



2012

# Annual Review

Global Dairy Platform



GLOBAL DAIRY PLATFORM



2012



### **From the Executive Director**

By any number of measures, 2012 was a year of significant growth and achievement for Global Dairy Platform. With new members from China, Japan, South Africa and Ireland, the GDP network is now comprised of more than 70 members. Our sixth annual meeting in Cape Town, South Africa featured an expanded program for commercial, marketing and science-oriented colleagues. And several new projects in the sustainability, research and communication areas continue to advance thinking and foster collaboration on industry issues.

To meet the challenges of the future, it's critical that GDP remains

on the leading edge of key issues being faced by its membership. Early in 2012, the Operational Committee met to refine the organization's strategy and to validate the direction. Revisions to the mission, vision and key objectives (see graphic) were unanimously endorsed by the GDP Board at its June meeting. While promoting Nutrient Richness, changing the perceptions of Full Fat Dairy, facilitating Sustainability and globalizing Communications continue to be the core focus of GDP's efforts, three execution priorities were identified as necessary for GDP to be successful. strategy.

## From the Executive Director *(continued)*

The first execution priority is developing a unifying theme that articulates the higher purpose for the industry. This theme is fundamental to increasing engagement across the industry, as at times it's too easy to become lost in the everyday detail and forget the overarching purpose of our work and all the great work that goes on across the dairy world.

The second priority is about ensuring that sight remains on the fact that, fundamentally, GDP's work is underpinned by science and research. When GDP promotes a fact or takes a position on a topic, it must always be backed by the strongest and latest research and scientific understanding. Toward that end, it's imperative that the broader scientific community understands and is aligned with that point-of-view.

And lastly, GDP has a priority to facilitate dairy communicator collaboration on strategies to influence specific policy and institutional thought. The dairy industry faces a number of common issues that no one organization can adequately address alone. As technology and 'social media' erode regional boundaries, unified global positions and viewpoints have become strategic imperatives.

Also this past year, GDP bid farewell to Professor Toon van Hooijdonk, Corporate Director, Research and Development, Royal FrieslandCampina, who

retired as Deputy Chairman of the GDP Board, and Richard Doyle, who retired as IDF's President and GDP Board representative. Jay Waldvogel, Senior Vice President of Strategy and International Development of Dairy Farmers of America, Inc., was appointed Deputy Chairman of the GDP Board and Chair of the Operational Committee. Dr. Jeremy Hill, as the new IDF President, is its representative on the GDP Board. Sarah Kennedy, Managing Director of Fonterra Nutrition, and Frank van Ooijen, Director Communications and Sustainability for FrieslandCampina were welcomed as new members to the board.

