



**2017/18**

**ANNUAL  
REPORT**



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Dairy Farmers of Canada (DFC) is the national lobby, policy and promotion organization representing all dairy farmers in Canada. Dairy Farmers of Canada strives to create stable conditions for the Canadian dairy industry, today and for the future. It works to maintain policies that foster the viability of Canadian dairy farmers and promote dairy products and their health benefits. The operations of the organization, including promotion activities, are completely funded by Canadian dairy farmers.

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# Our Mandate

To enhance the revenue and image of the Canadian dairy farmer and contribute to the growth of the Canadian dairy market.

## We will:

- Be the voice of all Canadian dairy farmers on the national and international level.
- Lead (in collaboration with members) the development of national dairy position statements and advocate for dairy-related policies and regulations.
- Develop, implement and administer designated programs and strategies on marketing, nutrition, policy, communications and government relations.
- Maintain strong and united support for a national system of supply management.
- Be a credible source of information on dairy-related issues and initiatives.
- Support research in dairy production and nutrition.

### Our Mission

Educate  
Facilitate  
Mobilize

To ensure the sustainable production of milk and the healthy consumption of Canadian dairy products.

### Our Vision

Canadian dairy  
for a healthy  
future.

### Our Values

Teamwork  
Integrity  
Passion  
Dynamism  
Sustainability

## Dairy Farmers of Canada's work is organized under four pillars:

1

Creating an environment that supports Canadian dairy farmers and dairy products while being socially responsible.

2

Ensuring cohesion in terms of strategies messages and actions with the members of the organization and among all industry partners

3

Demonstrating the value of Canadian dairy farmers and their products to Canadians

4

Being an effective organization in terms of accountability, transparency, collaboration and continuous improvement.

# A Message from the Executive

# President's Message



It is an honour to present this year's Annual Report. I am very proud of the great work that has been done by our organization, through our dedicated staff, on behalf of all Canadian dairy farmers.

It has been a year since I was elected as DFC's President, and there have been many changes and challenges that we have faced. I was very pleased to have Jacques Lefebvre come on as our new CEO in early January, and he has worked extremely hard to manage the adjustments we have had to make to reflect the diminished revenues in 2018. On our behalf, he is in the process of developing DFC 2.0, and I am very excited about this as we move to our next phase as an organization.

Our other challenges continue to be related to trade, the federal government's approach to the Healthy Eating Strategy and how they are trying to position dairy products. We also know that millennials are drinking less and less milk, and that there continues to be developments in the production of non-dairy proteins created in laboratories. These threats make it imperative that we work together, and speak as one voice, to protect supply management, our livelihood, and our industry for the next generation. When we stand together, we are stronger.

It has been a challenging year, and the coming year will be as well but I am confident that with the ongoing support of our Board of Directors and dairy farmers across the country, we will tackle them head on, with great success. I want to thank our Board of Directors for being so engaged, and I look forward to meeting our challenges head on, together.

## Chief Executive Officer's Message



This report will provide you with an overview of some of the activities and achievement of the organization over the past year, which I have had the pleasure to be a part of this since joining Dairy Farmers of Canada six months ago.

The past year has seen many changes here at DFC, as we are working on building DFC 2.0 on your behalf. We undertook a right sizing exercise early in 2018 to bring our program realities in line with the new budgetary realities at DFC. I know this was difficult for our staff, and want to commend them on their resilience in a changing landscape. . You will see the evidence of this as you go through this year's Annual Report.

As we move to the next phase towards DFC 2.0, we will need to ensure we have the right people, in the right positions, and that they are equipped with the right tool in order to offer the best value to our members. I am committed to this, and so is our staff.

DFC is not the only organization working for dairy farmers, but we are the national voice. I am committed to further collaboration with our provincial members and stakeholders to strengthen this organization to promote the interests of dairy farmers in Canada. I am excited to work with our staff and our members, to build on these successes as we work towards building an even better and stronger organization for the future.

it is my pleasure to present this Report, and happy reading!

# Board of Directors

The board of directors sets the direction for, and oversees adherence to, the organization's mandate. The 16-member board includes the president and 15 members who represent each of Canada's provinces and the Canadian Dairy Network. Their counsel and stewardship ensures that all provinces are represented at a national level.

## The Executive



### Pierre Lampron, President

The president of Dairy Farmers of Canada, Pierre Lampron, elected in July 2017, owns an organic farm with his two brothers, in Mauricie, Quebec. He was elected to the Board of Directors of the Producteurs de lait du Quebec in 2000 and appointed to the Board of Dairy Farmers of Canada in 2007. Pierre has also participated in various committees and has been the president of Valacta since 2013, where he is overseeing the merger of Valacta, Canadian Dairy Network and CanWest DHI. As a leader, Pierre believes that by working together, dairy farmers can be more successful in reaching their goals and advancing their cause.

Prior to being DFC President, Pierre's national engagement included leading the proAction initiative's committee on animal care, and he has participated in the DFC Promotion committee. He was also a member of the Canadian Animal Health Coalition executive committee and of the National Farmed Animal Health and Welfare Council. Pierre climbed Mount Kilimanjaro on behalf of DFC in February 2017, and raised more than \$500,000 in association with the Tim Horton Children Foundation.



### Reint-Jan Dykstra (NB), Vice-president

Born and educated in the Netherlands, Reint-Jan Dykstra moved to Canada in 1979 and became involved in the dairy industry early in his farming career.

Reint-Jan was elected as a director of the New Brunswick Milk Marketing Board in 1997, serving on various committees over the last 16 years, elected as Vice-Chairman in 2001 and Chairman in 2004. He began his involvement with Dairy Farmers of Canada through his appointment to the Promotion Committee in 1999. He was further appointed to the Dairy Farmers of Canada board as the New Brunswick representative in 2006 and elected to the Executive Committee in 2013.







## Ralph Dietrich (ON), Vice-president

Ralph Dietrich, a dairy farmer from Mildmay Ontario, was appointed to the DFC executive in July 2017. He has been a DFC board member since 2014.

Ralph Dietrich was elected in 2011 to represent dairy farmers in the counties of Bruce and Grey on the Dairy Farmers of Ontario (DFO) board, and previously served as director and chair of Gay Lea Co-operative. He is currently the Chairman of DFO and also a member of the Canadian Milk Supply Management Committee and the P5 Supervisory Body.



## Bruno Letendre (QC), Vice-president

Since 1978, Bruno Letendre has owned a dairy farm in Estrie. He was elected to Dairy Farmers of Canada's Executive Committee in 2012.

Bruno has been president of Les Producteurs de lait du Québec since December 2011, after being elected vice-president, in April 2009. In addition to being president of the Syndicat des producteurs de lait de l'Estrie since April 2002, he participates in the Canadian Milk Supply Management Committee (CMSMC) and P5.



## David Wiens (MB), Vice-president

David currently chairs several important committees for Dairy Farmers of Canada, including the proAction Committee and the Canadian Dairy Research Council. He was Chair of Dairy Farmers of Canada's Promotion Committee from 2002 to 2005. In July 2011, David was elected to the Executive Committee of Dairy Farmers of Canada.

In his home province, he was elected to the Dairy Farmers of Manitoba (DFM) board in the fall of 1995 and became DFM Chair in December 2006.



