

Dairy Farmers of Canada



2019-20 ANNUAL REPORT





ABOUT DAIRY FARMERS OF CANADA



Dairy Farmers of Canada (DFC) is the national lobby, policy, and promotion organization representing all dairy farmers in Canada. DFC strives to create stable conditions for the dairy industry, foster the sustainability of Canadian dairy farms and promote dairy products and their health benefits. DFC's operations, including its promotional activities, are funded entirely by Canadian Dairy Farmers.

DFC VISION

Canadian dairy
for a healthy future.

OUR MISSION

To ensure the sustain-
able production of
milk and the healthy
consumption of
Canadian dairy
products.

- Educate
- Facilitate
- Mobilize

OUR VALUES

- Teamwork
- Integrity
- Passion
- Dynamism
- Sustainability

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Pierre Lampron

MESSAGE FROM THE PRESIDENT

I am very pleased to present Dairy Farmers of Canada’s annual report for 2019-20. This past year, dairy farmers have been tested by a slew of challenges, the most notable one being the COVID-19 pandemic. Never has our country faced such a monumental crisis, which had significant impacts on dairy when it effectively closed down one of our biggest markets (the Hotels, Restaurants and Institutions sector), and caused labour and distribution challenges further down the supply chain.

Canadian dairy farmers are resilient, so while we may have bent, we most certainly did not break! Thanks to Canada’s supply management system, we were able to rebalance production in a timely, coordinated way while limiting impacts on dairy farmers. Our dairy sector fared better than many other sectors of the Canadian economy, and in other countries where supply management does not exist, the impacts on dairy farmers were much more profound.

I am extremely proud of the role dairy farmers play in feeding the nation – the work you do is helping to cement Canada’s food security.

Looking farther out on the horizon, our challenges look more like the perfect storm. Consumer trends and consumption patterns are evolving, especially among the millennial crowd, the biggest group of consumers. This is creating unprecedented competition in the marketplace. Market access concessions made by the federal government in three successive trade agreements – the latest being CUSMA, which came into effect on July 1, 2020 – mean that a greater share of the dairy products on Canadian shelves will be made from foreign milk. And evolving government policies – the Healthy Eating Strategy and Product of Canada labelling, to name a few – continue to put pressure on the dairy sector.

Last August, we welcomed the announcement of \$1.75 billion in compensation over eight years for the market access concessions made under CETA and CPTPP. That was on top of the previous \$250 million commitment tied specifically to CETA. Of the \$1.75 billion, \$345 million was made available as part of a direct payment program for our dairy farmers in 2019. We continue to make representations to government for an announcement securing the payments for 2020 and subsequent years, as well as an announcement on the compensation for CUSMA.

I am very optimistic with the success of the Blue Cow logo. Buoyed by support for dairy farmers and what they represent, along with growing pride in Canada and affinity for Canadian product in the wake of COVID-19 and CUSMA, awareness and usage of the Blue Cow logo both continue to grow, and that bodes well for the future of dairy. These days the Blue Cow logo can be spotted everywhere, as we continue to expand existing partnerships and build new alliances with some of Canada’s leading consumer brands, including Lactalis (Parmalat), Burger King, Cineplex, Tim Horton’s and more.

I am confident that, with your continued support, DFC is well-positioned for the year ahead as we look ahead to the new normal post-COVID-19, and I look forward to another productive year.

Pierre Lampron
President
Dairy Farmers of Canada



Jacques Lefebvre

MESSAGE FROM THE CEO

In 2018, with the support of DFC’s Board of Directors, we initiated the modernization of your national organization: *DFC 2.0*. Although this is an on-going initiative, we emerged from the first phase as a leaner, nimbler, more modern organization, better positioned to tackle the many challenges facing our sector. As it turned out, the timing of this work was fortuitous.

The COVID-19 pandemic proved to be a big test of the flexibility and resiliency of the dairy supply chain, but also the adaptability of our dedicated staff. I am grateful for the seamless way our team pivoted to a work-from-home model. This is why we have continued to offer solid value to our members. We also took measures to adjust the organization to the new reality created by the pandemic.

We have our work cut out for us as we emerge from the pandemic. Our advocacy efforts on the international trade front are far from behind us – we will continue to hold the government accountable for the balance of compensation owed for market access given away to foreign production under CETA and CPTPP and seek the full and fair compensation for CUSMA promised by the government.

Research shows that dairy farmers enjoy a trust relationship with Canadians, but this cannot be taken for granted, as others aim at eroding it to advance an anti-dairy agenda. We need to be bold in promoting the importance of dairy, from its nutritious value to our contribution to the Canadian economy. And we need to be steadfast in telling the story of a dairy industry that is a global leader in environmental sustainability and animal care.

The challenges we face as an industry as a result of trade agreements and emerging consumer trends require us to be visionary, collaborative and goal oriented. DFC, in collaboration with our members, will need to play a leading role in charting a course that guarantees a successful and prosperous future for all dairy farmers in Canada within a modern supply management system.

Under the Board’s leadership, a blueprint is being developed to support the long-term growth of the dairy industry in Canada. In the meantime, our 2020 strategic objectives provide a roadmap to overcome our challenges. We continue our important work addressing issues like emerging consumer concerns about our food security, the relevance of dairy among millennials and generation-Z, developing win-win partnerships, and engaging Canadians on the value of dairy products and a stable dairy industry.

I want to thank our Board, our staff, representatives from the 10 provincial organizations and all dairy farmers for their support through these challenging times – we look forward to another year standing up for your interests.

Jacques Lefebvre
Chief Executive Officer
Dairy Farmers of Canada

DFC 2.0: THE RE-ENGINEERING OF DFC



Under the leadership and direction of the Board of Directors, DFC continued the important work started in previous years regarding the modernization of the organization under our strategic plan *DFC 2.0*. Developed in consultation with the provinces, dairy farmers and other stakeholders, *DFC 2.0* charted a course for the future in light of the unprecedented pressures and challenges facing our sector. As part of the initial phase of *DFC 2.0*, we put in place a more effective Governance structure and funding model for the organization.

This resulted in two distinct areas of activities for DFC. The first is core business, which are activities that are foundational to the role of the organization.

The second area of activities is strategic. On an annual basis, the Board of Directors, along with the P10 Chairs, meet to determine where the organization should focus its strategic efforts for the upcoming year(s). These are set as measurable objectives for DFC.

CORE FUNCTIONS

 FEDERAL GOVERNMENT RELATIONS

 COMMUNICATIONS

 POLICY AND TRADE

 GOVERNANCE

 BLUE COW LOGO CERTIFICATION PROGRAM

 BUSINESS AND MARKET INTELLIGENCE

 NATIONAL NUTRITION PROGRAM

 RESEARCH

 BUSINESS AND STAKEHOLDER RELATIONS (BSR)

 PROACTION®

 LEGAL

2019 STRATEGIC OBJECTIVES AND PROGRESS

The organization pursued four strategic priorities for 2019 which stemmed from DFC 2.0, including:

Objective / Description	Progress / Accomplishments
Governance <i>Ensuring an effective governance structure and best practices are in place, making for a strong DFC.</i>	DFC put into place a variety of robust new governance structures and procedures, including the creation of a new governance committee, a more comprehensive strategic planning process with better opportunities for input from the provinces and farmers, the adoption of a new funding model for 2020 and beyond, the modernization of DFC's by-laws, the strengthening of our board and more.
Engaging Canadians <i>Educating and engaging Canadians and key stakeholders on the value of supply management to ultimately enlist their support for the supply management system.</i>	DFC executed a range of grassroots advocacy efforts including a comprehensive election strategy to position the sector as a key contributor to the economy, a driver of communities and vital to Canada's future success. DFC's pre- and post-election advocacy resulted in public commitments from all major federal parties as well as pledges of support from candidates and elected officials at all levels of government on the importance of dairy and issues that matter to Canadian dairy farmers, like defending supply management, maintaining the current threshold for "Product of Canada" labelling, taking a science-first approach in developing the Healthy Eating Strategy and a commitment to compensate dairy farmers for trade agreements
Marketing to Millennials <i>Ensuring millennials feel they have a social license to consume dairy by demonstrating that their values are reflected in dairy products and dairy production.</i>	DFC conducted extensive market research and gained a wealth of strategic intelligence about the millennial audience. DFC then used these insights to execute a series of compelling advertising campaigns, strategic partnerships and social media initiatives specifically targeting millennial consumers and driving support for dairy, as described in further detail later in this report.
Partnerships <i>Developing and leveraging effective partnerships and strategic business relationships to achieve shared goals.</i>	DFC established and strengthened mutually beneficial partnerships and relationships with restaurants and major national brands like Cineplex, Burger King, Tim Hortons and McDonalds and oversaw further expansion of the Blue Cow logo, which is now featured on more than 8,000 products.