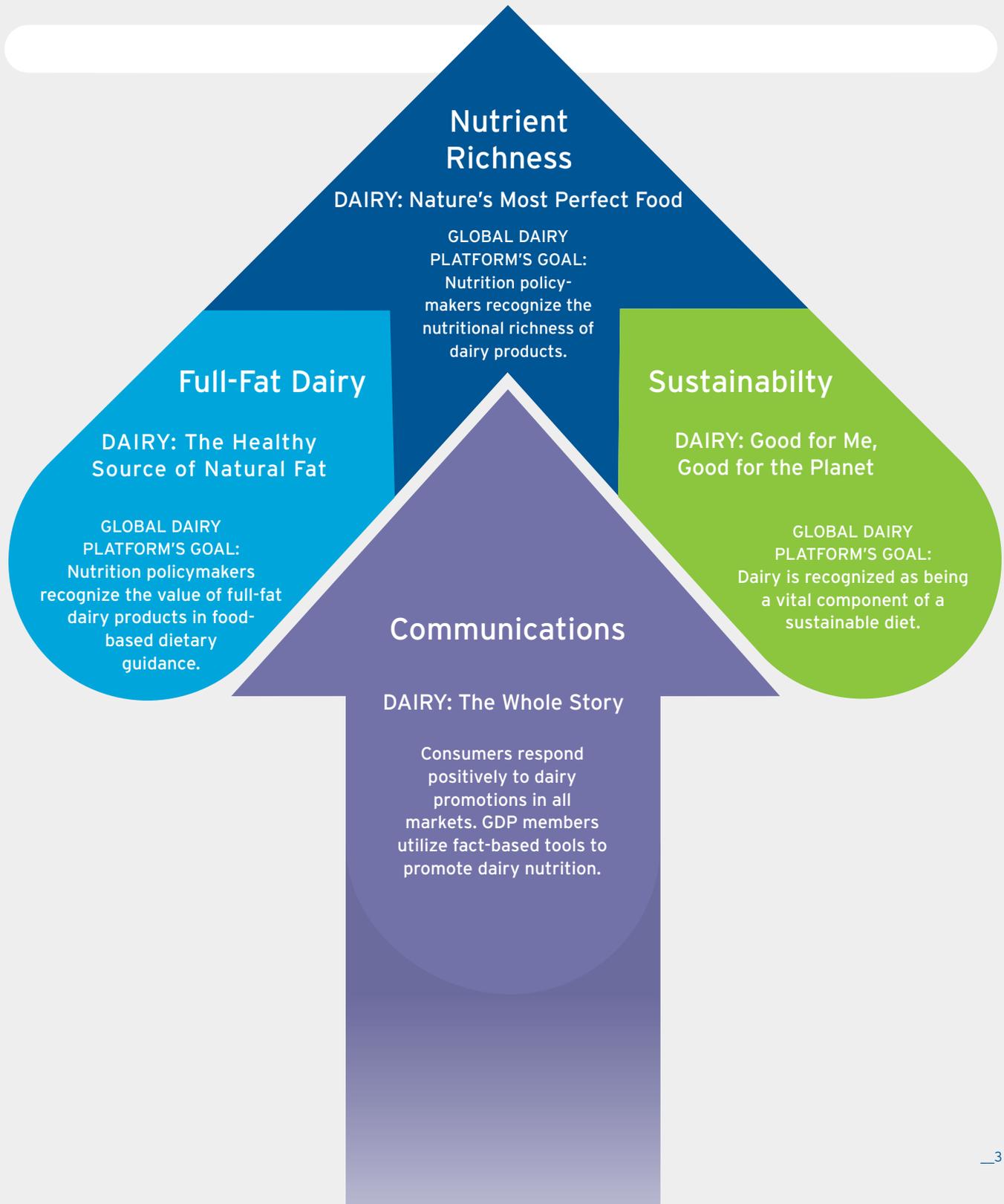
We are proud of the achievements of the dairy industry this past year and thank our members and governance groups for their continued direction and support.



Donald Moore, Executive Director

**OUR VISION:** Consumers value milk and dairy products as naturally nutritious, enjoyable and an essential part of a healthy diet

**OUR MISSION:** To align and support the dairy industry to promote sustainable dairy nutrition.



**"People inherently know, and appreciate, the dairy goodness part of our story."**



The story of dairy is drawn by the future more than shaped by the past. It is the story of an industry connected by the work it does and by a very clear sense of purpose.

### **The Whole Story: Dairy's Point of Distinction**

Most good stories are based on the main character fighting overwhelming obstacles to accomplish a great, overriding purpose. When telling their story, many industries, companies and products claim to stand for something that serves the common good, but few can actually reflect that higher purpose as well as dairy. For dairy, that higher purpose - and work the industry does to achieve it - is our great story and inspiration. It is the anchor, the beacon that continually reminds the industry that the businesses they operate improve people's lives.

In many places, however, the story currently told about dairy is being shaped by its defense on everything from saturated fat to sustainability, rather than on what the dairy industry brings to the world table. As conversation has had to focus on responding to pressures and situations, we've allowed the dairy story to become fragmented and segmented. And because of that, over time, people start to forget that dairy plays a much larger role - in our lives and our communities.

As an industry, we need to start telling people again that there is a whole story behind dairy, one that's integral to bringing society, sustainability and world nutrition together.