# Board of Directors



Albert Fledderus,  
Ontario  
●●



Jeff Peddle,  
Newfoundland



Gerrit Damsteegt,  
Nova Scotia  
●▲



Nick Thurler,  
Ontario  
▲



David Janssens,  
British Columbia  
●●▲



Ed Friesen,  
Canadian Dairy  
Network  
●●



Daniel Gobeil,  
Québec  
●●●●▲



Gilbert Perreault,  
Québec  
●



Ron Maynard,  
Prince Edward Island  
●●●



Blaine McLeod,  
Saskatchewan  
●●



Gert Schrijver,  
Alberta  
●●●●●▲▲

## Committees & External Organizations

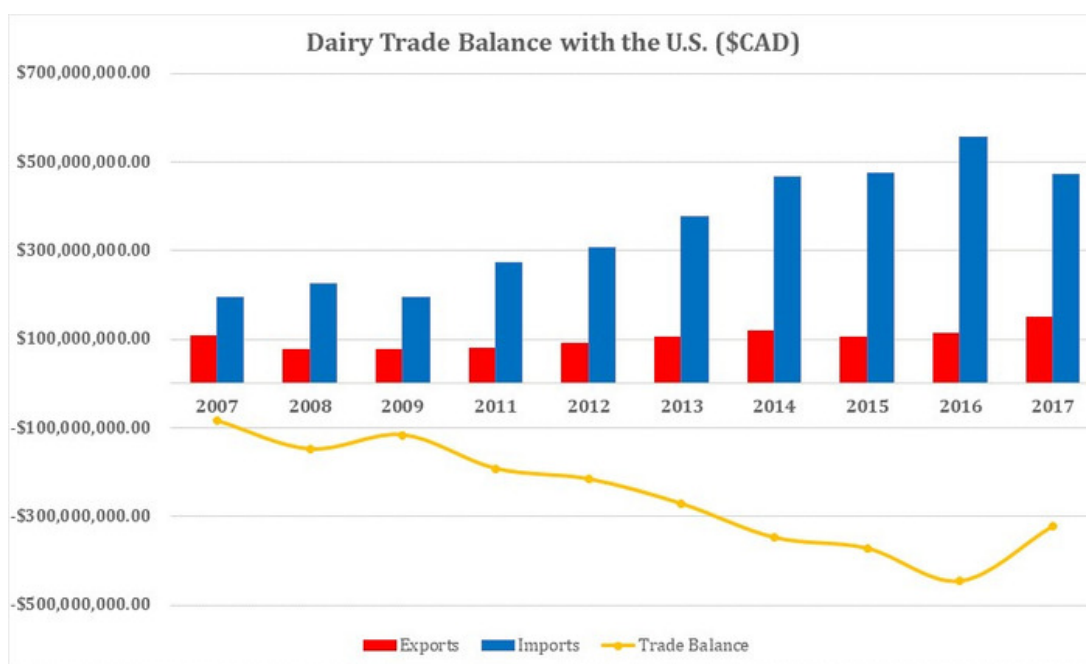
- proAction Committee
- Promotion Committee
- Canadian Dairy Research Council
- ▲ Audit and Finance Committee
- Canadian Forage & Grasslands Association
- Canadian Dairy Network
- Canadian Animal Health Coalition
- National Farm Animal Health and Welfare Council
- National Farm Animal Care Council
- Industry-Government Advisory Committee on Traceability;
- ▲ Canadian Cattle Identification Agency
- ▲ DairyTrace Advisory Committee
- Beef Value Chain Round Table

## Management Team

- Jacques Lefebvre, Chief Executive Officer
- Chantal Leblanc, Director, Stakeholder Engagement and Performance Excellence
- Thérèse Beaulieu, Acting Director, Communications and Government Relations
- Lucie Bérubé, Acting Director, Marketing
- Sylvie Larose, CPA, CA, Director, Finance
- Yves Leduc, Director, Policy and International Trade
- Isabelle Neiderer, Director, Nutrition
- Jim Selman, Director, Business Stakeholder Relations
- Pamela Harrod, General Counsel
- Caroline Thebault, Executive Assistant

# Corporate Highlights and Focus

The dairy market in Canada has been growing for the past few years, and quota grew to meet this demand for dairy in Canada. As a result, investments at both farm and processing levels have been notable. However, 2018 is showing signs of demand softening. The long-term widening of trade balance between Canada and the US has narrowed in 2017, and currently sits at about the same level as in 2014, prior to the need to import butterfat in the face of rapidly increasing butterfat demand. In the last ten years, Canada's dairy trade deficit (defined as trade of products under Chapter 4) has fluctuated from year to year and has grown steadily in the last ten years, reaching a high in 2016. In 2017, Canada imported a massive \$470.6 million in US dairy products. When one adds imports of other dairy products that are not subject to a tariff-rate quota, Canada is even more generous in importing importing products from the US and elsewhere.



On the trade front, uncertainty and unpredictability have been the words that best describe the ongoing NAFTA renegotiations. To verify the Canadian pulse, Dairy Farmers of Canada commissioned Ipsos to do a survey of consumer attitudes towards the dairy sector, supply management and NAFTA. The results showed 75% of Canadians believe that the Canadian dairy sector should be defended, and that the federal government should make more efforts to do so in the NAFTA renegotiations. Additionally, eight Canadians out of 10 share Canadian dairy farmers' concerns with regard to the NAFTA renegotiation and the potential concessions that could result from this renegotiation.

Recent market trends are tempered by the impact of trade deals that have been signed and are giving away access to the Canadian dairy market. Food technology marches on and Dairy Farmers of Canada, like the rest of the dairy industry in the world, is closely monitoring the potential market disruption of "dairy proteins" and other meats fabricated in a lab, without the need for animals.

Dairy Farmers of Canada is also keenly aware of the long-term trends of declining consumption of fluid milk, especially in the younger generation. Millennials are changing the market overall and the dairy sector does not escape this trend. The younger generation is more determined to put their money where their mouth is, making food choices based on their sensitivity to the environmental footprint of food, local economy, nutrition value and care of animals.

Food choices carry opportunities and risk for the dairy sector. Certainly, with the proAction Initiative, we have put in place the stepping stones to prove how farmers do the right thing for animals and for the environment. The dairy sector is first or second most important agriculture sector in seven of ten provinces in Canada, contributing to the local economy throughout the country. It is up to DFC to tell the story of the superior nutrition value of dairy products. This, remains a priority of the organization.

# Communications & Government Relations



The Communications and Government Relations departmental priorities reflect Dairy Farmers of Canada's and government priorities and evolve and adapt to unfolding situations. The Department protects and enhances the reputation of Dairy Farmers of Canada and supports its strategic vision. In cooperation with all departments, it promotes the organization's values while advancing understanding and support in the public eye.

The Government Relations serves as a liaison with the federal government. Through strategic relations, it advances understanding of, and support for, Dairy Farmers of Canada's mission. The team interacts with the Prime Minister's Office, key government Ministers, MPs, and their staff, leaders and members of the opposition and bureaucrats.

## Advocacy

### Healthy Eating Strategy and Front-of-Package Labelling

Health Canada is intent on implementing a Healthy Eating Strategy that has three components which all have an impact on the perception of dairy products. In July 2017, Dairy Farmers of Canada encouraged farmers to participate in Health Canada's public consultation on the Food Guide. Dairy Farmers of Canada also provided input on the Marketing to Children regulations and on front-of-package (FOP) warning labeling. Dairy Farmers of Canada continues to be fully engaged throughout the process, to ensure that Canadians continue to enjoy nutritious dairy products as a part of a healthy, balanced diet.

Dairy Farmers of Canada, provincial members and other allied stakeholders encouraged all Canadians to participate in the Canada Gazette 1 consultation through the Keep Canadians Healthy website, and to share the campaign with friends and families. In the end, more than 7,600 individual submissions were sent, exceeding Dairy Farmers of Canada's goal of 5,000.

