



July 2025 DW - IDPC - UDC Joint Board Meeting Minutes

07/16/2025 8:00 AM MDT to 11:30 AM MDT

Marriott Salt Lake City Center | Olympus Ballroom | 220 South State St | Salt Lake City, UT

Meridian Dairy West Office | 743 N. Touchmark Ave. | Meridian ID 83642 84111

Attendees

Dairy West Board Members present:

Winfield Anderson, Daniel Buttars, Donnie De Vries, Deb Easterday Reeves, Chace Fullmer, Don Gaalswyk, Tom Kasper, Kim Korn, Jeff Lund, Siska Reece, David Roberts, Pete Wiersma

Dairy West Board Members absent:

None

IDPC Board Members present:

Devin Boehme, Pete Doornenbal, Don Gaalswyk, Holly Hull, Tom Kasper, Kim Korn, Jeff Lund, Paxton Robinson

IDPC Board Members absent:

Mike Siegersma

UDC Board Members present:

Kaleb Bateman, Daniel Buttars, Chace Fullmer, Chet Hansen, David Roberts, Sheila Sherwood, Trevor Wayment, Landon Wiser, Mitch Hancock

UDC Board Members absent:

None

Others present:

Steve Seppi, William Bokma, Lacey Papageorge, Rob Peterson, Tyler Fredericksen, Andrea Tinnesand, Shawna Hagerty, Eric Bastian, Celina Matuk, Jessica Schmitt, Scott Snelders, Deena Benson, Crystal Wilson, Heidi Martin, Jaclyn St. John, Hannah Langley, Anne Goetze, Ann Lokuta, Rick Naereabout, Preston Olsen, Jenny Nelson, Preston Roberts, Holly Hull, Braden Munk, Michael Brubaker, Logan Bown, Steve Doxey, Meghan Conrad, Allan Swainston, Beckie Swainston, Alan Branch, Lynn Keetch, Erica Louder, Andrew VanderWoude, Hank Hafliger, Ted Vander Schaff

Via Zoom -

Amy Corley, Celeste Piette, David Claiborne, Lana Smaciarz, Pamela Fry, Kaylee Schoefer, Crystal Quallio, Todd Leuthold, Jessica Hall, Gail Legaspi-Gaull, Heather Oldani

Call to Order

Dairy West Chairman Chace Fullmer called the Joint Dairy West Board of Directors, Idaho Dairy Products Commission, and Utah Dairy Commission meeting to order at 8:00 am MT.

Roll call for each Board was taken. At the time roll was called, a quorum was present for Dairy West Board of Directors, Idaho Dairy Products Commission, and Utah Dairy Commission.

The pledge was taken and an invocation given by William Bokma.

IDPC Designation of Heidi Martin as IDPC Acting Director and Ryan Sippie as Alternate Acting Director

Chairman Don Gaalswyk called for a motion to approve IDPC Resolution No. 2025-02 designating Heidi Martin as IDPC Acting Director and Ryan Sippie as Alternate IDPC Acting Director.

Idaho Dairy Products Commissioner Tom Kasper moved to approve IDPC Resolution No. 2025-02 designating Heidi Martin as IDPC Acting Director and Ryan Sippie as Alternate IDPC Acting Director. Idaho Dairy Products Commissioner Paxton Robinson seconded the motion. The motion passed unanimously.

Chairman Don Gaalswyk called for a motion to confirm the designation of Ryan Sippie as IDPC Acting Director Present at IDPC office at 743 N. Touchmark Avenue, Meridian, Idaho.

Idaho Dairy Products Commissioner Kim Korn moved to confirm the designation of Ryan Sippie as IDPC Acting Director Present at IDPC office at 743 N. Touchmark Avenue, Meridian, Idaho. Idaho Dairy Products Commissioner Robinson seconded the motion. The motion passed unanimously.

Approval of the Agenda

Chairman Fullmer called for any amendments to the Joint Dairy West, Idaho Dairy Products Commission, and Utah Dairy Commission meeting agenda and if none a motion to approve. Director Deb Easterday Reeves moved to approve the agenda without amendment. Director Siska Reece seconded the motion. The motion passed unanimously.