People inherently know, and appreciate, the dairy goodness part of our story; the nurturing and nourishing strength it has to bond together friends and families in everyday moments. But turn the page, and there is more about an industry that creates millions of jobs, that has the capability to sustain and revitalize rural communities in all corners of the world. There's a quest to help children thrive and generations build upon responsible land stewardship. And world economic, financial and food crises continue to make the heart of dairy's tale one of food security and of producing nutritious food, both safely and sustainably.

All these things and more bind dairy's whole story, and our industry, together. It defines our work ethic, our engagement approach and what sets us apart. Others can try mimicking our marketing position, but they cannot replicate our power as a sustaining life force, or the dairy goodness we bring to billions of people every day.



**INSIDE THE BACK COVER -**

**"The WHOLE Story" VIDEO**

Current global drivers are shaping dairy's agenda, providing even greater opportunities to utilize **dairy's compelling research findings**.

### Research with a Mission

With today's global population of 6.6 billion projected to grow by 3 billion people over the next 40 years, foods are increasingly being evaluated by new criteria related to sustainable food systems. Often, the environmental elements overshadow nutrition in those assessments, yet a food's contribution to diet and health is a key measure of its ultimate value. As the debate on what foods should be included in sustainable diets continues, dairy must ensure that key influencers have the most relevant information on dairy's contributions toward improving nutrition, health and the environment.

Several global drivers continue to influence interest in foods and beverages that not only promote health and wellness, but that are also environmentally responsible.

A 2011 United Nations (UN) General Assembly declaration tasked the World Health Organization (WHO) to set up a global monitoring framework on common risk factors - including poor diet - for four non-communicable diseases and to prepare recommendations. The WHO has indicated it plans to focus on nutrient avoidance - the same framework that has been used for decades, but yet to date has not produced desired results. This approach begs for more industry dialogue, as evidence supporting dietary prevention using "whole foods" such as dairy

products is growing, as well as research showing dairy's health benefits.

Similarly, the release of the Food and Agriculture Organization of United Nations (FAO) Expert Consultation, *Dietary protein quality evaluation in human nutrition* has substantiated the higher quality of dairy's protein. Given that the match between dietary supply and human protein needs is vital to support the health and well-being of human populations, the industry has a golden opportunity to explain dairy's protein "advantage" over other foods and how it can improve nutrition within our growing global population.

Finally, global organizations such as the FAO, WHO, UN Environment Program, Non-Government Organizations and some national governments have recently articulated differing views of food security. Rising pressure from these groups has caused retailers to question how supply chains are responding to demands for increased focus on sustainability measures. However, at this moment the term "sustainable dairy" is interpreted in many different ways by different groups. The industry's ability to continue delivering safe and nutritious food, and its future growth prospects, depend upon its ability to clarify sustainable development within the dairy industry and respond to challenges accordingly.

**"A projected world  
growth of 3 billion  
people over the next  
40 years"**



# Research Highlights Included:

## **Dairy Protein: The Gold Standard**

With the FAO protein quality evaluation consultation serving as context, GDP hosted a Protein Marketing Workshop to prepare and position the dairy industry to benefit from the anticipated outcome. Topics included protein quality methods, comparing dairy protein content to other food sources in terms of nutritional quality, protein conversion, competitive marketing and contribution to a healthy diet and lifestyle. GDP also set in motion collaboration with IDF and other partners to develop a communications strategy once the report is released, and will provide interpretation and summary for the industry.

## **Changing the Cheese Paradigm**

GDP initiated with other partners a Wageningen University meta-analysis of completed human clinical studies to evaluate the effects of cheese consumption on blood cholesterol levels from published clinical trials. Additionally, work on a series of animal studies and human clinical trials on the effects of cheese fat content and maturation continues to progress at the University of Copenhagen.

## **DRC – The Art of Collaboration**

GDP serves as the secretariat to the Dairy Research Consortium, an alliance among six leading dairy industry associations that collaborates on pre-competitive research into the nutritional and health benefits of dairy. In April, the DRC agreed to investigate the beneficial health outcomes related to the consumption of full-fat dairy products.

## **Rounding-Up the Research**

GDP developed a Dairy Research Evidence Library (DREL) based on published results from randomized clinical trials and observational studies intended as a tool for technical staff. The first topics on cardiovascular disease and type 2 diabetes were completed in 2012.