As a direct result of Dairy Farmers of Canada's ongoing advocacy on this file, Health Canada announced an exemption for whole milk from Front-of-Package labelling in February 2018. Dairy Farmers of Canada continues to seek exemptions for all nutritious milk products.

Dairy Farmers of Canada sent a submission to the Canada Gazette 1 consultation on front-of-package warning labels. The comprehensive submission references nearly 100 different scientific sources outlining the nutritional benefits of dairy products on reducing the same chronic diseases prioritized by Health Canada, strategically asked that the Government make further study on the costs of this proposed regulation., and rallied other stakeholders in support.

DFC secured a statement on the part of Prime Minister Trudeau in support of peer-reviewed research as acceptable in the context of the Healthy Eating Strategy, whether that research is funded or not by industry. Health Canada had publicly stated that industry-funded research was not admissible.

Dairy Farmers of Canada's submissions to government are available on [dairyfarmers.ca](http://dairyfarmers.ca).

## Lobby Day and Dairy Showcase Reception

**February 6,  
2018**

The day began with an educational breakfast for Parliamentarians, highlighting two guest speakers, pollster Nik Nanos, and Dr. Andrew Samis, whose presentations tied directly to the Healthy Eating Strategy.

**Lobby  
Day**

Farmer delegates from all provinces met with over 160 MPs and senators to discuss concerns related to NAFTA, the CPTPP, and the Healthy Eating Strategy. Farmers offered the 2018 Dairy Sector Overview booklet, highlighting the critical issues impacting Canada's dairy sector.

**Dairy  
Reception**

Close to 400 guests attended, including 55 MPs. Minister of Agriculture and Agri-Food Lawrence MacAulay, Canada's lead agriculture negotiator Frédéric Seppey, and Standing Committee on Health Chair Bill Casey.



From left to right: Pierre Lampron, Minister Laurence MacAulay, MP James Bezan, Jacques Lefebvre

### Board Lobby Days

To increase our outreach, the Board of Directors dedicated half a day of board meetings to lobby key Ministers, MPs, Senators and staff. The spring meetings focused on the cumulative impacts of international trade and the Government's proposal for front-of-package labelling.

**15**

meetings in March with senior staff and advisors at the Ministerial level.

**17**

MPs and Senators, including Minister Bardish Chagger and staff from the Prime Minister's office in June.

### My Canadian Milk

The myCanadianMilk.ca website is the key portal to share information about key lobbying issues with concerned Canadians. In the last year, it served to increase awareness on the Healthy Eating Strategy (front-of-package labeling and Canada's Food Guide) and trade matters.

## Committee Appearances

Dairy Farmers of Canada appeared four times before a variety of House and Senate committees (Agriculture and Agri-Food, Agriculture and Forestry, respectively) between July 2017 and July 2018, with each appearance accompanied by a written submission. The meetings covered a variety of topics, including: the carbon tax and other changes to taxation; research initiatives under the next Growing Forward; and trade agreements. Throughout each of these appearances, Dairy Farmers of Canada took every opportunity remind committee members of the cumulative impact each of our issues collectively have on Canadian dairy farmers.

# Communications to Dairy Farmers and Stakeholders

## DairyExpress+ Mobile App

At the February 2018 Policy Conference, Dairy Farmers of Canada presented a new communications tool that is destined to all dairy farmers across Canada, the DairyExpress+ app. Providing the latest news from Dairy Farmers of Canada directly in dairy farmers’ pockets quickly and efficiently, the app allows farmers to share their reaction to these updates. The app contains a comprehensive FAQ of consumer questions on topics ranging from nutrition value of dairy products to farming practices and their impact on the environment. In short, the FAQ is there to provide various national numbers at farmer’ fingertips and to better equip dairy farmers answer difficult consumer questions.

The DairyExpress+ app is available on the App Store or Google Play. Dairy Farmers of Canada put in place a vetting process to ensure that this app remains available only to licensed dairy farmers.

<b>Dairy Express</b>	Emailed to dairy farmers every two weeks, Dairy Express informs farmers on DFC initiatives and stakeholder efforts we support.
<b>Dairy Express+</b>	Mobile application available only to licensed dairy farmers featuring news updates and FAQs.
<b>Provincial Publications</b>	DFC offers articles to provincial dairy organizations newsletters, bulletins, Info Holstein and Progressive Dairyman.
<b>Farmers Voice</b>	The Farmers’ Voice blog offers Canadian dairy farmers a place to share their stories and talk about life on a farm.

## Media Relations and Social Media

Dairy Farmers of Canada uses a mix of traditional and social media to convey messages to stakeholders. The organisation asserts its position and provides commentary on various issues through interviews, news releases and position statements. On a regular basis, Dairy Farmers of Canada’s Facebook and Twitter accounts encourage engagement with stakeholders, farmers and the public. The blog also provides a platform for spokespeople to comment on and address issues pertinent to Canada’s dairy sector.



## Collaboration

Dairy Farmers of Canada partners with various organizations that have similar interests.

### National poultry and egg farmer groups

- Reception to highlight supply management for NAFTA delegations Montreal, January 2018
- Presence at the Federation of Municipalities conference June 1-3, 2018
- Downtown Diner Ottawa, June 12, 2018

### Dairy farmer and processor groups

- Celebrating World Milk Day online throughout the world, June 1st
- Joint donation of dairy products to the Ottawa Mission Ottawa, June 1, 2018



### @WorldMilkDay (Twitter)

World Milk Day was a huge success as we saw 586 events take place in 72 countries on June 1, 2018. The conversation reached 1.1 billion impressions (May 1 to June 2)



### Downtown Diner event on June 12, 2018,

- Served 2,500 food items;
- Received the visit of about 40 MPs/Senators;
- Social media impressions 23,686,719 (over 1,911 posts from 1402 unique users)
- 31,624,209 traditional media impressions.

## Sponsorships

Each year, Dairy Farmers of Canada receives requests from organizations that seek external funds for their activities. Dairy Farmers of Canada views donations and sponsorships as an opportunity to connect with and support Canadians from coast-to-coast, in both rural and urban communities. Dairy Farmers of Canada provides financial support to organizations that are aligned with Dairy Farmers of Canada’s objectives, values and areas of priority.

Through 2017-18, Dairy Farmers of Canada partnered with various groups and sponsored the following conferences:

- Food and Drink Summit
- Food Bloggers of Canada
- Canadian Farm Writers Federation
- Canada’s Outstanding Young Farmers
- Agriculture More than Ever
- Canada’s Agriculture Day
- Food Day Canada/University of Guelph 2018
- Manning Networking Conference
- The Federation of Canadian Municipalities
- Canada Summer Games
- Canada 2020



# Policy & International Trade

# Policy & International Trade



The Policy and Trade Department provides analysis and recommendations pertaining to domestic and international policy areas. The department collects and disseminates market information to members, represents dairy farmers' interests in various fora as well as develops, implements and/or administers national programs such as proAction®.

## Favouring Market Development

### Market Analysis

The firm ÉcoRessources is retained to perform the economic impacts of the Canadian dairy industry. The most recent clearly demonstrated the positive impact of the dairy industry on the overall Canadian economy: sustains 221,000 full-time jobs in 2015; contributed \$19.9 billion to Canada's GDP; and generated \$3.8 billion in tax revenues. A revised analysis, later in 2018, is expected to show a continuous growth in the contribution of the sector to the Canadian economy.

### Analysis Tools

Dairy Farmers of Canada continuously strives towards the improvement of data dissemination, transparency and communication with its members, through tools that analyze and display large data sets that support the work of various Dairy Farmers of Canada departments and members.

These tools regroup important information on retail sales, food service sales, farm gate sales, world market trends and international trade. On a quarterly basis, Dairy Farmers of Canada also produces the "World Dairy Outlook" which includes a forecast based on market information on future trends.

