

NDB Sets Budget, Priorities For Year

FRESNO, Calif. — "Maximizing return on dairy farmers' checkoff dollars continues to be our overriding goal," said Jim Loper, New Mexico dairy farmer and chair of the National Dairy Promotion and Research Board, at the Board's budget and planning meeting held Feb. 9-10.

To improve opportunities for planning and coordination with other dairy promotion groups, the National Dairy Board is changing its fiscal year to a calendar year.

The 36 dairy farmers serving on the National Dairy Board reviewed current business priorities and approved revised priorities for the period May 1-Dec. 31. These priorities help focus program plans and allocation of the \$53.75 million program budget during the eight-month period.

Fluid Milk Priority

To help stop further declines in per capita consumption of fluid milk, members of the National Dairy Board will work closely with UDIA who leads the charge for promoting fluid milk. The National Dairy Board plans to continue programs targeting children and teenagers through advertising, the school breakfast program with the National Dairy Council (NDC) and a follow-up to last year's chocolate milk promotion.

The board will continue a joint media buy with UDIA and state and regional promotion groups for advertising targeting adults. Developing improved fluid packaging, products and positionings will be another focus.

In market research, the board will look at different segments of the population and their fluid consumption patterns, for example, why people in one region of the country consume more milk than those in another.

The Board approved spending \$21.632 million to cover costs of all programs supporting the fluid milk priority.

Cheese Priority

Cheese sales have the most impact on the M-W price. Therefore, cheese takes highest priority of the manufactured products.

Use of milk on a milkfat equivalent basis for cheese is 31.5 percent, not far behind fluid. Unlike fluid milk, per capita consumption of cheese has been on the rise.

However, as new labeling regulations are implemented, consumers could become less convinced

that cheese, with its fat content, still fits in their diets.

To protect and expand cheese's position in the marketplace, the National Dairy Board will work with UDIA and other state and regional groups to develop an integrated cheese marketing plan.

Publicity around the nutritional value of cheese will be emphasized as part of the National Dairy Board's program as will research to develop better tasting and functioning low-fat cheese products and promotions of U.S. cheese in Japan and Mexico.

The board will also work to develop an industry Cheese Task Force similar to the Butter Task Force so that farmer checkoff dollars can be leveraged with efforts from the rest of the industry. For the short year, \$14.706 million was approved for cheese activities including advertising, research, public relations and export.

Milkfat Priority

The gap between the amount of milkfat produced and commercial use of milkfat continues to widen.

Surveys of consumers' perceptions consistently reveal the attitude that fat should be avoided, and saturated fats, calories and cholesterol are major concerns.

Dairy foods have been cited as foods to avoid by some media and health professionals. As consumers continue shifting to lower fat foods, the industry needs to develop new uses for milkfat.

Finding new uses for milkfat will take work in product research. The National Dairy Board will continue current projects including those looking at the use of milkfat in confections, skin/tissue repair and cosmetics.

Once a product or process is developed the Board will work to get it into the marketplace, selling more product. The Board approved \$1.179 million for funding of milkfat activities which is to be spent mostly in the area of product and process research.

"The milkfat surplus is an industry problem," said Al Sherman, Washington state dairyman and member of the National Dairy Board. "The National Dairy Board is only a piece of the solution, not the entire solution."

Image Of Products

With consumers' concerns about nutrition and quality, and given recent negative press that isn't expected to vanish soon, the

dairy industry needs to increase efforts to help maintain and build the image of dairy products, according to NDB officials.

The National Dairy Board plans to expand its Resetting the American Table program which joins health and food professionals to tout the benefits of balance and moderation rather than the notion of 'good' versus 'bad' foods.

The Board is also to continue a health professionals program with NDC so that physicians give balanced dietary recommendations rather than broad generalizations like "cut out dairy."

Researchers are to continue to look for more data to add to the list of reasons why consumers should eat dairy foods.

The Board also set a goal to work with the dairy industry to track and monitor issues so that they can be deflated or at least responses prepared before a crisis arises that could affect dairy sales.

Advertising, research and public relations as part of image building activities were allocated \$2.155 million of the budget.

Industry Communications

Since dairy farmers fund all Na-

tional Dairy Board programs, they need to understand those programs and how those programs work with and complement the work of other producer-funded organizations, according to NDB spokespeople. It is also important for the National Dairy Board to know what dairy farmers want from the programs and then develop them accordingly.

The National Dairy Board is to continue its mass communications program which includes an annual report, press releases, radio interviews, and a new quarterly newsletter for anyone interested in receiving it.

The National Dairy Board will work to develop regional forums so that dairy farmers serving on the Board have a direct, formal way to get dairy farmer input and answer questions. The Board approved \$722,000 for these activities.

Other Business

The National Dairy Board plans to continue many activities including butter advertising and market research, foreign and domestic promotions of U.S. ice cream, promotions of U.S. yogurt in other countries and various research projects to develop and improve dairy product quality and safety. These activities have been allocat-

ed \$13.356 million of the shortened year budget.

When divided by committee, the eight-month program budget totaling \$53.75 million was approved as follows: advertising and sales promotion, \$41.875 million; dairy foods and nutrition research, \$3.344 million; public relations and consumer information, \$2.89 million; market and economic research, \$2.588 million; export, \$888,000; and program development fund, \$2.165 million.

Although these budget figures show a smaller percent of funds committed to dairy foods and nutrition research, funds approved in previous years result in the same level of research activity in the shortened year relative to previous years.

The National Dairy Board is to begin approving the details of specific program at the next board meeting, March 23-25 in El Paso, Texas.

The National Dairy Promotion and Research Board, comprised of 36 dairy farmers from across the U.S., develops and implements a coordinated effort of promotion, research and consumer communications to strengthen the dairy industry's image in the marketplace. These efforts are paid by America's dairy farmers.

HESSMILLS



**IF YOUR COWS
DON'T LIKE THEIR
TOP DRESS....
GIVE US A CALL!**

ULTIMATE Ext™

Offers You:

- Excellent Palatability
- Highest Energy Level Available
- Increased Milk Production
- Increased Milk Component Yield
- Improved Body Condition
- Improved Reproduction

**Give Use A CALL TODAY TO LEARN
MORE ABOUT THIS EXCELLENT PRODUCT**



6 S. Vintage Rd.
Paradise, PA 17562
(717) 442-4183
(800) 635-3592

Rt. 82
Unionville, PA 18375
(215) 347-2377

™ Trademark of Purina Mills

* Registered trademark of Ralston Purina Company



HARDY STOVE

- FURNACE SITS OUTSIDE - 10' -100' from home/ business/barn.
- CONVENIENT - Load every 10-12 hours. Burns logs up to 16" in diameter & 30" long. Stops most log splitting.
- THERMOSTAT CONTROLLED - Even heat.
- EASILY CONNECTS to forced Air/Hot Water System. Needs no chimney or water heater. Heats domestic hot water year round. Warm months of the year firing every 6 to 10 days.
- ALLERGIES Caused By Indoor Burning Of Wood & Coal!! Keep Fire Damage & Dirt Outside

Ideal For New Construction Existing Homes
Greenhouses And Pools

UL LISTED ALL STAINLESS STEEL CONSTRUCTION
ANY SIZE TO MEET YOUR NEED

For More Information Contact
Lois Foy
442 Lake Meade Dr East Berlin PA 17316
(800) 582-7554, (717) 259-9929