## **Building a Dairy Sustainability Framework**

In 2012, GDP led an industry collaboration to commission a feasibility study on whether it is desirable and/or possible to develop a global sustainable dairying standard. The initial project validation phase determined that while dairy sector stakeholders are indeed looking for demonstrated progress on a sustainability agenda, creating a standard (or standards) should not be the focus. The project has now moved to its next phase of building a Strategic Sustainability Framework for dairy that will guide the industry as a whole on its path to sustainable development.

## **Sustainable Nutrition**

Since the FAO published report on sustainable diets, there has been significant interest in linking nutrient richness and sustainability. GDP has organized an ongoing series of global conference calls to share information and discuss actions underway around the world that support the nutrition and health benefits of dairy in the context of its environmental footprint.

## **Commitment to Sustainability**

GDP remains an active signatory of the Global Dairy Agenda for Action (GDAA), which is the industry's commitment to making a positive contribution to the global action in addressing climate change. The GDAA brings together the dairy industry and its partners, who are committed to working together to improve the environmental performance of the dairy sector for a more sustainable future.

The key for dairy at this moment in its history is not to invent a new story about ourselves, but to **understand where our story has taken us**, how it might further unfold, and what threads unify the tale.

### **Taking Charge of Our Story**

Dairy continues to be a growth business in both the developed and emerging markets. There's a strong catalog of positive research on dairy's benefits. It has an important and emerging role in sustainable diets and world nutrition. And it's a key influence in many communities when it comes to the economy and workforce impact. Now more than ever, as the world's population increases by 75 million people per year, the time is right to move beyond reactively defending the goodness of dairy to one of assertively promoting its power as a sustaining life force.

For dairy, it seems there's never been a better time to tell The Whole Story. There are, however, key challenges to overcome to clarify and reinforce the soul and spirit of dairy.

The first is that there is a strong need for the industry to align global messaging so the dairy industry has a more singular voice on common issues. Electronic communication, especially the internet and social media, has eliminated distance, time and cost as a barrier to communication. More information on dairy is being spread globally, but it is not necessarily being generated by the industry, researchers or is even based on verified fact. With so much information to sort through, key influencers gravitate towards the most consistent and clear storytellers. Creating

a unified communications platform to build and drive messaging to ensure that key influencers hear a consistent point of view from the industry is a strategic imperative.

A second challenge is rebuilding the consumer's emotional relationship with dairy products in the very different phases of their lives. We need to truly understand what dairy means to the consumer. Dairy can evoke different emotions from consumers depending upon when and how they experience it. Understanding dairy in the context of a consumer's life stage allows us to collectively leverage these powerful emotions to ensure they have a consistent and positive experience. If we can grasp the essence of the relationship between dairy and our consumers, we can attempt to duplicate that positive relationship over and over again to reclaim our legacy and establish dairy's relevancy into the 21st century.

**"We need to truly understand what dairy means to the consumer."**



# Communication Highlights Included:

**A Marketing Architecture for Dairy** Building on research and thinking done in 2010 and 2011, GDP and the International Milk Promotions Group (IMP) developed a Marketing Architecture for Dairy to serve as the framework that individual markets can use as a reference point when creating local campaigns. It includes a unified value proposition which will help each market share dairy's distinctive story in a consistent manner.

**The Power of One Voice** In late 2012, Global Dairy Platform engaged a group of senior communications leaders to be part of creating a working communications collaborative. This initial group has begun the work of developing a strategy, with a goal of building and driving unified messaging so that key influencers such as dairy customers, health professionals, regulators, policy makers and world bodies hear a consistent point of view from the industry on common issues.

**Perspectives on Saturated Fat** GDP distributed a desk-side reference tool on the second edition of Current Evidence about Dairy, Saturated Fat and Cardiovascular Disease, making it easier for dairy industry researchers/scientists and marketers to quickly access and present consistent data points and messaging when they are working with decision-makers. An updated third edition was also reviewed and distributed at the end of 2012.