### National Market Intelligence Committee

The National Market Intelligence Committee (NMIC) is a technical committee comprised of Policy staff from Dairy Farmers of Canada and provincial members. The committee has an exploratory role and is a forum for market information sharing on emerging issues. It conducts technical analyses in various areas. In the last year, the NMIC has worked on the development of national "grass fed" milk standard in Canada, a standard that is hoped to be recognized by the Canadian Food Inspection Agency in the future.

### Farmers' Revenue

Dairy Farmers of Canada monitors the evolution of market conditions, including the producers' blend price, in line with the objective outlined in the Canadian Dairy Commission Act (1966) to "provide efficient producers of milk and cream with the opportunity of obtaining a fair return for their labour and investment". In 2018, a significant gap between the blend price and the cost of production has emerged as a key concern of dairy farmers and the Board of Directors agreed that the circumstances were "exceptional" at the June 2018 Board meeting.

## International Trade

Dairy Farmers of Canada closely monitors the evolution of existing and new international trade agreements, and their impact to the Canadian dairy industry including the Comprehensive and Progressive TransPacific Partnership (CPTPP), the launch of the MERCOSUR trade talks, the implementation of the Comprehensive and Economic Trade Agreement (CETA) between Canada and the European Union, the Pacific Alliance and China, and the renegotiation of the North American Free Trade Agreement (NAFTA) which started in August 2017. The department conducts thorough impact analyses using models built to reflect the reality of the Canadian dairy system in an effort to ensure that the agreements do not negatively impact the dairy industry and the supply management system.



## North America Free Trade Agreement

The renegotiation of NAFTA officially started in August 2017 when the US hosted the first negotiating round in Washington, D.C. During the fourth round of negotiations in Washington in October, the US tabled a number of unacceptable demands on dairy, including the elimination of a number of milk classes, the withdrawal of Canada's Cheese standards as well as demands for increased access to the Canadian dairy market beyond what was agreed to as part of the original TPP deal. It even asked for the gradual elimination of over-quota tariffs over ten years. In short, the US demanded the end of supply management in Canada. The Canadian government declared publicly this was a non-starter and the situation did not evolve much until June 2018.

### The department was instrumental in:

- Maintaining a presence at each round of the NAFTA negotiations and every time ministers and senior officials were meeting with their US counterparts.
- Developing a number of communication tools for members including reports, infographics and factsheets.
- Preparing a submission to the Government of Canada consultation on the renegotiations of NAFTA.
- Providing an unconditional grant to Grey Clark and Shih to update its study on US subsidies. The study shows that the multitude of US programs providing direct or indirect support to the dairy sector cost American taxpayers the equivalent of \$35/hl.

## Canada-European Union Comprehensive Economic and Trade Agreement

CETA entered into force on September 21, 2017, signalling the beginning of the gradual importation of cheese from Europe as conceded by Canada during the negotiations (see table).

Tonnes	Year 1 2017	Year 2 2018	Year 3 2019	Year 4 2020	Year 5 2021	Year 6 2022
Fine Cheese	745.3	5 333	8 000	10 667	13 333	16 000
Industrial Cheese	79.1	567	850	1 133	1 417	1 700

As anticipated, the fine cheese quota was almost fully filled with a 97% fill rate. Meanwhile, exports to Europe of Canadian beef and pork did not materialise their fill rates not exceeding 2.3%.

The national dairy farmer and dairy processor associations had asked that the cheese TRQs be attributed solely to cheese makers. However, the Canadian government allocated 50% of the TRQs to cheesemakers and the other 50% to retailers.

To assist Canadian dairy farmers overcome the negative impacts of CETA loss of 1.4% of milk production, representing an annual loss to \$97.5 million in terms of producer revenues, the first round of applications under the Dairy Farm Investment Program (DFIP) was opened in August 2017. Within a week, 3,060 project proposals were received, triggering an abrupt close to applications. Dairy Farmers of Canada and its members expressed strong concerns to Agriculture and Agri-Food Canada (AAFC) about the administration of the program. AAFC committed to taking these into account for a future round of applications.

### The department:

- held a number of conference calls between AAFC and provincial members on updates regarding the DFIP;
- built a model which estimates the economic impacts of CETA on dairy .
- monitors the import of cheese under the CETA TRQ.

## Comprehensive and Progressive Agreement for Trans-Pacific Partnership

On January 23, 2018, the CPTPP was agreed to in Tokyo. The CPTPP was thereafter signed by the 11 trans-pacific trading partners on March 8, 2018, in Santiago, Chile.

Dairy Farmers of Canada expressed its disappointment that the CPTPP agreement maintained the concessions agreed to in the original Trans-Pacific Partnership Agreement, which then included the US.

Market access concessions agreed to as part of the CPTPP represent a loss of 3.1% in terms of milk production in Canada. This is 2.2 times the impact of the CETA agreement, and translates to an estimated \$160 million annual loss in farm revenue.

Following the announcement of the CPTPP, representatives from Dairy Farmers of Canada met with Ministers Champagne and MacAulay, who committed to implementing measures to help the sector cope with the increased imports and sustain investments in the industry.

### Import Monitoring

The enforcement of border control measures is essential to ensure the sustainability of an efficient supply management system in Canada. Dairy Farmers of Canada works in collaboration with members to monitor and address import issues such as classification and proper valuation of food preparations or making a legal case in front of the Canadian International Trade Tribunal. Dairy Farmers of Canada also participates in the Border Measure Workshop, a discussion forum involving various government departments & agencies and the dairy, poultry and egg groups.

# Sustainability

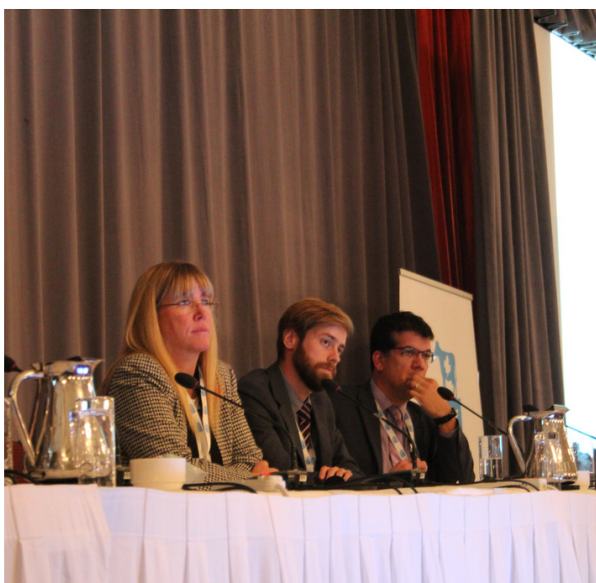
In July 2017, Dairy Farmers of Canada, Dairy Processors Association of Canada and IDF-Canada officially signed the Dairy Declaration of Rotterdam, demonstrating their engagement towards enhancing the industry's sustainability.

As consumer focus on sustainable diets increases, Dairy Farmers of Canada has maintained its participation in events and discussions that seek to demonstrate and promote the role of dairy products in a nutritious and sustainable diet, contributing to strategies and discussions in committees at the International Dairy Federation (IDF).

Dairy Farmers of Canada is a member of the Dairy Sustainability Framework (DSF), which reports on specific elements of the sustainability of global dairy production and processing to international bodies such as the Food and Agriculture Organization of the United Nations. As part of this membership, Dairy Farmers of Canada has worked to shape the development of sustainability indicators on which dairy sustainability can demonstrate continuous improvement, and report on these indicators.

