

--DRAFT PENDING SUB-COMMITTEE APPROVAL--

**WISCONSIN DAIRY TASK FORCE 2.0
SUB-COMMITTEE ON CONSUMER CONFIDENCE AND PERCEPTION
MINUTES**

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January 8, 2019

The Consumer Confidence and Perception sub-committee of the Wisconsin Dairy Task Force 2.0 met on Tuesday, January 8, 2019 beginning at 10:00 a.m. at the Wisconsin State Patrol-Tomah Post, 23928 Lester McMullen Drive, Tomah, WI 54660.

Call to Order

Chair Dennis Bangart called the meeting to order at 10:00 a.m.

Members Present

Members present included: Janet Clark, Moriah Brey, David Ward, Amy Penterman, Patty Edelburg, Ted Galloway and Dennis Bangart. Chad Vincent joined by phone. Jen Walsh, the Resource Person, attended. Dairy Task Force 2.0 Chair Mark Stephenson and DATCP staff Ashley Andre also attended.

Steve Bechel was not able to attend.

Minutes

Approve minutes of last meeting

Chair Bangart asked for a motion to approve the minutes. David Ward made a motion. Amy Penterman seconded. The minutes were approved unanimously.

Resume work on tasks identified in charging document

Members were given the opportunity to go around the room to share thoughts since the last meeting. Patty Edelburg hoped we could review the issues and solutions generated in the last meeting. Janet Clark, Mr. Ward, and Chair Mark Stephenson agreed.

Moriah Brey added that she hoped when reviewing the issues, we could narrow the focus to a few topics rather than the broad spectrum. Ms. Penterman agreed that we should prioritize.

Jen Walsh added that she's been thinking about the discussion a lot and hoped to share more about what Dairy Farmers of Wisconsin already has available. Ted Galloway gave an example of how ice cream companies are losing market share because they are not protecting the words, 'ice cream.' As a food industry, we need to enforce food labeling to protect our industry.

Chair Bangart added that because much of our product is sold out of the state that is where many of the dollars of the \$43 billion economic impact of dairy are coming from. What is the view of Wisconsin dairy outside of the state?

Chair Bangart reminded the group how at the last meeting, it was mentioned that we are losing fluid milk consumption. Someone had mentioned that milk tastes very different by brand. He brought in samples of different brands of milk for everyone to try.

Mr. Vincent added that he had read the minutes and was sorry he couldn't join. He wants to be sure we all know what we are trying to achieve in the sub-committee. Chair Bangart explained that while some of the recommendations from the earlier Task Force were very specific, some were very general statements. We do want to focus on recommendations that are achievable.

Chair Bangart shared an idea for a recommendation he had to make a modification to the Alice in Dairyland program. After the Alice's first year of service, which is mostly within the state of Wisconsin, they would have a second year where they would focus on travel outside of Wisconsin. This would capitalize on the knowledge the individual has learned throughout her year from the different agricultural organizations. By utilizing an investment of possibly \$250,000, could we cover the salary and travel of having Alice be a two-year position?

Ms. Penterman added that Alice in Dairyland does have more promotion ability than another DATCP staff person would have. Mr. Galloway wondered if people outside of Wisconsin would know who Alice in Dairyland is. Ms. Brey emphasized that Alice in Dairyland is a great spokesperson, but is it our best strategy to put someone with a tiara and sash out nationally promoting our products? Mr. Ward mentioned that years ago, when his sister was Alice, she did travel more nationally.

Ms. Penterman also mentioned that it may be challenging to get women to commit to a two-year position. Chair Stephenson also questioned what venues Alice in Dairyland would attend nationally as other State Fairs, for example, would have their own spokesperson. Ms. Edelburg wondered if we do need some sort of spokesperson just for dairy. Ms. Walsh added that Dairy Farmers of Wisconsin staff do attend national food show events, and Mr. Galloway added that DATCP staff do trade missions abroad.

Chair Bangart concluded that this idea for a recommendation and discussion is exactly what we need to do today to develop actionable solutions for the industry, even if this idea doesn't move ahead.

Ms. Brey reminded the group that 90% of Wisconsin's milk goes to cheese and 90% of Wisconsin's cheese is sold out of state. We need to determine where we will get the most value out of our efforts. Ms. Walsh mentioned that we need to determine what message we want to have as a state.

Ms. Penterman asked if there is a research about the impact of glass bottles on the milk inside. Mr. Galloway said that there is a lot of research about packaging in food, such as a can versus plastic bottle for soda. There is also a lot of research about longevity of milk.