By executing on these strategic objectives, DFC made significant progress on the organization's overall key performance indicators (KPIs), with end-of-year results on our benchmarks surpassing the three-year objective in all three areas, a clear indicator of achievement:

Measurement	Baseline	Mid-Year 2019	Year-End 2019	Mid-Year 2020	Three-Year Objective	Stretch Objective
% of Canadians surveyed						
Reputation of dairy farmers	72.2	69.0	70.4	70.6	70.2	74.8
Support for supply management	57.0	59.4	60.8	62.6	57.0	61.8
Millennial support for the consumption of dairy	51.3	51.6	56.3	59.0	51.3	56.0



LOOKING FORWARD: 2020 STRATEGIC OBJECTIVES

The 2020 strategic plan approved by DFC's Board of Directors builds upon our 2019 objectives and reflects the evolving landscape in which we operate. The plan focuses on regaining the relevance of dairy products among millennial and generation-Z consumers, engaging Canadians so that they better understand the value of dairy and supply management, identifying and leveraging partnerships, deploying innovative approaches to myth-busting in the dairy industry, and strengthening the value chain to tackle issues.

- 1 Marketing to Millennials and Generation-Z**
 Reach and engage millennials and generation-Z via transparent, relevant and experience-driven approaches – including myth busting – to build awareness and support for the values of Canadian dairy and drive a natural acceptance and social license to consume Canadian dairy.
- 2 Engaging Canadians**
 Maintain and mobilize the support of key decision makers, influencers, and engaged Canadians for dairy farmers and supply management, and increase their understanding and appreciation of the nutritional and health value of dairy products, sustainable dairy practices and dairy innovation so that they may be leveraged in the public domain.
- 3 Partnerships**
 Maximize the impact of our current and future partnerships to ensure they are leveraged proactively throughout the value chain in support of organizational objectives.
- 4 Sector Strategy**
 An offensive strategy addressing the challenges and mischaracterization of dairy and the dairy industry that impact public perception and public policy decisions.
- 5 Producers-Processors**
 Work jointly with producers and processors to identify issues of mutual interest and execute joint strategies to advance those issues to the benefit of the sector.

Other Activities

Early in 2019, in consultation with provinces/regions, DFC offered services and programs over and above those provided as part of its core business and strategic activities. These are individual activities that are delivered on a full cost-recovery basis in keeping with established agreements.

MEMBERS OF DAIRY FARMERS OF CANADA

- Alberta Milk
- BC Dairy Association
- Dairy Farmers of Manitoba
- Dairy Farmers of New Brunswick
- Dairy Farmers of Newfoundland & Labrador
- Dairy Farmers of Nova Scotia
- Dairy Farmers of Ontario
- Dairy Farmers of Prince Edward Island
- Lactanet Canada
- Les Producteurs de lait du Québec
- SaskMilk

Associate Members

- Agropur Dairy Cooperative
- Amalgamated Dairies Limited
- BC Milk Marketing Board
- Gay Lea Foods Co-operative Limited

2019-20 BOARD OF DIRECTORS

The Board of Directors is comprised of the President, and 15 members representing Canada's ten provinces and Lactanet Canada. The Board sets and oversees the organization's mandate and ensures that every province has a voice at the table.



Board Executive

- **Pierre Lampron**, President
- **David Wiens**, Manitoba, Vice-President
- **Reint-Jan Dykstra**, New Brunswick
- **Daniel Gobeil**, Quebec
- **Nick Thurler**, Ontario

Board of Directors

- **Gerrit Damsteegt**, Nova Scotia
- **Bonnie den Haan**, Ontario
- **Albert Fledderus**, Ontario
- **Ed Friesen**, Manitoba (Lactanet)
- **Bruno Letendre**, Québec / **Marcel Blais**, Québec (as of May 2020)
- **Gordon MacBeath**, Prince Edward Island
- **Blaine McLeod**, Saskatchewan
- **Jeff Peddle**, Newfoundland and Labrador / **Luke Strong**, Newfoundland and Labrador (as of June 2020)
- **Peter Strelbel**, Québec
- **Gert Schrijver**, Alberta
- **Dave Taylor**, British Columbia

Committees and External Organizations

- Promotion Committee
- Audit and Finance Committee
- proAction® Committee
- Canadian Dairy Research Council
- Governance Committee
- Lactanet Canada
- National Farm Animal Care Council
- National Farm Animal Health and Welfare Council
- Canadian Forage and Grassland Association
- Code of Practice for the Care and Handling of Dairy Cattle Committee
- Code Scientific Committee
- Code of Practice for Transportation
- Industry-Government Advisory Committee on Traceability
- Canadian Cattle Identification Agency
- Beef Value Chain Roundtable
- Animal Health Canada
- Canadian Animal Health Surveillance System
- Canadian Supply Chain Food Safety Coalition
- International Dairy Federation

DFC's Executive Team

- **Jacques Lefebvre**, Chief Executive Officer
- **Paula Dunlop**, Chief Operating Officer
- **Pamela Nalewajek**, Vice-President, Marketing
- **Bobby Matheson**, Vice-President, Advocacy
- **Sylvie Larose**, Vice-President, Finance



WORKING IN EXTRAORDINARY TIMES: THE COVID-19 PANDEMIC

The work of a dairy farmer became all the more challenging – and all the more important – with the onset of the COVID-19 pandemic, which touched virtually all facets of the dairy supply chain and challenged Canada’s food security. These unprecedented circumstances called for bold measures and, as Canadians joined together to fight the pandemic, DFC demonstrated a commitment to doing our part to support containment efforts while helping the industry navigate the social, political, financial and logistical challenges brought on by the pandemic.

An Unprecedented Situation

The pandemic caused sudden, rapid fluctuations in demand for milk and dairy products, from an initial period of rush-buying at the outset to a decline in demand as consumers adopted new consumption patterns. These unprecedented peaks and valleys in demand were largely attributable to widespread closures in the hotels, restaurants and institutions sector (HRI). This was compounded by workforce challenges at the retail, distribution and processing levels, which placed a significant strain on the dairy supply chain.

Adjusting to the shifts in demand and reorienting the entire supply chain from one market to another was a major feat. While the retail sector did capture some of the lost demand from the HRI sector, it was not nearly enough to offset it. As product destined for the HRI sector is typically packaged in bulk and distributed differently than product intended for the home consumer, our industry experienced some short-term bottlenecks in the supply chain while the entire industry worked to make adjustments to mitigate the situation.



Collaboration is Key

We recognize the troubling situation that followed the closures in the HRI sector, when dairy farmers in some regions were forced to dispose of their hard-earned work. At the same time, we acknowledge the extraordinary efforts undertaken throughout the supply chain to adjust milk production and balance production with demand in a rapidly evolving marketplace. The timeliness of the dairy sector’s response to the challenges caused by COVID-19 is a testament to the agility and efficiency of Canada’s system of supply management, which enabled a coordinated response to the impacts of the pandemic throughout the dairy supply chain while limiting impacts on dairy farmers.

Despite some short-term challenges, consumers have had continued access to Canadian dairy products throughout this crisis. Canadian dairy farmers can be proud of the essential role they’ve played in feeding the nation throughout this crisis.



Supporting Canadians in Challenging Times

The sudden closure of so many workplaces put many Canadians at risk of financial hardship. Collectively, dairy farmers across Canada donated more than \$10 million in dairy products to food banks to support Canadians in need, over and above contributions made throughout the year. A \$1 million donation from DFC was combined with federal government contributions to allow Food Banks Canada to purchase \$3 million in quality dairy products for distribution in communities right across Canada, including Northern Canada. In communications to consumers, DFC highlighted farmers' dedication to keeping the supply chain open and providing Canadians with healthy and nutritious dairy despite the difficult circumstances.