Introductions & Vision

Chairman Fullmer asked new Dairy West staff members to introduce themselves to the room. New staff members are Hannah Langley, Tyler Fredericksen, and Celina Matuk. He then introduced the new Dairy West CEO, Steve Seppi, to the room. Chairman Fullmer noted that many board members in the room had already met Mr. Seppi during the interview process and the decision to hire him was supported by a united Dairy West board. This change brings confidence and anticipation of transformative organization strategies and integrations, promising a collaborative future aimed at growth and unified efforts. Additional updates:

- New roles have been filled within Dairy West, including a manager of farmer relations tasked with overseeing safety training on dairy farms.
- Dairy West has started collaborating with Washington and Oregon, signaling significant changes in the coming months.
- Jenny Nelson (Strategic Advisor, Dairy West) was acknowledged for her substantial support to Dairy West and will continue as an advisor to the board during a transition period involving upcoming mergers.

Mr. Seppi shared his vision focusing on leadership and expansion across the region. Key insights included his involvement with marketing to reassure stakeholders and rebuild trust, the importance of collaboration, and his commitment to nurturing a value-grounded culture, reinforcing Dairy West's ambition to thrive collectively through strategic scaled investments and a larger share of voice for our farmers and industry. This vision included unifying Dairy West across a four-state region by 2026. Emphasizing efficiency, collaboration, and local identities, plans were laid for significant budget investments and governance changes. He emphasized collaboration, integration, and efficiency as Washington and Oregon join, ensuring local identities remain strong, while aiming for greater collective impact without losing individual producer priorities and market responsiveness across each market across the region. Priority investment areas for 2026 include export capacity, growth partnerships, omnichannel retail, research and innovation, centralized marketing, and health professional outreach.

The board discussed seat allocation adjustments in response to organizational expansion. Governance changes include expanding to 20 board seats with the integration of Washington and Oregon, and planning five board meetings with four annual in-person meetings, rotating among states. Considerations involved representation needs across states, referring to previous meetings and bylaws.

Governance discussions addressed Dairy West's bylaws and state laws, particularly about board member eligibility. Compliance requirements, such as public and processor member inclusion, were clarified,

especially for Oregon. Roles and responsibilities related to Idaho's legislative reporting underscored the organization's quasi-state agency framework.

Dairy Management Inc. (DMI) Unified Plan and Reputation Update

Heather Oldani (Group EVP, Head of Marketing Communications & Affair, DMI) and Gail Legaspi-Gaull (Group EVP, Head of Strategic Intelligence & Planning, DMI) presented the Unified Plan and Reputation Update to the room. The team emphasized maintaining alignment from past to future unified plans, with a goal of leveraging scale and resources efficiently. They aim to increase volume by an incremental 1 billion milk equivalent pounds over three years and strategized to drive industry perception with efforts focusing on impactful investments and influential engagement. The team also highlighted efforts to educate consumers on lactose intolerance and nutritional benefits. Strategies to emphasize dairy's health properties and engaging promotional campaigns were shared. Collaborations and formal content reviews, such as discussions with nutrition experts, are set to address emerging nutritional concerns and elevate consumer perceptions.

Key takeaways:

- The DMI team presented updates on the 2026-2028 Unified Plan, emphasizing the continuity from the previous 2023-2025 plan to promote a unified planning cycle across national, regional, and various entities.
- The unified plan aims to leverage scale and scope for efficiency with available resources.
- Three shared outcomes for the next planning cycle (2026-2028) were highlighted: driving volume, driving consumer perception, and building respect for the dairy industry. Driving volume was identified as the primary goal.
- The team is targeting 1 billion pounds of volume increase for beverage, cultured, and cheese products across U.S. Retail, U.S. Food service, and international partnerships/exports.
- Strategic focus is on driving scale and impact through partnerships, inspiring disruptive investments, and stimulating incremental usage and frequency of dairy products.
- The team is engaging in disruptive programs for domestic and international markets, focusing on industry engagements around food service and retail sectors with tailored dairy products.
- Strategies on health and wellness focus on advancing dairy's scientific credibility, elevating emotional resonance and relevance, targeting priority audiences such as teens and parents.
- The third shared outcome aims at gaining visible and vocal support from key opinion leaders and customers globally, emphasizing the U.S. Dairy industry's role in healthy, sustainable food systems.
- Strategies to earn support for U.S. Dairy focus on industry engagement, science, partnerships, and tracking opinion leaders' perceptions.