## Symposium

In November 2017, more than 200 food industry stakeholders gathered in Ottawa to discuss the state of dairy sustainability. With guest speakers, table discussions and a tour of two Eastern Ontario farms, the event provided an opportunity to build understanding of various aspects that define sustainability in the Canadian dairy sector including advances in genetic and genomic technologies, proAction®, dairy research advances, the role of milk and milk products in a healthy and sustainable diet. The symposium allowed for valuable networking among all members of the food supply chain, building on efforts by Dairy Farmers of Canada to continue to collaborate with them to promote sustainability in the food industry. In short, the event was a catalyst to keep working together to improve the sustainability of the industry for generations to come.



## Industry Partnerships

In September 2017, Dairy Farmers of Canada and the Dairy Processors Association of Canada (DPAC) hosted a training session for three veterinarians who accepted to be part of the National Third-Party Animal Welfare Audit Roster. The veterinarians can provide animal welfare audit services in the event of an alleged animal abuse/cruelty incident.

Dairy Farmers of Canada also maintains close connections to industry partners to leverage activities and work toward common goals. In the beef sector, Dairy Farmers of Canada participates in the Canadian Cattle Identification Agency, Canadian Roundtable for Sustainable Beef and the Beef Value Chain Roundtable. Dairy Farmers of Canada has also joined a Veal Working Group to strengthen the connection dairy farmers share with the veal industry.

Dairy Farmers of Canada also works closely with various government agencies, including the Veterinary Drugs Directorate (on updating regulations governing the use of veterinarian drugs), the Canadian Food Inspection Agency and Agriculture and Agri-Food Canada.

## Life Cycle Analysis

In 2017, Dairy Farmers of Canada mandated Groupe AGÉCO to update the Environmental Life Cycle Analysis (LCA), a measure of the environmental performance of milk production in Canada. The last one was completed in 2012. This time 555 farms participated in the survey, which should provide an accurate picture of the current practices and sustainability of the Canadian dairy farms.

## Animal Health

Dairy Farmers of Canada is involved in various activities focused on protecting and improving the health of the Canadian dairy herd. Dairy Farmers of Canada participates in numerous fora such as the National Farmed Animal Health and Welfare Council, the Canadian Animal Health Coalition and the Canadian Animal Health Surveillance System.

In March, Dairy Farmers of Canada and 15 other representatives from government and industry began a critical review of Canada's policy and response strategy related to a possible Foot and Mouth Disease (FMD) outbreak. Dairy Farmers of Canada is engaged in the development of a strategy by industry stakeholders, which will later be presented to government.

## The proAction® Initiative

Dairy Farmers of Canada continues to develop and implement the proAction Initiative with the collaboration of technical committees, working groups, provincial coordinators and the oversight of the proAction Committee.

Dairy Farmers of Canada maintains the Canadian Food Inspection Agency's (CFIA) recognition of the Food Safety module of proAction and the National Farm Animal Care Council's recognition of the Animal Care module. Dairy Farmers of Canada is also applying for funding offered under the Canadian Agricultural Partnership for industry initiatives that aim to enhance market assurance and traceability.

The validation phase of the Animal Care and Traceability modules began in 2017, with Holstein Canada being the provider of choice for cattle assessment services for the first two-year term. Dairy Farmers of Canada, the provincial associations and Holstein Canada are working on terms of service for future years. Developing training material for biosecurity and completing a risk and materiality analyses of environmental issues have been key efforts in 2017 and 2018.

New materials posted on Dairy Farmers of Canada's proAction website include:

- New Reference Manual and Workbook, published July 2017, include the three active modules of Food Safety, Animal Care and Livestock Traceability.
- Training and communication materials for farmers and veterinarians related to biosecurity.

## DairyTrace

Dairy Farmers of Canada and the Canadian Dairy Network (CDN) have set up a national traceability system for dairy cattle called DairyTrace which is expected to be ready for use in 2019.

DairyTrace will track movement of animals and speed up reactions if an animal health emergency occurs. Supported by various dairy groups, it builds on the expertise of the CDN, which already provides several data management and information services for Canadian dairy cattle of all breeds. CFIA confirmed that CDN meets the qualification criteria required by federal regulations to become a Responsible Administrator. In early 2018, CDN and Dairy Farmers of Canada set up a DairyTrace Advisory Committee to oversee the development of DairyTrace, and CDN contracted Agri-Traçabilité Québec (ATQ) as the data management service provider.



Marketing



Dairy Farmers of Canada’s marketing team develops and executes campaigns to promote a positive image of Canadian dairy farmers and the quality milk their cows produce. The campaigns are designed to encourage a wide variety of Canadian consumers to include dairy in their diets and choose products made with Canadian milk.

## Measuring Performance

Dairy Farmers of Canada introduced a Key Performance Indicator (KPI) dashboard in April 2017 to monitor performance and measure and assess Canadian consumers’ perceptions. Drawing from multiple sources including Dairy Nielsen Sales and Nielsen Advertising, this tool provides Dairy Farmers of Canada staff and members with a real-time snapshot of the evolution of consumer attitudes, perceptions and behaviours in response to specific marketing campaigns, enabling Marketing, Nutrition and Retail teams to evaluate and determine the return on investment (ROI) on a number of campaigns as they unfold.

## 2017 Campaigns

### If it’s made with Canadian Milk, it’s worth crying over

The campaign, first launched in early 2017, continued throughout the summer and fall with a TV commercial, a cinema spot, out-of-home ads and digital ads.

Audiences were directed to [qualitymilk.ca](http://qualitymilk.ca), where Canadians can read high-level information about the work and dedication of Canadian dairy farmers in producing quality milk. Visitors are encouraged to look for high-quality dairy products made from Canadian milk, and reminded that it is the key ingredient found in cheese, ice cream, yogurt and butter.



#### IMI\* Results

#### IMI Benchmark

#### Campaign Results

Reach	40% +	61% Total Dairy Users (11M Canadians)
Impact on DFC equity (% net more favourable)	+30%	+43%
Impact on purchase ( % net increase consideration)	+30%	+36%
Cost Effectiveness (per target market reached)		\$0.26

## Pour a Tall Cold One

Throughout 2017, the campaign aimed to increase consumers' consumption of milk, especially outside of breakfast. The summer campaign with a softball theme also featured a contest tie-in with a Toronto Blue Jays sponsorship. The objective was to increase milk consumption during warmer months. After watching the TV spot, 91% of the survey respondents responded positively to the message conveyed.

IMI Results	IMI Benchmark	Campaign Results
Reach	40% +	46% Total Dairy Users
Impact on DFC equity (% net more favourable)	+30%	+50%
Impact on purchase ( % net increase consideration)	+30%	+39%
Cost Effectiveness (per target market reached)		\$0.46



Watch the Video 

## Holiday Milk campaign

The Holiday 60-second animation video answered the question “Does Santa actually drink all the milk that’s left for him on Christmas Eve?” The objective was to build awareness and appreciation for Canadian quality milk, while increasing the volumes of fluid milk sold through the holiday season. As part of the roll out, Dairy Farmers of Canada invited the collaboration of food bloggers sharing their holiday memories and the animated video, various online media and a partnership with Spotify featuring a branded holiday themed playlist.

The campaign ran over 5 weeks in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Atlantic Canada.



IMI Results	IMI Benchmark	Campaign Results
Reach	40% +	21% Total Dairy Users
Impact on DFC equity (% net more favourable)	+30%	+66%
Impact on purchase ( % net increase consideration)	+30%	+47%
Cost Effectiveness (per target market reached)		\$0.36

Watch the Video 

## Chocolate Milk

The 2017 spring campaign continued to position chocolate milk as a post-workout recovery beverage with ads in gyms, transit shelters and various C-Stores. Dairy Farmers of Canada created an experience to celebrate everyday athletes at 13 sports events in Ontario and Atlantic Canada. Signage in 374 stores, in digital and social spaces and through retailer-owned properties promoted chocolate milk, reaching shoppers across the Maritimes, Ontario, Saskatchewan and Alberta.