Mitigating the Impacts of COVID-19 on the Dairy Sector Through Advocacy

DFC quickly established a COVID-19 task force with representation from the provinces to assess dairy farm impacts related to the crisis and identify and evaluate potential issues and consider actions to mitigate any further impacts on dairy farming operations.

DFC collaborated with provincial dairy organizations and our stakeholders, including processors and retailers, to have key functions and services in the dairy sector identified by the federal and provincial governments as essential services. Collaborative efforts were also undertaken to encourage the government to facilitate the entry of temporary foreign workers during the pandemic, who are needed on some farms.

Our advocacy efforts paid-off when the government adopted, in mid-May, legislation to increase the borrowing capacity of the Canadian Dairy Commission from \$300 million to \$500 million. That additional capacity allows for the possible expansion of storage programs for butter and cheese, for example, which will help address any additional COVID-19 market disruptions. This change was welcomed, as the existing level of borrowing would not have provided the level of flexibility needed to respond to any surplus milk situation should there be additional market shocks.

Communicating with Farmers

In times of uncertainty, communication becomes more important than ever. DFC worked with our provincial counterparts to gather, share and provide information and resources to dairy farmers. We reached out directly to producers through the creation of a new COVID-19 hub on our website providing access to government updates, mental health resources and information for both producers and consumers, and provided regular updates through DFC's Dairy Express newsletter and the Dairy Express+ mobile app.

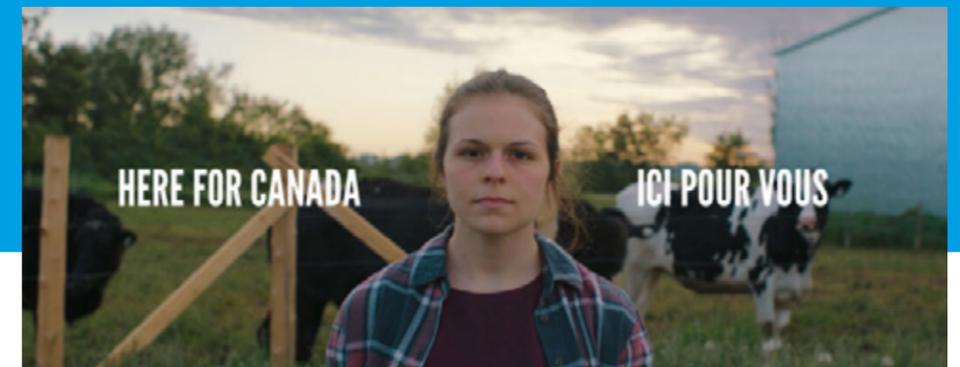
Stimulating the Marketplace

In the COVID-19 era, consumers are more interested than ever before in knowing what's in the food they eat and where it comes from. Through our innovative marketing efforts, including the timely *Here for Canada* campaign, DFC helped reassure Canadians of the safety and quality standards behind Canadian milk and dairy products. This campaign was created respecting the new physical distancing rules by using previously captured footage featuring proud Canadian dairy farmers who have participated in past campaigns alongside timely messaging. As data showed that Canadians were cooking more at home, DFC's national nutrition team launched the "Only Good Things" campaign which highlighted the delicious and healthy options of cooking with dairy.

DFC showed support for the beleaguered HRI sector by participating in the *Canada Takeout* campaign and *#TakeoutDay* in conjunction with Restaurants Canada and other key partners.

The campaign encouraged Canadians across the country to order takeout from local restaurants to lend support to the foodservice industry, which employs millions of people across the country and relies on Canadian agriculture to serve its patrons. Dairy Farmers of Canada promoted the campaign across its social media platforms, including Twitter, Facebook and Instagram.

DFC also worked with national retailers to create specific promotions using the Blue Cow logo as part of a strategy to drive additional dairy consumption in the COVID era, and worked with processors to find additional opportunities to move Canadian-made dairy products and help recapture some of the volumes lost from other business lines. Post-pandemic planning has also begun to position the industry for success as the Canadian economy gets back on track.



Other Impacts

The pandemic also had wide-ranging impacts on DFC's operations. We moved quickly to ensure the health and well-being of our staff and their families, adopting a work-from-home model on a temporary basis and implementing additional protocols to ensure their overall wellness remains a top priority.

There were impacts on work and how we operate as an organization. Along with our Board and committee meetings, DFC's 2020 Annual General Meeting is now a virtual AGM. With many industry events now postponed or cancelled, we have had to adjust our activities and workforce to the reality created by the pandemic.

REGAINING THE RELEVANCE OF DAIRY: 2019-20 MARKETING INITIATIVES



Through extensive third-party market research, including “Insights into Youths,” a three-part quantitative and qualitative consumer segmentation research study was concluded, and DFC gained a wealth of new insights on consumption patterns, consumer attitudes towards dairy and generational mindsets to help adapt and target messaging in our campaigns. This study aligns and arms all of DFC’s departments and functions with new data and insights on our target consumer audience.

In 2019, DFC favoured image-focused campaigns to shift the perceptions of millennials through relevant, transparent and authentic messaging. Millennials are now the largest cohort of Canadians and have considerable purchasing power in the household, which makes them a key strategic audience for DFC. In 2020 we augmented this focus and pushed our ambitions even further by also focusing on the next generation of Canadians – generation-Z, who are, in effect, the future of dairy consumption.

Dairy Farming Forward

DFC’s *Dairy Farming Forward* campaign ran in two iterations, first in July 2019 and again with a season-neutral version in January 2020. The campaign targeted a broad range of Canadians with a focus on millennials and generation-Z consumers. The industry’s commitment to environmental stewardship and socially responsible practices were front and centre in this campaign, which used snapshots of real dairy farmers showcasing their hard work, dedication and entrepreneurial spirit. With placements on TV, cinema, digital platforms, Spotify, outdoor signage and in-store signage, the campaign emphasized the forward-thinking values and practices embodied by farmers and leveraged the strengths of the proAction® program.

DFC’s 2019 marketing activities emphasized the forward-thinking values and practices embodied by farmers in producing high-quality Canadian milk and leveraged the strength of the Blue Cow logo and the proAction® program to raise awareness of milk and milk products and neutralize the erosion of attitudes towards dairy. Campaigns were designed to advance this messaging while dispelling myths and misconceptions that affect consumer purchasing decisions, with a focus on dairy farming practices pertaining to milk quality, the environment and animal care – the hallmarks of the proAction® program.



Campaign impact (results from the first iteration of the campaign):


CAMPAIGN
REACHED
9.4
MILLION
CANADIANS

46%
OF MILLENNIALS
SAW
THE CAMPAIGN


**GAINS IN
SHIFTING
PERCEPTIONS**
+4%
OF APPROXIMATELY
2,950,000
MILLENNIALS

Source: IMI Research

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Milk: It's in the Stuff You Love

In response to changing consumer tastes, DFC launched its *Milk: It's in the Stuff You Love* campaign in the fall of 2019 focused on highlighting the presence of milk in foods that people already enjoy every day, like pizza, with contemporary, relevant reminders featuring a comedic new character, a six-foot-tall glass of milk. By creating new emotional connections between consumers, dairy, and key food products, the campaign raised the profile of milk and communicated key messages around the five dairy categories (milk, cream, cheese, butter, ice cream) while linking the Blue Cow Quality Milk logo that was a focal point on campaign assets.

CAMPAIGN REACH OF
9.4
MILLION
CANADIANS

50%
OF MILLENNIALS
WERE "AWARE"
OF THE CAMPAIGN

**FIVE-POINT GAIN
ON SHIFTING
MILLENNIAL
PERCEPTION
ON KEY 'MILK IS A CORE
INGREDIENT' STATEMENT**

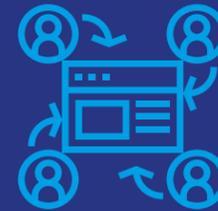
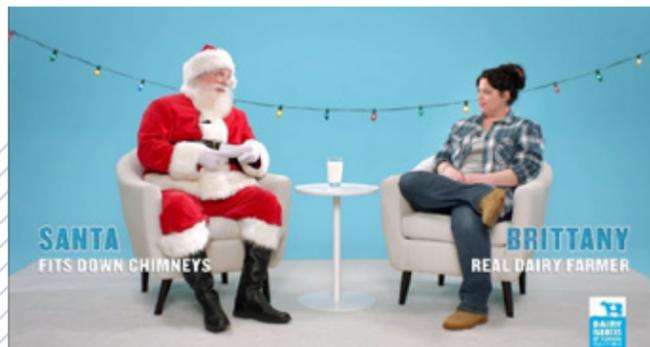
Source: IMI Research

Santa Surprise and Both Sides of the Glass

Over the 2019 holiday season, DFC ran two campaigns, *Santa Surprise* and *Both Sides of the Glass*, each taking a very different approach to reach consumers.

