

Dairy Checkoff's Success in Exports

U.S. milk production growth is greater than consumption and the importance of a strong export market has never been greater for America's dairy farmers. Currently, 96% of the world's population lives outside the United States and a steady growth of the world's middle class is resulting in greater disposable income to purchase more dairy protein.

PAST SUCCESS

U.S. Dairy Export Council

Since the farmer leaders of the dairy checkoff established the U.S. Dairy Export Council (USDEC) in 1995, exports of U.S. dairy have grown from roughly 4% of total milk solids production to just under 16% of production in 2018. Membership has grown from 32 members in 1995 to more than 100 processors, trading companies and allied members supportive of growing the value and volume of U.S. dairy exports.

Moving Product

In 2018, U.S. dairy exports totaled \$5.6 billion, and total milk solids exported reached a record 4.4 billion lbs. **On a product basis, 65% of all U.S. whey proteins produced in the United States were exported to markets outside our borders, along with 67% of all skim milk powder/nonfat dry milk and 6% of U.S. cheese production.** In total, more than 1 in 7 milk tankers are now shipped abroad.

A Presence Around the World for U.S. Dairy

USDEC maintains representatives in key export markets, who assist U.S. exporters with market intelligence, local trade interaction, promotional support and market access and regulatory information. Office representation is in China, Europe, Japan, Mexico, the Middle East, South America, South Korea, Southeast Asia and Vietnam.

PRESENT WORK

The Next 5%

Supported by investments from the national, state and regional checkoffs, plus funding from USDA, as well as USDEC membership dues, USDEC has embarked on an initiative to raise total export volume from about 15% of total milk solids production to at least 20% by 2022. The "Next 5%" plan is focused on maintaining and growing market access for U.S. dairy product by increasing overseas demand for U.S. cheese and ingredients through promotions, building a greater staff presence and addressing market access and trade issues.

More Partnerships

In 2018, USDEC implemented and finalized nearly a dozen partnerships with research universities, culinary institutes and marketing partners in key export markets to educate end-users, deepen U.S. engagement in foreign markets and cultivate demand for U.S. dairy. USDEC hired new staff to help develop buyer-seller relationships and provide insights to help U.S. dairy exporters deliver products that meet localized needs.

FUTURE FOCUS

More, New and Better

USDEC's mantra for 2019 is "more, new and better." Some of the more, new and better initiatives are already in the works, including a new partnership with Costco in Mexico, the Japan Pizza Association and a new program, the USA Cheese Guild, to build demand for U.S. cheese around the world.

ABOUT YOUR CHECKOFF

The checkoff business plan is focused on programs and innovation that build sales of and trust in dairy. This means ensuring your perspective is shared and heard across the industry on topics and issues important to your dairy farm business. It also means helping consumers and dairy customers understand what you do, how you do it and why it matters.

2019 Dairy Checkoff's Percentage of Program Budget for Exports

