy Buyer Prospecting Mission with Dairy Farmers of Wisconsin – Mexico City and Monterrey, Mexico, November 2023
- United States Meat Export Federation Strategic Planning Conference – New Orleans, Louisiana, USA, November 2023
- VIV Middle East and Africa Agricultural Show – Dubai, United Arab Emirates, November 2023

## Grant Programs and Trade Promotion Activity Highlights

### **Trade Missions**

Building on the relationships forged on the International Chef and Influencers Tour in Wisconsin, WIAE funds from FY23 and FY24 supported the development and deployment of the Thailand Cheese Trade Mission. In collaboration with Dairy Farmers of Wisconsin (DFW), Center for Dairy Research, University of Wisconsin–River Falls, U.S. Department of Agriculture (USDA) Foreign Agricultural Service Bangkok and the U.S. Consulate General Chiang Mai, Thailand, five Wisconsin cheese companies participated in an international cheese promotion

trade mission. More than 60 individual business match-making meetings took place, and participants also visited importers, retailers, wholesalers, suppliers, and manufacturers.

More than 100 potential Thai buyers and media influencers attended a technical and sensory workshop in Bangkok. Approximately 100 retail and food service businesses and importers and Thai Ministry of Agriculture officials attended the “Taste of Wisconsin Cheese” reception at the U.S. Consul General’s residence in Chiang Mai. Participating companies reported overall \$350,000 estimated sales in the next 12 months. DFW is in the process of contracting with a local representative in Thailand as a result of the opportunities identified during the trade mission. Building on the U.S. Dairy Export Council’s (USDEC) promotion work, Wisconsin cheese and other dairy product companies will continue to develop export opportunities in the market.



*Pictured above is the Wisconsin Cheese Exporter Delegation visiting the Dairy Farmers of the Wisconsin cheese promotion display in a Thai supermarket.*

### **International Market Access Grants**

WIAE funds support WEDC’s IMAG program for dairy, meat and crop product exports. IMAG grants reimburse eligible international market entry and expansion expenses.

Ever-Green-View successfully applied for an IMAG to expand export markets for bovine embryos in Tanzania. In addition to expanding Ever-Green-View's exports, the project was to nurture Tanzania's dairy industry as Tanzania is a new market for Ever-Green-View.

Representatives from the company met with a Tanzanian dairy farming operation while attending a seminar in the United Arab Emirates. The COVID-19 pandemic prevented travel to Tanzania, and the grant funded a consultant to facilitate the sale.

"It's the very beginning of modern dairy farming in Tanzania," said Tom Kestell, part owner of Ever-Green-View, noting, "Farmers there could use embryos with the same genetic makeup of Ever-Green-View's prize-winning stock to boost milk production in this developing East African nation."



*Pictured above is Ever-Green-View owner, Tom Kestell with calves. Photo credit: Mary Hookham.*

### **Export Expansion Grants**

In 2022, a change in Mexican import regulations following implementation of the United States-Mexico-Canada trade agreement allowed U.S. fresh and seed potatoes to be sold throughout Mexico. Prior to that change, fresh and seed potatoes were only allowed 26 kilometers (16 miles) inside Mexican territory, limiting the market for U.S. potatoes. As Wisconsin is the third largest producer of potatoes in the U.S., both Mexico and Canada are key markets for fresh and seed potatoes.

Export Expansion Grants for Wisconsin non-profit organizations in FY22 and FY23 provided funding for projects to help dairy, meat and crop exporters better understand overseas markets, develop their export capabilities, and meet with prospective in-market buyers. The Wisconsin Potato and Vegetable Growers Association received funding in FY22 and FY23 to increase market awareness of Wisconsin potatoes in Canada and Mexico, identify market options, and start developing new international outlets for sales of Wisconsin potatoes for consumption and seed.

Utilizing their Export Expansion Grant, Mexican buyers were invited to visit a Wisconsin farm and were provided exporter training on requirements for exporting potatoes to Mexico and Canada. Wisconsin potato companies were also able to exhibit at the ANTAD retail show in Mexico.

As of June 2024, Wisconsin potato companies reported 13 shipments of potatoes for processing to Mexico at 44,000 pounds each for a total of 560,000 pounds. These initial shipments are expected to lead to repeat business. As the companies deepen their relationships with buyers and increase awareness of their products and their sales, market share is expected to grow.



*Pictured above, the Mexican Buyer Delegation visits Alsum Farm, learning more about quality Wisconsin potatoes.*

## Challenges

Wisconsin exporters have experienced numerous challenges in recent years and are continually adapting to changing market conditions. The COVID-19 pandemic created

disruptions and bottlenecks across the supply chain that continue to impact the movement of agricultural exports today. Ongoing international conflicts, disruptive weather patterns, and transport blockages are also creating barriers for Wisconsin exporters.

The value of the U.S. dollar continues to rise against several Asian, Latin American and African currencies, making U.S. exports more expensive for buyers in other countries to purchase. This has allowed traditional competitor countries such as Brazil, Argentina, New Zealand, Australia and several Southeast Asian countries to increase their share of exports in key commodities like soybeans, corn, dairy, and meat products. Several slowing economies in Asia and Latin America are reducing demand for many Wisconsin agricultural products. Ongoing trade tensions with China, one of the largest global importers of several agricultural products including lumber and timber, grains, oilseeds, prepared vegetables, meats, ginseng and whey will continue to be a headwind for U.S. and Wisconsin exporters.

Costs for certain materials have also risen over the past few years due to supply chain limitations, impacting select industries in Wisconsin. However, inflation rates have fallen since the COVID-19 pandemic and continue to fall as of June 2024, which may help ease some of these cost challenges faced by Wisconsin exporters. Exporters are also facing tightening monetary policies with central banks keeping interest rates high, thereby decreasing demand, and increasing the need for longer credit terms and ultimately impacting the revenue and cash flow for U.S. exporters. Despite these challenges, Wisconsin exporters are committed to expanding their reach in the international marketplace.

## Opportunities

The volatility of international markets can create obstacles for Wisconsin agricultural exporters in certain markets. However, it is important to recognize that that same volatility creates opportunities for Wisconsin's agricultural exporters in other markets.

Continued funding for the WIAE provides DATCP and WEDC the opportunity and flexibility to respond and react to changing market conditions. DATCP must continue to be proactive, strategic, and responsive while remaining consistent with the program's focus in order to grow Wisconsin's agricultural exports to the 95% of the global population living outside of the United States. Coupled with guidance from WAXC and in collaboration with DATCP and WEDC, Wisconsin agricultural exporters and those interested in entering international markets are well positioned to compete in a global market.