**Showcasing Research on the Role of Dairy, Diet and Public Health** With WHO's response to the United Nations request for recommendations With WHO's response to the United Nations request for recommendations to curb the risk factors of NCDs focusing once again on the reduction of individual nutrients, GDP prepared a perspectives paper, *Diet and Public Health*, showcasing research on the role of dairy, diet and public health, with the aim of initiating a debate on a balanced approach to whole foods for positive health outcomes.

**Stories from the Field** GDP is creating a series of sustainability stories for dairy industry members to use in their publications. Material is being sourced from the Green Paper database, which has catalogued over 400 initiatives illustrating the continuous improvement already made and the progress along the whole dairy supply chain.

**Dairy's Vital Role** GDP and IDF collaborated to produce the paper *Sustainable dairy nutrients are essential to human health*, which provides key messages on the importance of daily dairy consumption to achieve nutrient requirements that support healthy aging and demonstrates the proactive environmental successes achieved by the industry. The paper was presented at the 2012 World Dairy Summit and a manuscript incorporating main points was submitted for publication in a peer-reviewed journal.

**Governance Groups**  
Global Dairy Platform's Board of Directors and Operational Committee provide strategic oversight of GDPs activities.

**Peder Tuborgh**

Chairman of the GDP Board  
Chief Executive Officer,  
Arla Foods amba

**Jay Waldvogel**

Deputy Chairman of the GDP Board and Chair of Operational Committee  
Senior Vice President of Strategy and International Development, Dairy Farmers of America, Inc.

**Rick Smith**

Chief Executive Officer, Dairy Farmers of America, Inc.

**Theo Spierings**

Chief Executive Officer,  
Fonterra Co-operative Group Limited

**Cees t'Hart**

Chief Executive Officer,  
Royal FrieslandCampina

**Dr. Henrik Jørgen Andersen**

Head of Open Innovation,  
Arla Foods amba

**Dr. Jeremy Hill**

President, International Dairy Federation

**Jerry Kaminski**

Executive Vice President,  
Chief Operating Officer  
Industrial Foods,  
Land O'Lakes, Inc.

**Sarah Kennedy**

Managing Director  
Fonterra Nutrition,  
Fonterra Co-operative Group Limited

**Thierry Philardeau**

Head of Strategic Business Unit, Nestlé S.A.

**Frank van Ooijen**

Director Communications and Sustainability,  
Royal FrieslandCampina

**Communication and Scientific Advisory Board**

Advising GDP's leadership is the CSAB that consists of world-renowned nutritional health scientists, regulatory affairs and communication experts.

**Professor Arne Vernon Astrup**

Head of Department,  
Faculty of Life Sciences,  
University of Copenhagen

**Dr. Rob Beudeker**

Vice President Innovation,  
Human Nutrition and Health,  
DSM Nutritional Products

**Jean-Marc Delort**

Vice President,  
Head of R&D, Dairy Strategic Business Unit,  
Nestlé S.A.

**Cary Frye**

Vice President of Regulatory Affairs,  
International Dairy Foods Association

**Roger Hall**

Regulatory and Food Assurance Manager,  
Fonterra Co-operative Group Limited

**Dr. Joop Kleibeuker**

Secretary General,  
European Dairy Association

**Professor Frans J. Kok**

Director of the Division of Human Nutrition,  
Wageningen University

**Dr. Gregory Miller**

President,  
Dairy Research Institute

**Professor Tom AB Sanders**

Head of the Diabetes and Nutritional Sciences Research Division, Kings College London

**Jörg Seifert**

Technical Director,  
International Dairy Federation

**Global Dairy Platform Members**

(as of February 2013)