## Cheese

### Canadian Cheese. Crafted with Creativity

The 2017 campaign targeting Millennials continued in the fall, still focusing on elevating the perception of quality associated with Canadian cheeses to maintain growth in the domestic market, as the competition of imported cheeses increases.

- Strong recall of the creative
- Strong impact on purchase intentions (+55% increase consideration)
- Over 3.4 million social impressions
- 41,000 engagements.

The influencer program featuring YouTubers and celebrity chef Danny Smiles to promote the creativity of Canadian cheeses and cheesemakers generated over 8 million impressions across the web and more than 16,800 clicks back to Dairy Farmers of Canada's YouTube page.



Watch the Video

IMI Results	IMI Benchmark	Campaign Results
Reach	40% +	28% Total Dairy Users (5.05M Canadians)
Impact on DFC equity (% net more favourable)	+30%	+63%
Impact on purchase (% net increase consideration)	+30%	+55%
Cost Effectiveness (per target market reached)		\$0.62

### Canada wooden cheese board

Consumers who purchased four or more cheeses containing either the DFC Quality Milk certification mark of origin logo or the 100% Canadian Milk logo, received a free, Canada-shaped wooden cheese board.

60 key media and bloggers also received this board and three different cheeses, to generate media coverage of Canadian cheeses. This generated 18,852,084 overall Impressions and 93 hits on traditional and social media.

Between June and October 2017, Dairy Farmers of Canada participated in 12 food and cultural festivals across Canada, raising awareness of the quality of Canadian cheese to increase consumption amongst 18-34 year-olds. Over 32,100 consumers were engaged and more than 122,000 cheese samples were distributed.



## Buy with pride, Buy Canadian

Following Dairy Farmers of Canada's new logo launch in 2017, Dairy Farmers of Canada focused on educating Canadian consumers to ensure a successful logo transition on the market to better identify products made from high quality milk and milk ingredients. The "Buy with pride, Buy Canadian" campaign was launched during many in-store Canada 150 celebrations.

The campaign generated over 300 million impressions through in-store, online and flyers showcasing both Dairy Farmers of Canada certification logo and the message "Buy with Pride, Buy Canadian" to drive sales in dairy, deli cheese and frozen sections of the store.

## Milk Calendar

Dairy Farmers of Canada's 2018 Milk Calendar shone a light on the benefits of local, sustainable and hand-crafted foods. Over 2 million copies were inserted in newspapers and magazines in Ontario and Atlantic Canada. Toronto and Halifax had distribution events and the western provincial boards ordered more than 112,200 copies for distribution. The 13 recipes and videos are promoted on various websites throughout 2018.

## Fuelling Women Champions

In 2017, Dairy Farmers of Canada representatives attended 12 sponsored sports events across the country, including the Canada Games, and the Swimming Jr Championships. These events promote youth sports teams, individual athletes and grassroots women's and girls sports organizers.

## The Champions Fund

In 2017, the Champions Fund gave 30 grants of \$5,000 to female athletes, teams and organizations across Canada for a total \$150,000. Dairy Farmers of Canada received more than 3,097 applications for the Fund. The program is currently on hold, undergoing an evaluation and review in 2018 to better establish its place within the Dairy Farmers of Canada landscape in 2019.



## Sponsorships, Fairs, Exhibits

Dairy Farmers of Canada representatives hosted marketing events or booths at all of these festivals/events/locations:



Ride to Conquer Cancer, Vancouver



Halifax Mooseheads



HSBC Rugby Women's Sevens, Vancouver



Blue Nose Marathon, Halifax



London Life Road Races, Forest City

- Mac & Cheese Festival, Toronto
- YVR Food Festival, Vancouver
- Winnipeg Folk Festival
- Cavendish Beach Festival
- Taste of Edmonton
- WayHome, Oro-Medonte
- Regina Folk Festival
- iHeartRadio Beach Ball, Vancouver
- Toronto International Film Festival
- Rifflandia, Victoria
- Indulge Food Festival, Saint-Andrews
- Halifax Pop
- Canada Day, Ottawa
- National Ice Cream Day, Toronto
- National Ice Cream Day, Halifax
- National Ice Cream Day, Vancouver
- Festival de la Curd, St-Albert
- London Life Road Races, Forest City
- Mississauga Marathon Race Weekend
- Blue Nose Marathon, Halifax
- Ride to Conquer Cancer, Vancouver
- Dragon Boat Festival, Ottawa
- HOPE Volleyball, Ottawa
- One Walk to Conquer Cancer, Toronto
- Road Hockey to Conquer Cancer, Toronto
- Maritime Race Weekend, Eastern Passage
- Niagara Marathon
- Legs For Literacy, Moncton
- CIBC Run for the Cure, Toronto
- PEI Marathon, Charlottetown
- HSBC Rugby Men's Sevens, Vancouver
- Clarkson Cup, Ottawa
- HSBC Rugby Women's Sevens, Vancouver
- Canadian Swimming Jr Championships, Toronto
- Canada Games, Winnipeg
- Rugby Minor Youth Festival, Ontario
- Fast and Female Summit, Calgary
- CAAWS Celebration of Women and Sport, Toronto
- Halifax Mooseheads

# Business Stakeholder Relations

# Business Stakeholder Relations

The Business Stakeholder Relations team strives to build strong relationships with Canadian dairy processors, retailers and food service operators to identify market opportunities across the country.

## Agropur

Agropur displays the certification of origin logo on more than 600 products. Canada's largest dairy cooperative prominently displays the Dairy Farmers of Canada logo on all television advertising, outdoor media, print, digital, in stores, in trade and event activities, creating millions of consumer impressions with Canadian dairy buyers.

## Chapman's

Chapman's has long supported Dairy Farmers of Canada and the certification mark of origin logo. During the fall of 2017, Chapman's featured the logo in an extensive digital marketing campaign to educate consumers about the use of Canadian milk in their ice cream, along with the quality and value it represents. In the summer of 2018, Chapman's is adapting their campaign for television. The ad very clearly asks the viewer to "look for" the Dairy Farmers of Canada's certification logo when shopping for Chapman's products.

## Dairy Queen

A new partner in 2018, Dairy Queen firmly believes in the value of Canadian quality milk in its soft serve products. This summer, Dairy Farmers of Canada will show their commitment through posters and banners. This fall, Dairy Queen will include the Dairy Farmers of Canada Quality Milk logo on permanent back-lit signs in over 650 locations across Canada.



## Tim Hortons

In 2018, Dairy Farmers of Canada and Tim Hortons continued their successful partnership. The program builds on the success of the 2017 Latte launch and introduces two new coffee beverages made with Canadian milk and cream, the Tim Hortons Iced Capp and the Tim Hortons Iced Coffee, now sold across the country in all Tim Hortons locations. As of June 2018, these beverages have contributed to the usage of over 2.3 million litres of 2% milk and over 1 million litres of 18% cream. This partnership is supported by an extensive integrated media campaign, which included mass media, digital as well as the menu board signage suggesting to "Choose your dairy".





## Trade Shows

Dairy Farmers of Canada invited processors to present their brands and products and network with industry representatives at their exhibition booth at the Restaurant Canada Show from February 25-27, 2018, the Grocery Specialty Food West on April 23 and 24, 2018, as well as at SIAL Montreal held from May 1-4, 2018.