Ms. Penterman pointed out that when grocery shopping with her kids, they reach for fruit juice with a cool, colorful container. Could milk do more to be like that? Ms. Edelburg gave the example of the product case at Organic Valley that shows how their packages look next to other items in the dairy cooler. There are people dedicated to making the Organic Valley items stand out. Mr. Galloway agreed that labeling is a science. Ms. Walsh agreed that packaging is important, but much of what is on a package is determined by the private businesses and may not be able to be resolved with a recommendation.

Ms. Penterman brought up that often there are not milk choices at a restaurant. Mr. Galloway agrees since they can't move it regularly. Ms. Brey asked Ms. Walsh about what Dairy Farmers of Wisconsin does on packaging. Ms. Walsh explained that they do regular consumer-based research on packaging and share it with the industry. It is up to the individual businesses to decide how to apply the research in their business. Dairy Farmers of Wisconsin also studies retail trends so they can share what is growing and what is not. They also look at food service trends. Food service utilizes about one-third of cheese.

Ms. Walsh emphasized that generally Americans won't spend more than 10% of their earnings on food, but it varies how they spend that 10%. Chair Stephenson mentioned that as a consumer, the packaging is only the first level of scrutiny. After an item is tasted, then a decision is made about being a repeat customer.

Mr. Galloway mentioned that in food service, packaging matters for functionality even if not visually. Ms. Walsh added that private businesses also do a lot of research. Mr. Galloway gave two examples of that: Sargento and Great Lakes. Ms. Penterman emphasized that many go now for convenient, snack-sized items when shopping.

Chair Bangart asked members to think throughout the discussion what could lead to a recommendation.

Mr. Ward asked if milk is an item that gets people into the store or if it is something they grab when they are already there? Ms. Walsh said there is research available on that topic. Retailers place milk strategically in their store for them.

Mr. Galloway added that we need to control the message. When going against plant-based beverages, we need to be clear about milk's message, such as protein in a glass. Ms. Walsh reminded us that while we are losing fluid milk production, much of that loss is to water. Ms. Edelburg mentioned that there are so many beverage choices out there for consumers. Chair Stephenson added that people drink what they want to. For the first time, society can afford an obesity epidemic.

Ms. Brey asked what our goal is today: to develop consumer confidence, to sell more product, to make others trust farmers? Ms. Walsh added that perhaps we want to guard Wisconsin dairy as a category.

Mr. Ward added that as an industry, we are not enforcing our standards. Attorney Generals have powers that we could utilize to more vigorously enforce food labeling. Several state Attorney Generals could join together in sending that message nationally.

Mr. Galloway agreed that enforcing labeling laws is critical. He mentioned that work of U.S. Senator Tammy Baldwin on the topic. Other ag industries, like meat, need to protect their labels as well. Ms. Penterman added that the comment period on this topic is still open nationally. It is important that as an industry we go on the offensive.

Chair Bangart added that if you google milk, about half of it is not positive. Ms. Walsh responded that consumer confidence studies are done each quarter and a touch base of two questions is done each month. While in dairy we often feel the world is against us, responses are not that negative. Dairy Farmers of Wisconsin analyzes the data. An issue that makes an impact on people's feelings is sustainability. Most people accept that dairy is highly nutritious. Mr. Ward added that a definition of sustainability is difficult. Chair Stephenson added that Wisconsin is well-suited to support animal agriculture and produce milk; more so than other regions.

Ms. Brey shared about an Organic Valley commercial she saw that animals wear fit bits. It made her think that many cows do, organic and not. How can we take advantage of messaging and resources that already exist?

Mr. Ward, Ms. Edelburg and Mr. Galloway will draft a recommendation about the need to enforce food labeling and reaching out to the Attorney General for his support on this issue.

Ms. Brey discussed that Dairy Farmers of Wisconsin has resources about Wisconsin's attributes as a prime place to dairy. It is difficult to gain ground as an industry when each person has a different message.

Chair Bangart asked if there are other products that Wisconsin is missing out on, that we could make or modify how we make them? Mr. Galloway gave the example of the changes in the cottage cheese area and sour cream.

Chair Stephenson added that while it is not consumer perception, the state has lost a lot of powder manufacturing. Mr. Galloway added that we cannot compete with the states near the coast in powder. He explained that the Markets sub-committee is considering how changes with the Federal Order may help that.

Ms. Walsh added that that Research and Product Innovation sub-committee will consider new uses for products. We need to think about the message. Mr. Galloway added that while specialty cheese is Wisconsin's jewel, we cannot forget about the majority of the cheese volume, which is commodity.

Ms. Penterman asked how recommendations will be acted on going forward. Chair Stephenson added that the industry is highly motivated to help turn things around and will be watching the Task Force 2.0's work. Mr. Ward confirmed that the last Task Force showed people that the state supports keeping and growing the state's dairy industry. Ms. Edelburg also confirmed that the

new Secretary is very focused on and supportive of dairy. Chair Stephenson agreed and added that the industry organizations are willing to work together on solutions.