Santa Surprise focused on the timeless tradition of setting out a glass of milk for Santa on Christmas Eve, reminding consumers that the Blue Cow logo is representative of Canadian quality milk standards and the care of Canadian farmers. Our post-campaign analysis by third-party research firm IMI Research showed that *Santa Surprise* achieved 85% Blue Cow logo awareness.

Both Sides of the Glass, meanwhile, featured a youthful, fun-loving Santa discussing milk and milk production with real millennial dairy farmers in a nod to the popular web series and Netflix movie *Between Two Ferns*, dispelling myths that millennials have around dairy and dairy farming practices. This campaign reached six million Canadians, a third of whom were millennials, and achieved 89% Blue Cow logo awareness as reported by IMI Research.



**IN 2019-20, DFC'S
CAMPAIGNS GENERATED
768 MILLION
IMPRESSIONS***
WITH A TOTAL COMBINED REACH OF
44.8 MILLION

*(Every consumer interaction with our advertisements) According to IMI Research



BY THE END OF 2019, THE BLUE COW WAS
RECOGNIZED AS ONE OF THE
**TOP THREE
MOST INFLUENTIAL
LOGOS IN CANADA**

According to Cohesion Strategies

Looking Forward

With an apprehension around food standards and safety given the challenging 2020 business environment due to the COVID-19 pandemic, DFC will focus its next campaign on the standards behind Canadian milk. *Hey Dairy Farmer-Virtual Parents Group Edition* will work to reassure Canadians of the high safety standards that are in place for producing quality Canadian milk. In pre-campaign testing, the campaign achieved excellent results on key performance indicator metrics and as such, we look forward to launching this campaign shortly.

Canadian Goodness

The new consumer digital hub *Canadian Goodness* was soft launched in the fall of 2019. The page offers a wealth of content for consumers looking for information on Canadian dairy products. The hub was designed to better serve the needs of the user, with increased search functionality, related content suggestions and resource links to encourage further exploration of the site. This hub exists on the website dairyfarmersofcanada.ca along with the “Teach Nutrition” and “Dairy in Canada” hubs, both of which were launched in 2018.



Future Dairy Advocates: Digital Strategy

DFC recently implemented a Consumer Relational Marketing (CRM) digital platform giving us the ability to acquire, inform and mobilize future dairy ambassadors through digital our communications by building a 1:1 relationship with consumers.

This data-driven approach aims to ensure:

- That millennial and generation-Z consumers are able to make informed decisions by accessing credible content on the platform of their choice;
- That DFC is able to monitor Canadian social sentiment as it relates to the dairy industry. This information will be used to stay ahead of online trends and optimize future campaign content, thus fostering digital proactivity versus reactivity;
- That pro-dairy industry content appears on page one of Google organic search results through search engine optimization (SEO).

Binding these initiatives together is a focus on harnessing information about consumers that have interacted with us on our website and delivering information to them in a targeted, sequential manner based on how the consumer feels with respect to dairy, with the aim of driving consumption.

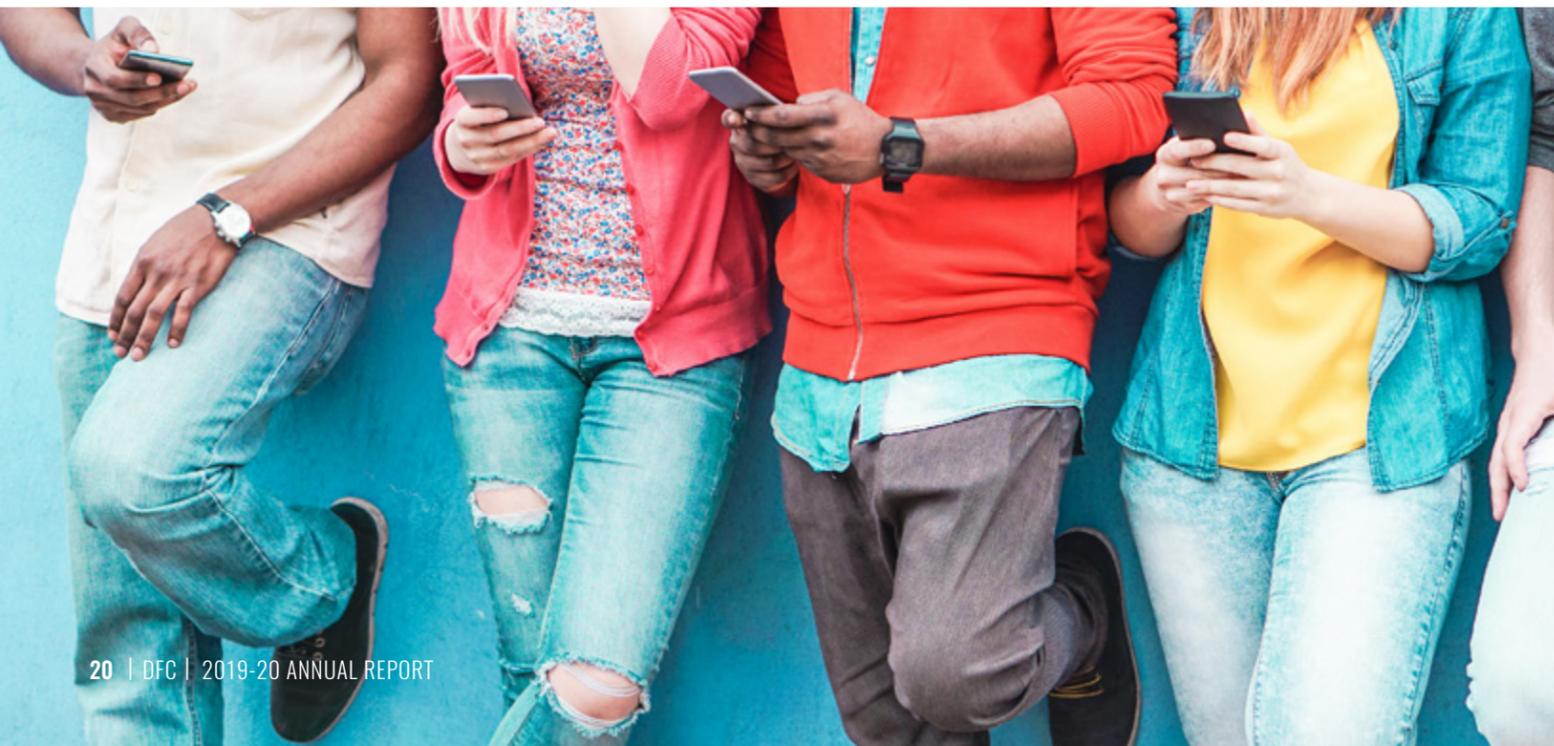
THE BLUE COW LOGO EFFECT

When consumers see DFC’s Blue Cow logo, it means they are holding a product that’s made with 100% Canadian milk and milk ingredients. The Blue Cow logo is emblematic of the dairy industry’s commitment to excellence, and it’s crucial to demonstrating the value of Canadian dairy farmers and their products to Canadians.

The Blue Cow logo has exceptionally strong equity across the country. In just two and a half years, the logo has become one of the most recognized brands in Canada. Awareness of the logo is at an all-time high, as four out of five Canadians – nearly 20 million Canadians – are now familiar with the logo.

That equity stems in great part from its association with the word “Farmers”, which suggests hard working people with honesty, integrity, dedication, and passion to feed Canadians. The Blue Cow brand speaks volumes about high quality and trustworthiness and it’s helping more and more consumers understand that Canadian milk is rigorously tested for antibiotics and produced without added artificial hormones.