**Commercial Members**

Arla Foods amba, Denmark

Binggrae Co., Ltd.,  
South Korea

China Mengniu Dairy Company Limited,  
China

Clover Industries Ltd,  
South Africa

Dairy Farmers of America,  
United States

Dairylea Cooperative Inc.,  
United States

DMK Deutsches Milchkontor,  
Germany

Dairy Partners Americas,  
Brazil

Fonterra Co-operative Group,  
New Zealand

Glanbia Nutritionals,  
United States

Land O' Lakes, Inc,  
United States

Maryland & Virginia Milk Producers Cooperative Association,  
United States

Megmilk Snow Brand Co., Ltd,  
Japan

Meiji Co., Ltd.,  
Japan

Morinaga Milk Industry Co., Ltd,  
Japan

Murray Goulburn/MG Nutritionals,  
Australia

Nestlé SA,  
Switzerland

Royal FrieslandCampina,  
The Netherlands

Saputo Inc.,  
Canada

St. Albans Cooperative Creamery Inc.,  
United States

Swiss Valley Farms,  
United States

TINE SA,  
Norway

United Dairymen of Arizona,  
United States

**Associate Members**

CoBank,  
United States

NIZO Food Research,  
The Netherlands

Royal DSM N.V.,  
The Netherlands

Tetra Laval Group,  
Switzerland

**Non-Profit Members**

Australian Dairy Products Federation,  
Australia

Belgian Dairy Federation,  
Belgium

British Cheese Board/  
Dairy UK,  
United Kingdom

California Dairy Research Foundation,  
United States

Dairy Australia, Australia

Dairy Company Associations of New Zealand,  
New Zealand

Dairy Connect, Inc.,  
Australia

Dairy Council of California,  
United States

Dairy Council Northern Ireland,  
United Kingdom

Dairy Farmers of Canada,  
Canada

Dairy Industry Association of Australia,  
Australia

Dairy Innovation Australia,  
Australia

Dairy Management Inc.,  
United States

Dairy Nutrition Council,  
Finland

Dairy Processors Association of Canada,  
Canada

**Looking for the “The Whole Story”  
DVD or want to share the video?**



**Check it out on YouTube at  
<http://youtu.be/vaOsiDKIS6k>**

Dairy Research Institute,  
United States

Dairy UK,  
United Kingdom

DairyCo,  
United Kingdom

Danish Dairy Board,  
Denmark

Dutch Dairy Association,  
The Netherlands

Eastern and Southern  
African Dairy Association,  
Kenya

Embrapa Dairy Cattle,  
Brazil

European Dairy Association,  
Belgium

Gardiner Foundation,  
Australia

International Dairy  
Federation,  
Belgium

International Dairy Foods  
Association,  
United States

Irish Co-operative  
Organisation Society,  
Ireland

Israel Dairy Board,  
Israel

Japanese Dairy Industry  
Association,  
Japan

Korea Dairy Committee,  
South Korea

Korea Dairy Industries  
Association,  
South Korea

Korean Society of Dairy  
Science and Technology,  
South Korea

Lactea Brasil,  
Brazil

Milk Marketing (NSW)  
Pty. Ltd.,  
Australia

MilkPEP,  
United States

National Dairy Council,  
Ireland

National Milk Producers  
Federation,  
United States

Norwegian Dairy Council,  
Norway

Pan-American Dairy  
Federation,  
Uruguay

Polish Chamber of Milk,  
Poland

South African Milk Processors  
Organisation,  
South Africa

Swedish Dairy Association,  
Sweden

The Dairy Council,  
United Kingdom

**Global Dairy Platform  
Leadership Team**

**Donald Moore**  
Executive Director

**Dr. Cindy Schweitzer**  
Technical Director

**Jerreau Beaudoin**  
Communications Director

**Kathy Laning**  
Office Manager

Global Dairy Platform  
10255 W. Higgins Road, Suite 820  
Rosemont, Illinois, 60018-5616  
United States  
Phone: +1 847 627 3388  
Fax: +1 847 627 3380

[Info@globaldairyplatform.com](mailto:Info@globaldairyplatform.com)  
[www.globaldairyplatform.com](http://www.globaldairyplatform.com)

GLOBAL DAIRY PLATFORM leads the development of a collaborative, unified approach on common industry issues and the nurturing of innovative research so that consumers value milk and dairy products as naturally nutritious, enjoyable and an essential part of a healthy diet. Our membership of CEOs, executives and researchers from corporations, communication and scientific bodies work in partnership to align and support the dairy industry in the promotion of sustainable dairy nutrition.



**GLOBAL DAIRY PLATFORM**