Ms. Edelburg asked how Dairy Farmers of Wisconsin could do more advertising campaigns to connect farmers with consumers. Could there be funding from DATCP or somewhere to do it? Mr. Galloway mentioned the success of the Culver's campaign, thank you farmers.

Ms. Walsh said that with a new administration, it may be time for new talking points. You often hear \$43 billion economic impact. The messages stick. Could we offer more talking points that ties into consumer confidence, perception of animal welfare, and sustainability? That could give us a consistent voice across the industry. It could be a short one or two page document with key points for the new leadership and everyone in the dairy industry.

Chair Bangart agreed that this would be general for the entire industry, the Wisconsin brand. Mr. Galloway added that this would be giving people a tool that could be very powerful. Chair Bangart asked if each year there could be a different theme or catch phrase for dairy?

Ms. Brey mentioned the importance of marketing to people differently to help them understand why they should be proud of Wisconsin dairy. Mr. Ward believes this is a golden opportunity with a new administration to emphasize new messages like sustainability.

Chair Stephenson explained that the \$43 billion number comes from Dr. Steve Deller, and he would be updating that number after the new Census of Agriculture data is released this year. This information would help you craft a sheet with updated numbers. Ms. Brey mentioned that most times, consumers don't care about the economic impact of the industry. They are more focused on other issues in agriculture. Chair Stephenson added that the Dr. Steve Deller numbers may be lower than some other economic impact numbers out there, but his are highly defensible.

Ms. Walsh said these talking points could give consistency across the industry. Ms. Penterman noted the importance of reaching nutritionists who work in schools about the benefits of milk.

Ms. Walsh, Chair Stephenson and Ms. Brey will develop a recommendation about the need for general talking points on dairy for wide distribution to create a consistent message across the industry.

Chair Stephenson mentioned the possibility if there should be a recommendation about the support for the check-off dollars, the value these check-off dollars provide and the importance of the work of Dairy Farmers of Wisconsin. Ms. Penterman added that many farmers do not realize what is done with their check-off dollars. Ms. Edelburg added that it is important to show that the Task Force supports the work of the check-off dollars. Ms. Walsh and Ms. Clark abstained from the discussion.

Chair Stephenson and Mr. Ward will draft a recommendation about the support for the check-off dollars and the benefits they provide to the industry.

Chair Bangart asked about the perception of dairy from those outside of Wisconsin and those in our communities. Mr. Galloway says that people want to buy from Wisconsin.

Lunch

The group broke for lunch at 11:57 a.m. and reconvened 12:35 p.m.

Minutes

Resume work on tasks identified in charging document

Chair Bangart reviewed the minutes from the previous meeting. He emphasized the use of the word 'craft' in the discussion last time when talking about Wisconsin products.

Ms. Penterman asked if there are studies about how other farmers outside of Wisconsin perceive the state. Mr. Ward, from his work across state lines, says the perception varies. Mr. Galloway said that industry people know that Wisconsin's dairy infrastructure is highly-developed and complex, making us a strong leader. Ms. Penterman pointed out how that gives us great integrity from the farm to the completed product. Chair Stephenson added that Wisconsin is the only state with licensed cheesemakers and a Master Cheese Maker Program. Ms. Walsh shared that these things do matter to consumers. Mr. Ward added that many recognize licenses, such as electricians and plumbers, with quality and credibility.

Chair Bangart asked if a 'junior' program for food product production for young people, such as cheesemakers, could be developed. The group thought similar programs were already being done at places like Babcock Hall and UW-River Falls.

Mr. Galloway brought up the need for resources for farmers when they exit farming, including possibly education credits. Ashley Andre confirmed that another sub-committee will discuss it. Ms. Brey cautioned against the use of the words 'forced out' of the profession. Chair Bangart agreed that as a lender, he has difficult discussions with farm families about options and some people continue regardless of their situation. Ms. Andre gave a brief description of Farm Center services. Chair Stephenson added that some people are 'answer shopping' for a more positive response when seeking second opinions.

Mr. Galloway shared the idea of Maine's direct payment program for dairy farmers. He emphasized that we need to find more outlets to consume milk. Chair Stephenson added that we all want to find more markets for products.

When considering community perception, Chair Bangart brought up the purposes that fairs have historically served in a community, to exhibit 4-H and other projects. As the public loses interest in these projects and programs, how could the events be reinvented to be more relevant today? A reinvention could pull the community back to these types of events to connect consumers with agriculture. Ms. Brey shared the example of how this is done at the Products Pavilion stage at the Wisconsin State Fair.

Ms. Penterman stressed the challenge of enough funding for fairs and 4-H activities as well as the difficulty to get enough volunteers. She also added that State Fair exhibitors are prepared for speaking with consumers about the industry while local youth may not be at the county fair.