Because of this, there is increased interest in the logo from processors, retailers, restaurants and other stakeholders alike. In early 2020, Lactalis Canada announced it would be including the Blue Cow logo on its leading cheese products made with Canadian milk, a decision which demonstrates the faith processors, retailers and consumers have in Canadian dairy farmers and the industry’s commitment to socially responsible production. Now, more than 8,000 dairy products feature the Blue Cow logo. Entering the second half of 2020, we can anticipate that the logo will become even more important as consumers seek out more Canadian products in light of the COVID-19 pandemic and the impacts of CETA, CPTPP and CUSMA trade deals which will see more foreign products occupying Canadian shelf space.



“I’m excited for us at Lactalis Canada to pursue our collaboration with the Dairy Farmers of Canada. This logo represents our commitment to the sustainability of our industry and to offer Canadian consumers the best milk and cheese in the country.”

- Mark Taylor, President and CEO of Lactalis Canada, February 6, 2020

STRATEGIC PARTNERSHIPS

The Blue Cow logo is being featured by some of Canada's most influential vendors and can be found on point-of-sales material at Tim Hortons, on Boston Pizza's television advertisements, Burger King advertisements for shakes and mini-shakes, and GoodFood's branded milk.

As a final update to the Tim Horton's 2019 Promotion Agreement, Tim Horton's surpassed their target for the number of litres of dairy used and sold nearly 3 million litres in 2019. A 2020 agreement is being finalized.



From July 1, 2019 to March 13, 2020, moviegoers saw ads promoting real Canadian butter in Cineplex theatres across the country.

The *Better with Real Butter* partnership between Dairy Farmers of Canada and Cineplex Media promoted real butter popcorn topping and the Blue Cow logo to movie-goers across the country. The partnership was planned to run through June 30, 2020, but the COVID-19 pandemic required that it be placed on hold; however, the agreement will be extended in order to reflect the lost time. In the period the campaign was able to run, the impact on equity and purchase was well above the established benchmarks.

DFC adopted a new model for evaluating future partnerships with processors, foodservice operators and retailers. This approach will allow DFC to better identify proposals for projects or initiatives that align with the broader DFC objectives and Blue Cow certification program strategy. The criteria for consideration include projects that:

<input checked="" type="checkbox"/> Demonstrate the nutritional value of dairy	<input checked="" type="checkbox"/> Differentiate Canadian dairy products from foreign competition and dairy alternatives
<input checked="" type="checkbox"/> Emphasize the quality dairy message	<input checked="" type="checkbox"/> Maintain and grow net Canadian dairy sales
<input checked="" type="checkbox"/> Support and promote the positive image of Canadian dairy farmers	<input checked="" type="checkbox"/> Support innovation that contributes to the growth of the market and doesn't cannibalize competition within the dairy category

All proposals received an evaluation by an internal review committee.

THIS BLUE COW DRIVES BUSINESS



69% of Canadian consumers prefer choosing menu items with the **BLUE COW LOGO**

51% of consumers agree that the **BLUE COW LOGO** greatly enhances **PRODUCT PERCEPTION** strengthens the **value proposition** and **increases restaurant and menu appeal.**



70% of consumers **strongly prefer NATURAL DAIRY PRODUCTS**

and close to half feel that seeing the **BLUE COW LOGO** indicates to them that they are consuming natural dairy.



Partnering with DFC helps drive **traffic and increase cheque size.** **50% OF PATRONS** feel that menu items featuring the **BLUE COW LOGO** are worth paying more for.



Among Gen Z, the **BLUE COW LOGO** creates a **29% LIFT** the strongest impact of any generation.

GET ON-BOARD WITH THESE NEW CHEESE TRENDS.

As tested and tasted at the Restaurants Canada Show, cheese made with Canadian dairy pairs beautifully with sake, coffee and beer.



LOCALLY FARMED. NATURAL INGREDIENTS. QUALITY DAIRY.

That's what the **BLUE COW LOGO STANDS FOR.**

Based on research provided by the NDP Group, Inc. 2019

Sponsorships and Events



THE CANADIAN RESTAURANT LEADERSHIP SUMMIT



OFFICIAL MILK PARTNER FOR THE 2020 RESTAURANT CANADA SHOW



DAIRY AND MILK SPONSOR FOR THE 2020 CANADIAN NATIONAL BARISTA CHAMPIONSHIPS



DFC collaborated with other global dairy organizations to promote the 20th Anniversary of World Milk Day on June 1st, 2020. The promotional efforts included a digital engagement plan which invited consumers as well as the Canadian dairy community and its partners to participate in World Milk Day activities online. Canada was in the top four countries in the world in terms of engagement and activities; DFC's social media campaign alone was estimated to have generated more than 10 million impressions.



DFC's Cheese Ambassador: David Beaudoin

In 2019, long-time DFC partner David Beaudoin officially became DFC's Cheese Ambassador. Beaudoin is a culinary influencer and media personality with a strong online following and profound passion for Canadian dairy. For years, Beaudoin has worked educating retailers, deli managers and cheesemongers to better understand the benefits and best practices of working with Canadian cheese. This year, under his new title with DFC, he has spoken at culinary competitions, industry events, on television and in digital content about the economic importance of dairy, the role of dairy in community building, and the often over-looked quality and health benefits of Canadian cheese. Beaudoin's passion for Canadian dairy, his belief in the values of the Blue Cow logo and his respect for Canadian dairy farmers is evident in each of his appearances, making him a valuable addition to DFC.



David Beaudoin

“I see the value in the beautiful quality of milk that we make in this country and the hard work that the farmers put into it, taking care of their animals, so I want the whole country to know!”

– David Beaudoin on CTV *Morning Live Atlantic*, December 11, 2019

DFC: A TIRELESS CHAMPION FOR DAIRY FARMERS

DFC is a tireless champion for Canadian dairy farmers, advocating to elected representatives and other officials in the federal government to help create the optimal conditions for the long-term health and viability of our sector. The following summarizes some of DFC's key advocacy activities and accomplishments over the past year.

2019 Election

October's election was a key focal point for DFC's advocacy efforts throughout 2019 as it provided an opportunity to hear from the candidates and their parties and engage with them on issues in the agricultural space. During the election campaign, DFC employed a grassroots approach to seek commitments from all major parties on important issues for Canadian dairy farmers. Thanks to our extensive efforts prior to the election, many of DFC's policy asks – particularly those pertaining to compensation and international trade – featured prominently in party platforms. This became that much more significant when Canadians elected a minority government, as the government requires the support of one or more of the opposition parties to pass legislation. In addition, newly elected MPs were able to hit the ground running on dairy farmers' priorities given the insights and information provided by DFC.



Trade: CETA, CPTPP and CUSMA

On August 16, 2019, DFC welcomed the federal government's announcement of \$1.75 billion in compensation to be allocated over eight years to help dairy farmers mitigate the impacts of the Comprehensive Economic and Trade Agreement (CETA) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The announcement was consistent with the recommendations of the industry working group established by the government and included a direct payment program for the first year with a total value of \$345 million. DFC continues to seek commitments that the balance of the compensation owed to producers over the next seven years will be "locked-in" in subsequent budgets and made in the form of direct payments.

Irrespective of the sector's extensive advocacy efforts to ensure the Canada-U.S.-Mexico Agreement (CUSMA) came into force at the beginning of the new dairy year, the government went ahead and provided the approvals that led to its entry into force on July 1, 2020. DFC is seeking full and fair compensation for the market access concessions made under CUSMA – a commitment made by the government – as well as other measures to mitigate the impacts. We are also asking that, consistent with the review mechanism in the treaty, the government seek an administrative agreement with the U.S. to threshold what are now global export limits on some dairy products to apply only to the signatories of the agreement.

“What supply management cannot [withstand] is to have the foundation continuously being undermined. Every time there's more access given, it weakens us.”

– **David Wiens** to the Standing Committee on Agriculture and Agri-Food, May 27, 2020

2020 Lobby Day and Annual Policy Conference

On February 4th, 2020, dairy farmers from across the country gathered in Ottawa for DFC's annual Lobby Day on Parliament Hill and reception at the Chateau Laurier. Themed *Dairy Farming Forward* to leverage and bring further awareness to our marketing efforts, this year's lobby day focused on seeking support from MPs and Senators towards mitigating the impacts of recent international trade agreements and limiting the impacts of the proposed policies under Health Canada's Healthy Eating Strategy. This year's Lobby Day was one of our most successful ever: dairy farmers met with more than 190 parliamentarians, including the leaders of all parties with a seat in the House of Commons, and more than 350 parliamentarians, decision-makers and their staff continued the conversation with farmers and APC delegates at DFC's evening reception.