BUILD Dairy Update: Research & Workforce

Eric Bastian (Vice President of Stakeholder Development, Dairy West) updated the room on the BUILD Dairy program and shared its significant impact on the industry with alumni achievements and ongoing support for faculty amidst funding cuts. It outlined financial success, research projects, and initiatives for future external funding, showcasing the program's commitment to industry influence and academic collaboration. Mr. Bastian also announced his retirement to come at the end of June 2026.

- Financial report for the BUILD Dairy program indicates a \$5 million expenditure in 2024, leveraging \$3 million in Checkoff funds and \$2 million in co-funding from industry partners and federal grants.
- The BUILD Dairy program has started 30 new research projects and employed 29 new students in 2024, aiming to maintain a pipeline for future graduate students.
- There are 118 graduates from the BUILD program as of December 2024, with about 60% employed in the dairy industry, including notable hires by Glanbia, Tillamook, and Rogue Creamery.
- The BUILD program seeks to increase external funding, aiming for a possible shift to 60% processor funding through strategic partnerships, with recent involvement from companies like Sargento and Hilmar.
- Owen McDougal (Boise State University) secured a \$5 million NSF (National Science Foundation) grant for dairy, marking a significant external funding source for the BUILD program.

Innovation Center Discussion

Jenny Nelson, (Strategic Advisor, Dairy West) introduced a proposal for an Innovation Center to benefit dairy producers through R&D commercialization. The plan involves a cooperative structure, explores funding avenues, and seeks approval for budget reallocations. She highlighted a phased approach including business structure, market analysis, startup costs, and staffing.

Key takeaways:

- The Innovation Center will be organized as an agricultural cooperative with membership restricted to dairy producers. Initial members will be from Idaho and Utah, with future expansion opportunities to Oregon and Washington.
- A nominal \$100 buy-in is proposed for membership.
- The project involves forming a separate board of directors and a committee within Dairy West to oversee operations and legal compliance.
- Existing resources and centers will be leveraged to avoid unnecessary capital expenditure.
- Provisional patents and licensing of R&D outputs are identified as key revenue sources.
- The name 'Dairy Protein Institute' is suggested for the Innovation Center to differentiate it in the market.

Business Development

Scott Snelders (Director - Business Development, Dairy West), Deena Benson (Manager - Business Development, School Nutrition, Dairy West) and Rob Peterson (Manager - Business Development, Retail) gave an update on Business Development at Dairy West to the room. The business development team unveiled strategies for expanding Dairy West's key channels, partnerships, and consumer-centric initiatives. Pioneering efforts in school nutrition, retail, and export market initiatives were highlighted along with successful promotions to reinforce dairy consumption across diverse demographics and regional alignments.

Key takeaways:

- Dairy West is focusing on key channels like school nutrition and retail, with plans to expand into food service and export markets.
- There are plans to integrate with entities like the Idaho Beef Council and Utah Beef Council to drive sales through competitions and joint promotions.
- Dairy West aims to increase export partnerships with organizations like the Department of Agriculture to boost exports tied with state regions.
- An initiative is launched to support summer meal programs with educational components focused on dairy and nutrition.
- A pilot program in rural high schools offers a convenience store (C-Store) option to innovate school meals, significantly increasing participation by integrating online ordering.
- C-Store pilot results: 41% increase in breakfast participation, 19% in lunch, and 26% from online ordering.
- Dairy West promotes local foods in schools and retail, particularly focusing on Utah, gearing up for launch with various partnerships to enhance the Farm-to-School month.
- Local foods promotion aims to align school nutrition with retail visibility in Utah, offering incentives for schools to prioritize local purchases.
- Retail initiatives include partnerships with Walmart and Albertsons, aiming to boost local dairy product visibility and sales across Utah and Idaho.
- Dairy Fuels Adventure campaign launched during Dairy Month in June, focusing on multi-state promotion with partners such as Instacart and Albertsons Media Collective.
- Campaign drove \$8 in sales for each dollar invested, with strong New to Brand performance at 38%.
- Maverick stores executed a successful pilot promotion, offering a pint of milk with a free gourmet cookie. Resulted in high engagement across 854 stores and 31,000 redemptions in Idaho and Utah.
- Future promotions with Maverick will focus on breakfast burrito and pizza offerings.
- Quarterly organizational themes guide Dairy West's strategy, such as focusing on local messaging in Q3 utilizing insights into consumer preferences.
- In Utah, alternative marketing strategies are used for processors not qualified as Utah's own, highlighting Taste Local Utah messaging.