Mr. Ward shared an example of how Nekoosa is a community proud of its paper industry that the odor does not seem to bother many. Using items like the talking points we discussed earlier can help people have that same pride for the dairy industry.

Chair Stephenson shared that he thought the *Dirty Jobs* episode on a Wisconsin dairy farm was great public relations for consumer perception. How can we inject things like this more often and give people opportunities to see farms? Ms. Penterman agreed that many people do not know what farmers do.

Ms. Brey brought up the idea of reutilizing the Dairy 30x20 grant funds to assist farmers hold tours. Funds could be used for bussing local school groups, paying for snacks or lunches for visitors, etc. Chair Bangart added that yesterday's sub-committee touched on agritourism. Ms. Clark will add to her recommendation on the importance of agritourism, the possibility of reutilizing Dairy 30x20 grant funds.

Ms. Brey emphasized that farmers would have to apply, and they would have to limit what the funds were used for to education purposes. Ms. Clark also shared that Fuel up to Play 60 is revamping its programming to get more kids on the farms. Chair Stephenson emphasized that if the state gave out agritourism grants, they could ensure they are sprinkling the funds across the state. Ms. Brey added that these funds could be to tour farms or processing plants. Mr. Ward said that this grant could be a catalyst to reach out to other community organizations as well for support with food products and other assistance.

Ms. Edelburg gave an example of farmer outreach. A neighbor brought cheese samples to the school and then had students write the farmers in the area thank you notes for producing the milk for the cheese.

Ms. Penterman expressed her hope that these tours could showcase the diversity of Wisconsin's dairy industry.

Chair Stephenson added the idea of creating a science camp for kids where they get to make their own cheese. Mr. Bangart shared that the Madison Children's Museum used to have a farm/cheese processing display as one of their primary exhibits.

Chair Bangart added an idea that a chamber of commerce is helping a local area to creatively attract high school students to careers in heavy metal work. Could that be done in agriculture? Ms. Brey mentioned the work done in STEAM programming. Mr. Galloway said it would be important for industry to be engaged as they often say how they cannot find employees. Ms. Penterman emphasized the need to make agriculture attractive to young people. Mr. Ward mentioned that we have to be able to get people to locate where the jobs are as well.

Chair Bangart and Ms. Penterman will work on a recommendation to encourage young people to pursue agricultural careers. If completed, they can pass it on to the Education Workforce sub-committee later this month.

Mr. Galloway brought up the importance of promoting the value of the National Dairy FARM Program. Ms. Walsh added that while it is complex, there is a way to talk about. Mr. Ward mentioned that it is important since people still trust farmers. FARM just helps farmers explain what they are doing and why.

Chair Stephenson asked if we should recommend for processors to utilize the National Dairy FARM Program for their farmers? Mr. Galloway added that many farmers have to be involved.

Chair Bangart asked how we get something like 'rBST-free' off the food label and a positive item like 'FARM-certified' on the food label. Ms. Edelbrug shared that she thought that eventually the 'rBST-free' claim would come off packaging.

Mr. Galloway will draft a recommendation supporting the National Dairy FARM Program and the value it provides to processors and farmers.

Set a conference call

The sub-committee chose to have their conference call on February 14, from 9:00 a.m. to 11:00 p.m.

Identify next steps

Chair Bangart asked Ms. Andre to review the topics for the upcoming teleconference:

- Mr. Ward, Ms. Edelburg and Mr. Galloway will draft a recommendation about the need to enforce food labeling and reaching out to the Attorney General for his support on this issue.
- Ms. Walsh, Chair Stephenson and Ms. Brey will develop a recommendation about the need for general talking points on dairy for wide distribution to create a consistent message across the industry.
- Chair Stephenson and Mr. Ward will draft a recommendation about the support for the check-off dollars and the benefits they provide to the industry.
- Ms. Clark will add to her recommendation on the importance of agritourism, the possibility of reutilizing Dairy 30x20 grant funds.
- Chair Bangart and Ms. Penterman will work on a recommendation to encourage young people to pursue agricultural careers. If completed, they can pass it on to the Education Workforce sub-committee later this month.
- Mr. Galloway will draft a recommendation supporting the National Dairy FARM Program and the value it provides to processors and farmers.

Chair Bangart offered the opportunity to members to go around the room one more time if they had anything else to add. Mr. Galloway is excited about the industry talking points sheet and the ask of the Attorney General to enforce food labeling. Chair Stephenson added that recommendations do not have to be long. They just to identify the recommendation and who could achieve it; an individual, a business, the state or the federal government.

Adjournment

The sub-committee adjourned at approximately 2:00 p.m.

Minutes drafted by Ashley Andre.

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