Representatives from DFC met with Prime Minister Justin Trudeau and Minister of Agriculture and Agri-Food, Marie-Claude Bibeau at the 2020 Lobby Day.

Photo credit: Prime Minister's Office

Visioning Exercises

In response to DFC's advocacy following the signature of CUSMA, the government established a working group to craft a vision for the future of the Canadian dairy sector. We have advocated that the government make the work of this group a priority, which was reflected when the group was referenced in the Minister of Agriculture and Agri-Food's 2019 mandate letter. DFC worked collaboratively with Dairy Processors Association of Canada (DPAC) and the government in initial meetings of the working group. Unfortunately, with the election and now COVID-19, the exercise has been put on pause.

In the meantime, having recognized the urgency to address challenges and opportunities as a result of trade agreements and consumer trends, the DFC Board has moved forward with the development of a blueprint for the future of the industry. The aim is to identify innovative market growth initiatives. This blueprint will be an important contribution to the visioning exercise when it restarts.

Tariff Rate Quotas (TRQs)

DFC continues to be involved in consultations for the allocation of Tariff Rate Quotas (TRQs), the specific amount of (dairy) products that can enter the country tariff-free, under Canada's recent trade agreements including the WTO, CUSMA, CETA and the CPTPP. We remain closely aligned with our partners at the DPAC on this file and have advocated strongly that TRQs be allocated to Canadian processors rather than retailers. While this broader consultation is still underway, DFC worked to ensure that any interim CUSMA TRQ allocations are aligned with this longer-term position. In June 2020, Global Affairs Canada announced that the interim tariffs would be the same as those in effect for CPTPP, which is line with what DFC was seeking.

Healthy Eating Strategy

DFC continues to advocate that nutritious dairy products should be exempt from Health Canada's proposed initiatives around front-of-package labelling and marketing to children. The restrictions could have the unintended effect of causing confusion around the nutritional value of milk and dairy products. After a successful advocacy and education campaign by DFC, Senators raised concerns over Bill S-228 (marketing to children), which caused delays with the legislation and with the dissolution of Parliament prior to the 2019 election, the bill was effectively terminated. However, both issues were included in the mandate letter of the new Health Minister following the election and are still being pursued by Health Canada, although they are taking a backseat to fighting COVID-19. The federal government has assured DFC that it will be consulted when these move forward, and we continue to advocate that the government should consider the best-available science, which points to broad health and nutritional benefits of dairy.



Former Prime Minister Jean Chrétien in conversation with DFC CEO Jacques Lefebvre at the 2020 Annual Policy Conference.

Product of Canada Labelling

In June 2019, the Canadian government concluded a consultation that would have seen changes to the guidelines to qualify for a 'Product of Canada' or 'Made in Canada' claim on product packaging. These changes would have reduced the Canadian content requirement for a 'Product of Canada' claim from 98% to 85% and would remove the requirement to indicate whether imported or domestic ingredients were used for a 'Made in Canada' claim. Led by DFC in partnership with the provinces, our advocacy efforts paid off when the Prime Minister committed during the election campaign that the government would not move forward with the proposed changes and would maintain the current Canadian content requirements to qualify for these claims.

Transportation Regulations

In February of 2020, CFIA's revisions to the *Health of Animals Regulations* came into effect. DFC had expressed concerns about the impacts of the proposed regulations on travel times, especially for some regions, to the office of the Minister of Agriculture and Agri-Food as well as the CFIA. We communicated that these changes could have adverse effects on calves and that additional research should be considered in the evolution of regulations.

Thanks to our industry's efforts, CFIA later confirmed that it would implement a transition period for the feed, water and rest requirements for bovine and other sectors. During the first two years, the CFIA will focus its enforcement efforts on compliance promotion through education and awareness measures, which are part of the CFIA's continuum of enforcement actions. Two working groups have been set up by the government to find solutions – DFC has been a regular participant in the veal/dairy calf working group.

LEVERAGING proACTION®: TELLING OUR STORY

Under proAction®, Canadian dairy farmers collectively demonstrate stewardship of their animals and the environment, sustainably producing high-quality, safe and nutritious milk for consumers. Thanks to the robust requirements of this program, consumers can be confident that milk produced in Canada was produced in a socially responsible way by dairy farmers who follow some of the most stringent standards and practices in the world. Canadian dairy farmers have a track record of excellence, but today's consumer is increasingly skeptical of claims made by brands. Through proAction®, we provide a window into our day-to-day operations as dairy farmers and formalize our commitments in a demonstrable, measurable way.

The proAction® program forms the basis of our marketing efforts and allows us to speak with confidence about our commitments in the areas of food safety, sustainability and animal care. In virtually every ad we circulate, every video we publish, every statement we make, and every social media post we create, DFC leverages the industry's commitments under proAction®. The proAction® program provides the proof points which add further transparency and credibility to our communications on dairy farm practices.

“It comes down to coordinated, consistent, persistent messaging. As it stands, no one really takes ownership of [sustainability] messaging for Canada. Who does this well? The dairy industry! They continually drive home their messaging of healthy caring farmers and are everywhere with it.”

– RealAgriculture.com, May 20, 2020

DFC was pleased to receive international recognition from the multinational Unilever in July 2019 for its commitments towards sustainable milk production practices, something that would not have been possible without the commitment towards a robust, credible, and ambitious program like proAction®.

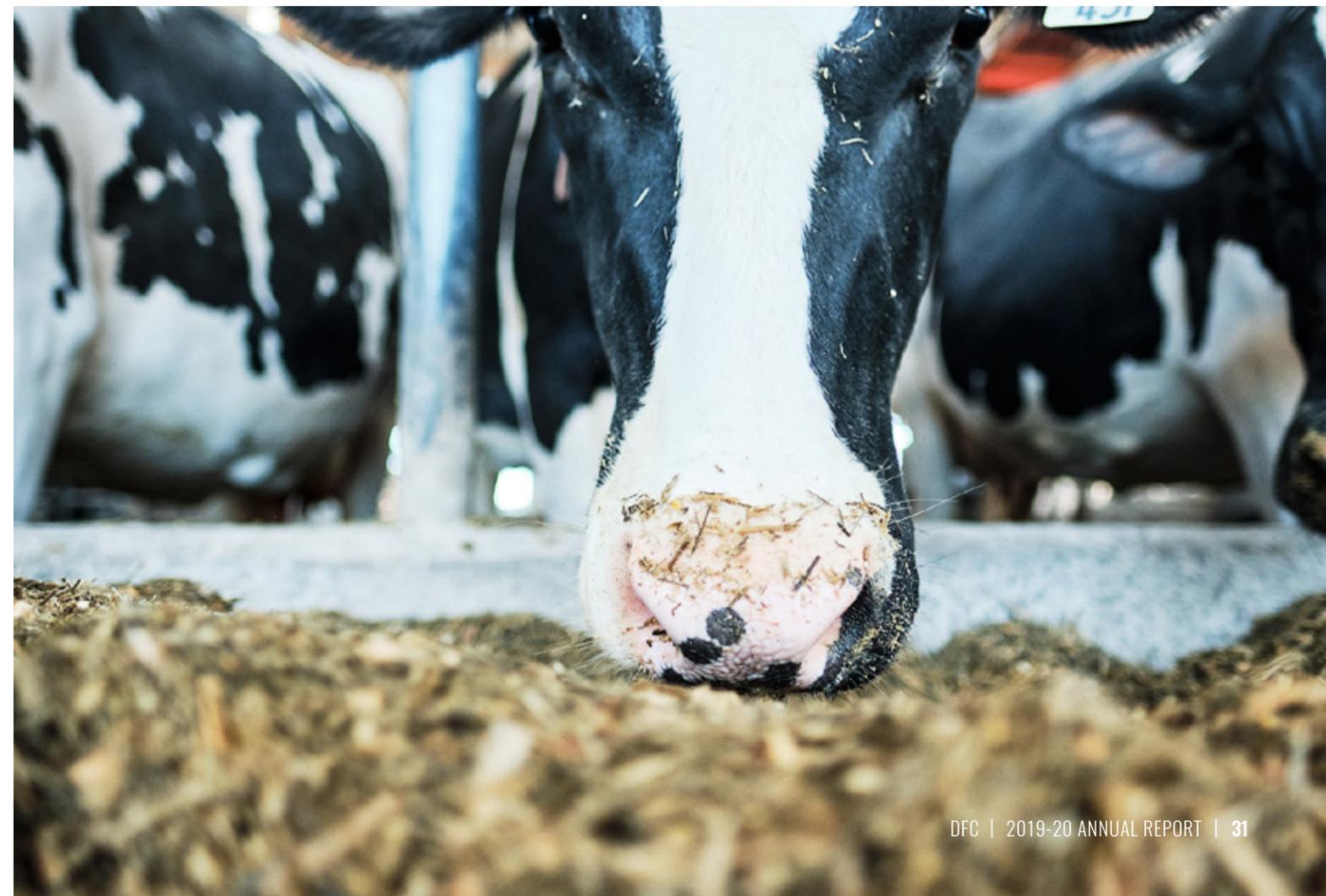
The proAction® committee and its sub-committees, which are led by farmers, continued to develop, improve, and implement the program modules on dairy farms across Canada, since continuous improvement is one of the core values of proAction®. Supported by a number of technical committees, the proAction® committee provides overall program oversight and recommendations to the DFC Board. In addition to reviewing plans for the environment module, it constantly monitors all modules and opportunities for improvement, as laid out below. Specifically, the proAction® committee explored options to move to regular third-party audits of the program which will further enhance the program's credibility as well as provide opportunity for improvement and further demonstrate the rigorousness of the program.