# Nutrition



# Nutrition

Through education programs, advocacy, partnerships and policy work in nutrition and public outreach, Dairy Farmers of Canada's registered dietitians promote Canadian dairy farmers' interest by increasing the understanding of the nutritional value and health benefits of milk products and developing strategies and tools to optimize their consumption. The Department also supports research, in partnership with federal government agencies, to expand the scientific understanding of milk products' nutritional and health benefits and improve farm efficiencies, innovation and sustainability.

## National Outreach

### Nutrition and Health Symposium

In 2017, Dairy Farmers of Canada hosted the 17th annual cross-Canada Nutrition and Health symposium. Close to 1,600 dietitians and other health professionals participated in the event focusing on women's health which made stops in Edmonton, Toronto, Montreal and Moncton.

The annual symposium is an effective means of communicating the results of scientific research on milk products and the latest information to health professionals and, in particular, to registered dietitians who play an important role in disseminating reliable, accurate and up-to-date information on nutrition to the general public.

### Medical Community and Cardiovascular Health

Through its Physician Education Program, Dairy Farmers of Canada continues to reach out to doctors to share with them the new research that shows that cardiovascular patients can benefit from consuming dairy products such as milk, cheese and yogurt.

In October 2017, Dairy Farmers of Canada launched a new online continuing medical education program, "Evidence-informed Practice: Educating Patients with Heart Disease about Dairy", to assist physicians in providing their cardiovascular patients with the latest scientific evidence about the saturated fat in milk, cheese and yogurt, as well as to encourage their consumption.

As of the end of May 2018, Dairy Farmers of Canada connected with about more than 21,000 physicians either through face-to-face discussions or during conferences across Canada.

### Webinars

For the first time in 2017, Dairy Farmers of Canada offered webinars to health professionals, mainly for dietitians. We organized 3 webinars:

- "Bone Health: Dairy, Calcium and Beyond" which reaffirmed the important role milk products play in bone health.
- "Review of Canada's Food Guide - The Place of Milk Products" which focused on the issues with Health Canada's proposed guidelines and the science that supports the role of dairy products in health.
- "Lactose Intolerance: A Scientific Update and the Place of Milk Products" to provide practical strategies for including milk products in the management of lactose intolerance.

A total of 4,416 health professionals registered for these webinars.

## Nutrition Month

Dairy Farmers of Canada sponsored the 2018 Nutrition Month presented by Dietitians of Canada, to continue demonstrating its commitment towards nutrition professionals and helping promote dairy products as part of a healthy, balanced diet. This year's theme and slogan, "Unlock the potential of food", aimed to help Canadians realize the potential of food to fuel, discover, and bring us together, as well as affect our well-being, health, and enjoyment of life. Dairy Farmers of Canada distributed over 25,000 copies of the official Nutrition Month poster across the country in schools and health care settings. This year, over 200 million media impressions were achieved. DFC produced eight short supporting videos which generated an additional 4 million impressions. A user survey confirmed that the poster was the most used and valuable campaign element. A third of respondents also noted that the sponsorship improved DFC's image.



### Strong people get more out of life

Using the "Strong people get more out of life" slogan, this advertising campaign motivates consumers to increase their consumption of milk, yogurt and cheese by showing the valuable role they can play in a healthy lifestyle in keeping them strong.

The campaign reached 1 in 2 Canadians. The reach and impact exceeded targets for awareness and intent to purchase.

## Regional and Provincial Outreach

In addition to programs run at a national level targeting consumers and health professionals, provincially-based Dairy Farmers of Canada dietitians work with early childhood educators (ECE), family childcare providers, school teachers, fitness professionals and parents to impart the importance of nutrition and milk products on health and well-being. Comprehensive and credible nutrition programs developed for the education sector in support of provincial curricula are delivered by Dairy Farmers of Canada in the Maritimes, Quebec and Alberta.

### Maritimes

In the Maritimes, Dairy Farmers of Canada advised and involved educators and students in a reflection on the role of healthy eating and exercise in well-being. The Maritimes team focuses on tailoring their initiatives to reach different audiences with varying degrees of knowledge on nutrition. As such, Dairy Farmers of Canada provides a wealth of information to teachers and students from kindergarten to university.

In 2017, the initiatives included:

- 1,000 early childhood educators received posters and leaflets; 98% satisfaction score.
- **Multi-zone:** Intended for grades 2-6 students and their teachers, this nutrition activity teaches students about the importance of consuming milk products in the context of a healthy diet. In 2017-2018, 286 presentations were delivered in 50 schools, reaching 7,500 students.
- **Felix the Farmer:** Launched in January 2018, the program helps teach students about food origins and exposes them to dairy farming. More than 550 kits have been distributed to kindergarten and grade 1 teachers.
- **Dairy farm tours:** Offered to nutrition and dietetic university students, this program helps inform the future professionals' opinion about milk quality, dairy farming and dairy processing.

## Quebec

Dairy Farmers of Canada's Quebec nutrition team engaged in a variety of initiatives targeting family childcare providers, child daycare centre educators and cooks, preschool and elementary school teachers and educators, health educators and families. Dairy Farmers of Canada's Quebec outreach activities include workshops and training sessions, education materials, interactive tools and day camps.

This year some of the Quebec's nutrition team's initiatives included:

- Day camp: The "Chefs en action" day camp aimed to sensitize 8-12 year olds to the pleasure and importance of healthy eating and cooking. Eighteen student facilitators visited 11 regions, and 13,568 children prepared recipes showcasing dairy.
- Ideal and practical guide: This brochure is a useful tool for parents and families, aiming to provide ideas and advice for meal and snack planning and involve children in lunch preparation. It was completely revised in 2017 to improve its effectiveness.
- Feeding children aged 1 to 5: Important additions were made to this new guide, and many experts participated in reviewing the content.

## Cuisinons en Famille

Dairy Farmers of Canada's Cuisinons en famille campaign encourages parents to cook with their kids using staple foods such as dairy products and fruits and vegetables. The goal of the 2017 campaign was to change parents' habits regarding their kids' participation in meal planning and preparation by providing tools and concrete solutions to families. Dairy Farmers of Canada partnered with six blogs, who made videos of themselves cooking with their kids.

A digital cookbook was distributed exclusively on [cuisinonsenfamille.ca](http://cuisinonsenfamille.ca) and promoted via Facebook and web banners, driving 3,505 downloads.

On January 24, 2018, the campaign won an award at the DUX Grand Prix Gala in the Communications category. Every year, the DUX Gala honours action and innovation by recognizing leaders in healthy eating.



## Ontario

The Mobile Food Classroom was tested in nine Ontario elementary classrooms in the fall of 2017. During the three-hour sessions hosted by a professional chef and a Dairy Farmers of Canada dietitian, the students prepared and learned about the origin and value of ingredients in three dairy-based recipes. This pilot program confirmed the opportunity to facilitate improvement in children's milk product consumption through this engaging school-based and nutrition-focused offering. The program's partners included the Elementary Teachers' Federation of Ontario, the Ontario English Catholic Teachers Association and the Dietitians of Canada.

The program's key outcomes:

- Students learning how to cook with milk products;
- Students intending to cook with milk products at home;
- Teachers valuing Dairy Farmers of Canada as a nutrition teaching resource.

## Alberta

**20th Alberta Nutrition File Seminar:** In partnership with the University of Alberta and Dietitians of Canada, Dairy Farmers of Canada hosted a professional development day targeted at nutrition educators, primarily dietitians, to build credibility and raise awareness of the latest dairy nutrition research for over 350 regionally-based health educators and students. The scientific program had four accomplished speakers in the areas of musculoskeletal health and popular health culture.