Q3 Organizational Theme

Ann Lokuta (Director - Insights & Innovation, Dairy West) shared with the board and commissions a pilot insights to activation concept that was done for the first time in 2025. Dairy West identified quarterly organizational themes to align with across the organization throughout the year. Identifying one unified topic encourages all of the areas of work across the organization to align messaging and program efforts to reach a greater collective impact. A heavy focus was on protein, lactose free education and lactose-free products. In Q2 there was a 15% increase in the region in lactose-free milk sales which is about double the national increase of 7%. Another focus has been telling the local story.

Farm Tour & Ag Tourism Grant Program Update

Lacey Papageorge (Manager - Farmer Relations, Dairy West) shared the Farm Tour & Ag Tourism Grant Proposal to the room. Dairy West aims to strengthen consumer trust through farm tours with an Ag Tourism Grant. This initiative, starting in 2026, will support farmers to host engaging tours. From grant allocations to innovative approaches for consumer outreach, the session spotlighted strategic plans to promote transparent consumer-producer interactions.

Key takeaways:

- A proposal is made for a farm tour and ag tourism grant aimed at supporting Dairy West farmers in hosting on-farm tours to enhance consumer trust and demand for dairy. The grant would start in 2026 and offer \$3,000 per year per farm.
- Eligibility requirements for the grant include being a Dairy West farmer, open to hosting tours, and bringing consumers to the farm.
- Grant recipients must submit a follow-up report detailing usage of funds and include images for accountability.
- Grant applications will be submitted through a Formstack form on the Dairy West website, evaluated by the farmer relations team.
- Participants discuss the approach that applications should be submitted in advance detailing planned activities for the year.
- The budget for the grant program will draw from farmer relations budget.

Dairy West Financial Update (March - May 2025)

Tyler Fredericksen (Controller, Dairy West) gave the financial report for Dairy West revealing positive progress with 58% of the budget remaining and key expenditure areas well within their limits. Stakeholder involvement and future strategies are aligned with financial goals to maintain operational efficiency and continued progress across various initiatives in 2025.

Chair and CEO Comments

Chairman Fullmer acknowledged guests attending via Zoom from related organizations: Todd Leuthold, Oregon Chair; Lana Smaczarz, Washington Chair; and Celeste Piette, Washington Interim CEO, expressing appreciation for their participation despite their remote presence.

Adjourn

Dairy West Chairman Fullmer called for a motion to adjourn the Joint Dairy West Board of Directors, Idaho Dairy Products Commission, and Utah Dairy Commission meeting. Director Pete Wiersma moved to adjourn the meeting. Director Deb Easterday Reeves seconded the motion. The motion passed unanimously.

The meeting adjourned at 11:49 am MT.

Additional Meeting Resources

Zoom video conferencing technology was employed and operational during the Joint Dairy West Board of Directors, Idaho Dairy Products Commission, and Utah Dairy Commission Meeting including at the Idaho Dairy Products Commission office, 743 N Touchmark Ave., Meridian, ID 83642. Kaylee Schoefer, Crystal Quallio, and Jessica Hall attended the meeting at the Meridian, Idaho offices. The meeting was recorded.

Chairman/Vice Chairman

Secretary