As part of its objective to increase awareness and understanding of the program, DFC worked throughout the year to make various stakeholders better aware of proAction® and its comprehensiveness. This included provincial regulators, equipment dealers, government officials, industry partners, and processors – organizations such as Allflex, the CFIA, DeLaval, Danone, Holstein Canada, Lactalis and NAASA. By helping these stakeholders become familiar with proAction®, they will in turn be better positioned to speak about it with their peers and professional contacts, helping to build further awareness of the program.

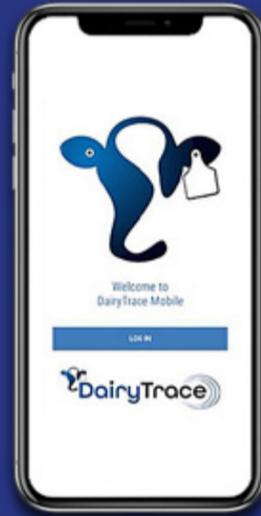
“Canadian dairy farmers share consumers’ desire to be mindful of the environmental footprint of the products they consume. Good stewardship is actually one of the foundations of our national quality assurance program, proAction. Dairy farmers are also governed by extremely high standards of animal welfare, milk quality, food safety, traceability and biosecurity.”

– Pierre Lampron, Winnipeg Free Press, March 9, 2020



Traceability

DFC continues to advance traceability beyond the existing module, and has partnered with Lactanet Canada to develop DairyTrace, the national dairy cattle traceability solution. In June 2020, Lactanet Canada was officially recognized by the Canadian Food Inspection Agency as the Responsible Administrator for dairy cattle in Canada! This is a major milestone in the project, which also includes partnerships with Agri-Traçabilité Québec and Holstein Canada. DFC has secured the full funding for the project and Lactanet Canada has developed the branding image for DairyTrace. Lactanet Canada is targeting full implementation of DairyTrace in fall 2020, enabling dairy farmers to report births, move-in and tag retirement information to the system.



The mobile app is one of the technical initiatives being launched as part of the DairyTrace program in the Fall of 2020.



Environment

Environmental sustainability is front and centre with our consumers and is something inherent to dairy farmers! The ongoing development of the proAction environment module will help better support providing that story to consumers. In 2019, materials for the second phase of the environment module were drafted and then piloted with approximately 100 farmers across Canada from January to March 2020. The results were analyzed and presented to the Environment Working Group in May, which has been working towards adjusting and finalizing the requirements as part of the 2020 workplan.

Biosecurity

In September 2019, DFC moved the new biosecurity module into the required validations of proAction®, with provinces reporting a smooth roll-out. This module relates to the practices of preventing, reducing or eliminating the introduction of infectious disease among cattle and builds on the existing requirements and accountability measures for food safety, animal care, and livestock traceability.

Food Safety and Quality Milk

These are the foundational modules of the proAction® program, having been the first to be developed and implemented by dairy farmers under the program. The Food Safety Technical Committee met in October 2019 to conduct a thorough review of the module's requirements, and work on opportunities for improvement in areas such as validator training. The Food Safety and Biosecurity Technical Committee also came together to discuss linkages with antimicrobial usage and antimicrobial resistance and begin considering how to address these issues over the year.

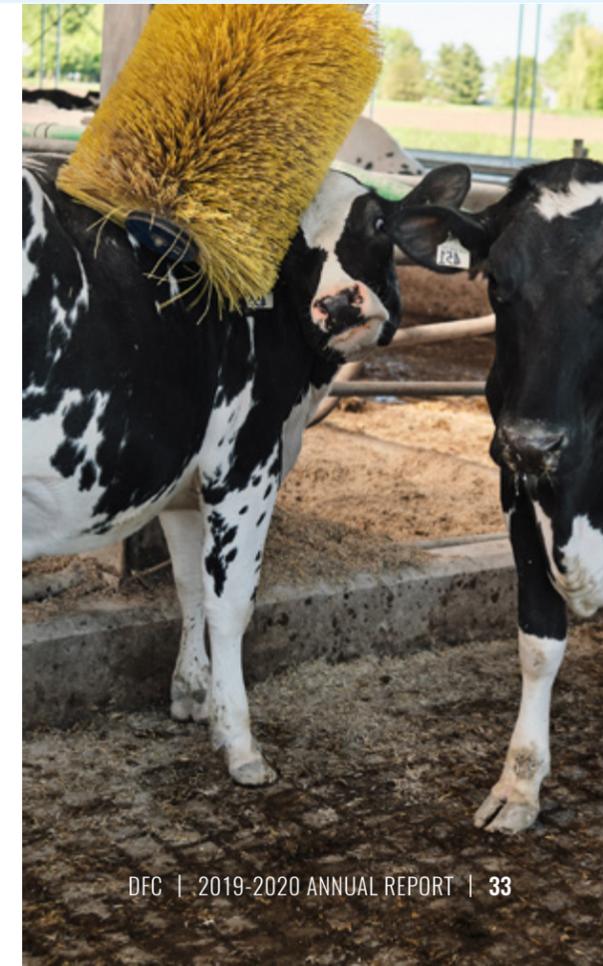


Animal Care

In February 2020, the Animal Care Technical Committee proposed a solution for continuous improvement requirements for cattle assessments. Their proposal is moving through the approval process, and, if approved, implementation would be targeted for 2021. The objective is to ensure timely and appropriate continuous improvement on dairy farms to demonstrate how farmers are working towards excellence.

Related to the Animal Care module, DFC is working with the National Farm Animal Care Council on updating the Code of Practice for the Care and Handling of Dairy Cattle. The Code Committee has been meeting every quarter, focusing on working through the priority topics such as:

- Cow-calf separation
- Optimal management and design of indoor systems
- Pain control for painful conditions and procedures
- Lameness and injuries
- End-of-life management



SETTING THE RECORD STRAIGHT: COMMUNICATIONS AND ISSUES MANAGEMENT

Media Relations

DFC tracks and monitors emerging media stories and current events to stay abreast of the latest developments relevant to dairy. We respond regularly by providing interviews and statements to media, submitting letters to the editor, making replies and comments on social media posts about dairy, responding to consumer questions, and reaching out to journalists and influencers to ensure that dairy is present in the discussion and set the record straight when necessary.

We also engage in proactive media relations, submitting story ideas, article and op-ed submissions and liaising with opinion-leaders to ensure that dairy's story is being told. Over the course of the past year, we have responded to various media clippings which, based on misinformation or an uninformed point of view, portrayed dairy in a negative light, by countering directly or indirectly with facts and science. These range from myths about the production process to misrepresentations of the nutritional value of dairy. At times we have also balanced this approach by letting third-party experts with no direct affiliation with DFC handle the response, to lend additional credibility from independent sources.