**Nourish, Move, Thrive:** In partnership with the Alberta Fitness Leadership Certification Association and the YMCA of Northern Alberta, Dairy Farmers of Canada reaches 2300 fitness leaders and 8,000-10,000 fitness participants every week. Fitness leaders are health-focused, highly motivated and a source of nutrition information for their clients. Approximately 150 fitness leaders attended the YMCA Spring Training event and visited Dairy Farmers of Canada's booth promoting the value of dairy as part of an active, healthy lifestyle.

**Early Learning and Child Care:** Building on the Good Beginnings program developed by Dairy Farmers of Ontario, Dairy Farmers of Canada is adapting this program for childcare professionals in Alberta in collaboration with the early learning and child care (ELCC) community in Alberta and an advisory group of ELCC leaders. This program supports child care providers in preparing menus that support optimal intake of milk products in the diets of children. Research with post-secondary institutions in Alberta offering ELCC programs revealed overwhelming interest in the Good Beginnings program and indicated that the knowledge and credibility of Dairy Farmers of Canada's dietitians is valued in this collaborative endeavor.

## Research

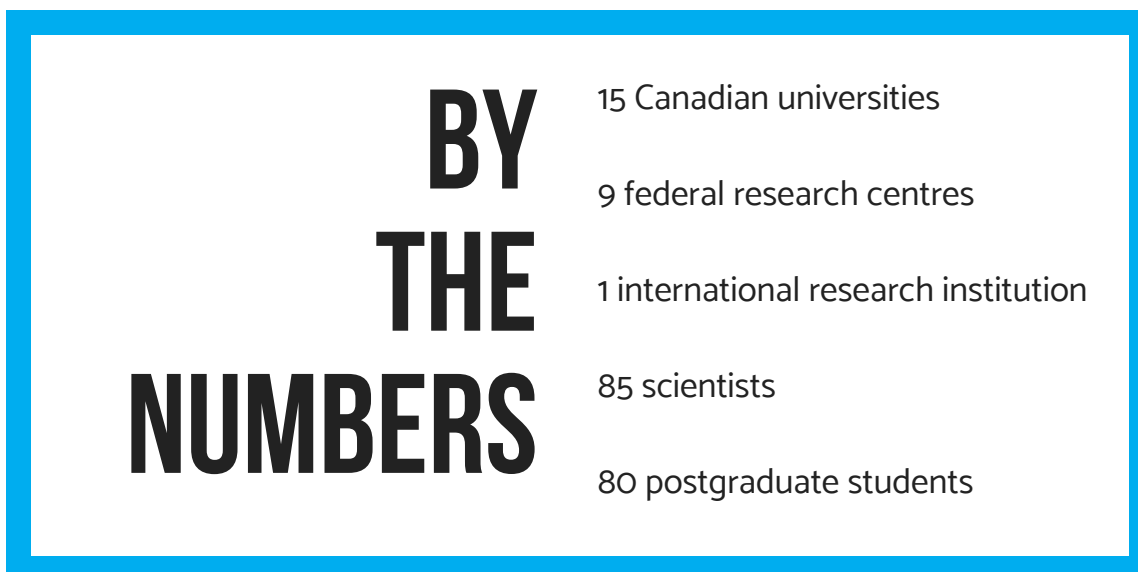
Dairy Farmers of Canada invests in research to stimulate productivity, sustainability and profitability on farms and to improve the knowledge level of milk and dairy products health benefits. The peer-reviewed research generates credible information that also feed other departmental activities of Dairy Farmers of Canada such as nutrition, communication, and policy, including the proAction initiative.

Dairy Farmers of Canada also finances research initiatives that deliver national benefits in collaboration with its provincial members and other sectorial partners: Canadian Dairy Network (CDN), Canadian Dairy Commission, Alberta Milk, BC Dairy Association, Dairy Farmers of Manitoba, Novalait Inc., Valacta, CanWest DHI, and international partners through the Dairy Research Consortium.

In 2017-2018, Dairy Farmers of Canada invested \$1.7 million in research. When adding contributions of our partners, as well as, Agriculture and Agri-Food Canada (AAFC) and the Natural Sciences and Engineering Research Council of Canada (NSERC), a total of \$7.8 million was invested in dairy research.

Dairy Farmers of Canada invests in five research programs including:

- Dairy Research Cluster
- Nutrition Expert Scientific Advisory Committee
- DairyGen (managed by CDN)
- NSERC Industrial Research Chairs
- Dairy Research Consortium



### 45 Research Projects Breakdown by Theme:

#### Dairy Cattle Health, Care and Welfare

10 research projects to address dairy cattle health, cow comfort and welfare are financed through the Dairy Research Cluster and the NSERC Industrial Research Chairs program.

#### Sustainable Milk Production

6 research projects focus on water use, feeding, cropping, and manure storage to improve whole farm sustainability are financed through the Dairy Research Cluster.

#### Dairy Genetics and Genomics

8 projects focus on rates of genetic and genomic progress, as well as the use of genetics to improve animal health and reproduction. The projects are financed through DairyGen, the Dairy Research Cluster, NSERC, and Genome Canada.

#### Human Nutrition and Health

21 research projects to address the role and benefits of milk product consumption in human health are financed through the Dairy Research Cluster, NESAC, and the Dairy Research Consortium (International).

# OUTCOMES OF RESEARCH CLUSTER 2

**2**

Intellectual property items flowing from the two projects

**34**

new/improved computer tools

**12**

new/improved research and analysis processes

**50**

new/improved farm practices

**5**

new/improved genetic materials

**653**

new/ improved gene sequences

**166**

new science-based information items

Diverse material to provide knowledge users with practical information and tools (factsheets to Mobile app to genetic Selection Index, etc.).



## Dairy Research Symposium

Key results from Dairy research Cluster 2 were presented to over 110 dairy producers, stakeholders, processors, sector partners, dairy professionals and researchers from across Canada at Dairy Farmers of Canada's Dairy Research Symposium in February, 2018. Attendees participated in interactive polls included in several presentations, and three workshops encouraged discussion about new knowledge to improve practices on dairy farms.

## Dairy Research Cluster 3 Application

Dairy Farmers of Canada plans to invest \$5 million in 5 years (2018-2023) in the next cluster for Dairy Research. Before recommending projects for investments, Dairy Farmers of Canada held a two-step process evaluation and selection based on industry pertinence and including a scientific peer review. The federal government has not yet announced its financing for the next dairy cluster, though Dairy Farmers of Canada is aiming for 24 research projects under four themes (Dairy farm efficiency and sustainability, Cow health and welfare, Milk safety and processing quality and Healthy dairy products), knowledge translation and transfer activities and science coordination and administration costs.





# Financial Information

To view Dairy Farmers of Canada's  
financial statements

[Click Here](#)

Partners

## Dairy Industry

Providing a wealth of information about issues affecting the dairy industry in Canada and abroad.

Canadian Dairy Commission

Canadian Dairy Network

CanWest DHI

Valacta

Holstein Canada

Jersey Canada

Ayrshire Canada

Canadian Livestock  
Genetics Association

Dairy Processors Association of Canada

Gay Lea Foods Co-operative Limited

Agropur

International Dairy Federation

Global Dairy Platform

World Farmers' Organization

## Nutrition and Health

Promoting milk products and a healthy lifestyle with national organizations.

Canadian Foundation for Dietetic Research

Canadian Nutrition Society

Colorectal Cancer Canada

Diabetes Canada

Dietitians of Canada

Fédération des éducateurs et éducatrices  
physiques enseignants du Québec

Osteoporosis Canada

Canadian Digestive Health Foundation

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