Issues Management

Climate change, environment, animal care and the use of animals for food or other uses are among the preoccupations of Canadians and citizens in many countries, especially the younger generations. DFC tracks a diverse range of issues, from the growing popularity of dairy alternatives to the development of lab-made proteins designed to replace milk proteins, with an eye towards anticipating the social and political ramifications of emerging issues. DFC uses these insights to position messaging strategically to demonstrate that farmers and consumers share the same values for continuous improvement, food safety, animal health, animal care and environmental sustainability.

DFC also works with other national farm groups as well as international organizations, such as the International Dairy Federation and Global Dairy Platform to stay better informed of international issues and aware of the latest best practices in issues management to better promote and advance the dairy sector.

“We don’t have the same herd size as the United States, we respect our animals according to strict specifications and we have made great efforts to reduce our GHGs, which account for only 1.3% of Canada’s emissions. It will be up to us to better explain to consumers what we do on our farms.”

- **Pierre Lampron**, Huffington Post Québec, November 13, 2019



Internal and External Communications

DFC also works to keep farmers informed with regular updates through our social media accounts and our corporate website hub, the monthly Dairy Express newsletter, updates on the Dairy Express Plus App, the special bimonthly *DFC in Action* insert in Holstein Canada's *infoHolstein* magazine, and regular article submissions to newsletters and publications run by provincial organizations.

DFC is ever-present on social media, and our communities continue to grow. DFC continues to post a variety of engaging content on all its digital platforms, helping the public better understand the benefits of milk and dairy products consumption as well as the dairy industry's commitments.

SOCIAL MEDIA BY THE NUMBERS

192,000 FOLLOWERS

AND GROWING ON DFC'S THREE FACEBOOK PAGES

(Dairy Farmers of Canada, Quality Canadian Milk and Dairy Nutrition)

9% FOLLOWER GROWTH ON TWITTER IN 2019-20

OVER **28 MILLION** TWITTER IMPRESSIONS GENERATED IN 2019-20

39% FOLLOWER GROWTH ON INSTAGRAM IN 2019-20

81% FOLLOWER GROWTH ON LINKEDIN IN 2019-20



DRIVING INNOVATION: RESEARCH INITIATIVES

DFC's continued investments in dairy production, human nutrition and health research provide the science-based evidence needed to drive innovation in the sector and build support for dairy among consumers and policymakers alike. Findings have supported policy development, validated proAction® requirements, improved farm management practices and contributed to consolidate the nutritional benefits of dairy products.

In 2019-20, the Canadian Dairy Research Council (CDRC) met three times to coordinate ongoing research and national activities related to translating and transferring knowledge from a technical level to content more consumable for farmers. The CRDC also approved new DFC research investments.

The Nutrition Experts Scientific Advisory Committee met twice to evaluate and recommend research projects while the Sustainable Dairy Production Experts Committee met to evaluate the Dairy Research Cluster 3 scientific progress reports.

Two new human nutrition and health research projects were approved under the Dairy Research Cluster 3, examining the effects of long-term consumption of dairy products on satiety, body weight and glycemic control, and the role of dairy products on body weight and metabolic health in families. This represents an additional \$1.5 million research investment from Agriculture and Agri-Food Canada.



The dairy research team produced numerous articles, blog posts, research summaries, factsheets and more throughout the year, including:

A new fact sheet called *Footbaths for the prevention and control of digital dermatitis* – more than 6,000 copies were distributed to members of the proAction® Animal Care Committee for circulation at the provincial level.

Summaries describing the 15 new research projects in the Dairy Research Cluster 3 were published and distributed to farmers, DFC sector partners and dairy stakeholders. These summaries included information on the financial investment in each project as well as the learnings that can be implemented on dairy farms.

DFC's research kiosk was set up at five events targeting more than 1,500 dairy farmers and stakeholders, where staff shared information on best practices for hoof health, water conservation and preservation as well as the summaries on new research.

“Milk production also contributes to enriching the land, which in turn plays a crucial role in carbon sequestration. It is thus in line with the report of the Intergovernmental Panel on Climate Change published last summer, which stresses the importance of good management of agricultural and forest soils in carbon capture and the importance of avoiding soil degradation.

As a result of producers' ongoing efforts and research, milk production accounts for only one per cent of Canada's GHG emissions. Moreover, the sector's environmental footprint is steadily decreasing.”

– Pierre Lampron, Halifax Chronicle Herald, March 11, 2020



Research by the numbers

23 FUNDING PARTNERS

31 ONGOING PROJECTS

34 CANADIAN RESEARCH INSTITUTIONS

142 CANADIAN SCIENTISTS INVOLVED

OVER 75 GRADUATE STUDENTS

APPROXIMATELY 2,000 FARMS INVOLVED

REINFORCING UNDERSTANDING OF DAIRY'S ROLE IN HUMAN HEALTH: NUTRITION INITIATIVES

DFC's national nutrition team continues to keep health professionals informed about emerging research and new support tools which reinforce the role of milk products in promoting health. Following the release of the new Food Guide in early 2019, DFC updated its resources for health professionals underlining the role of milk products in bone health as well as its consumer resources highlighting milk products as a key source of highly bioavailable calcium. These resources were actively promoted through the year with dietitians, physicians, and other health care providers.

Focused on the issue of sustainable diets, DFC's annual nutrition symposium for nutrition professionals was held October 29-30, 2019 in Montreal and Edmonton and via webcast. More than 1,150 attendees heard from internationally recognized speakers on this topic from the Food and Agriculture Organization of the United Nations (FAO), the University of California – Davis, McGill University, and Agriculture and Agri-Food Canada. Following the event, 93% of participants reported improved knowledge of animal agriculture as it relates to environmental sustainability, particularly in the Canadian context. In addition, 80% of participants found the speakers to be credible, while 61% indicated that they would share their learnings with others.



DFC was proud to serve once again as an official sponsor of Dietitians of Canada's annual Nutrition Month, in March 2020. This campaign is presented annually by Dietitians of Canada. DFC's participation allows us to remind Canadians, including millennials, about the valuable role milk products play in supporting and promoting good health. In support of the campaign, DFC developed an educational poster for registered dietitians and distributed approximately 25,000 copies to teachers and health professionals. Following the campaign, 71% of survey respondents reported increased intent to purchase Canadian dairy products. The campaign also made inroads among millennials with regards to perceptions that dairy foods are an integral part of a healthy diet.

DFC's physician's program was wound down in March 2020, coinciding with the onset of COVID-19. The program educated physicians on the benefits of milk, yogurt and cheese, encouraging them to recommend these products to cardiovascular patients. Over the course of the program which began in 2016, DFC visited 11,863 doctors across Canada and conducted 54,774 in-office visits. The number of doctors who altered their advice from limiting or eliminating dairy foods to encouraging them nearly tripled since the program's initiation in 2016.



FINANCIAL REPORT

As noted earlier, two years ago we embarked on an ambitious journey to modernize DFC (*DFC 2.0*). As part of that process, DFC implemented a robust planning process and conducted a comprehensive assessment of programs and human resources between the 2018 and 2019 budget cycles, with input from the Board, provincial chairs, provincial organizations, stakeholders and dairy farmers themselves. DFC is presently operating with about 45% of the revenues it had in 2017, and about 40% less staff, which prompted us to adopt a culture of doing more with less by becoming a nimbler, more strategically focused organization.

The DFC budget structure includes three business offerings delivered on behalf of its members:

- **Core funding, which includes DFC's foundational activities such as advocacy, legal, policy, operations, and our Blue Cow certification program;**
- **Strategic objectives, established by the Board on an annual basis;**
- **Regional service and program offering.**

To view Dairy Farmers of Canada's complete 2019 financial statements, [click here](#).

The budget for 2020 was approved in December 2019.





Subscribe to the Dairy Express

Dairy Farmers of Canada's newsletter for provincial members and farmers: communications@dfc-plc.ca.



Download DairyExpress+

Dairy Farmers of Canada's mobile app for farmers from the [App Store](#) or [Google Play](#).

Access to these tools is restricted to farmers and provincial dairy staff, they allow us to communicate recent news, key messages, and more, directly to you.

