



IDFA Cheese Board Meeting

Thursday, October 8, 2020 | 3:00 – 4:30 p.m. ET

Presiding: Louie Gentine, Chair, IDFA Cheese Board | **Counsel:** Danielle Quist, IDFA

IDFA Staff Liaisons:

J. David Carlin, Senior Vice President, Legislative Affairs and Economic Policy

Joe Scimeca, Senior Vice President, Scientific and Regulatory Affairs

Meeting Notes

I. Welcome and Roll Call

Heather Soubra welcomed Executive Council and Segment Board members to the meeting. Soubra then conducted roll call with the following members in attendance:

Officers

Chair **Louie Gentine**, Chief Executive Officer, Sargento Foods, Inc.

Vice Chair **Doug Simon**, President, Agropur U.S. Operations

Directors

Troy Ammann, Vice President, Cheese Sales, Agropur U.S. Operations

Brian Baker, President/CEO, Baker Cheese, Inc.

Michael L. Brown, Director of Dairy Supply Chain, The Kroger Co.

Wilf Costello, Chief Commercial Officer, Cheese, Glanbia Nutritionals

Patrick Criteser, President and CEO, Tillamook County Creamery Association

Kurt Epprecht, Owner/Vice President, Cheese Quality & Dairy Policy, Great Lakes Cheese Co., Inc.

Jeff Gentine, President & CEO, Masters Gallery Foods, Incorporated

Bill Graham, CEO, Bel Brands USA, Inc.

Chris Hoeger, President, Prairie Farms Cheese Division, Prairie Farms Dairy, Inc.

Kim Parks, Vice President & General Manager, Dairy Food Ingredients, Dairy Farmers of America

Jim C. Sartori, Chairman of the Board, Sartori Company

Neal Schuman, President, Schuman Cheese

Doug Wilke, CEO, Valley Queen Cheese Factory, Inc.

IDFA Executive Council Members

David Ahlem, CEO & President, Hilmar Cheese Company, Inc.

Terry Brockman, Chief Business Officer, Saputo Dairy Division USA

Peter Cotter, General Manager, Cheese & Dairy, The Kraft Heinz Company

Douglas Glade, Executive Vice President, Commercial Operations, Dairy Farmers of America, Inc.

Jerry Kaminski, Chief Operating Officer, Land O'Lakes, Inc.

Tom Murphy, President, Brewster Cheese Company

Sue Taylor, Vice President, Dairy Economics & Policy, Leprino Foods Company

Gold Business Partner Representatives

Betsy Erdelyi, Managing Director, BMO Harris Bank

Brian Rice, Principal, Rice Dairy LLC

Guests

Dale Andersen, President & CEO, Delkor Systems, Inc.

Brad Anderson, President and CEO, California Dairies, Inc.

Anne Divjak, Vice President, Government & Industry Relations, DFA Dairy Brands

Crystal L. Dohner, Crystal Creamery

Nate Donnay, Director of Dairy Market Insight, StoneX Financial Inc. - FCM Division

Mike Durkin, President, Leprino Foods Company

Calvin Gregorich, Director of Ingredient Procurement and Sales, Grassland Dairy Products

Ralph Hoffman, Executive Vice President, Supply Chain & Risk Management, Schuman Cheese

Ted Jacoby III, President and CEO, T.C. Jacoby & Company, Inc.

Mary Ledman, Global Dairy Strategist, Rabobank

Cammie Muller, CFO, Aurora Organic Dairy

Mike Neu, Senior Vice President, Food Cultures & Enzymes, Chr. Hansen, Inc.

Pradeep Prabhala, Partner, McKinsey & Company

Caleb Robinson, Manager, Strategy and Execution, Saputo Dairy Division USA

Greg Schlafer, CEO, Foremost Farms USA

William Schneider, President, Schneider's Dairy, Inc.

NextGen Cohort 2 Members

Erika Bognar, Director, Food Safety, Sargento Foods Inc.

Christina Fiocchi, Project Management & Packaging Manager, Saputo Dairy Division USA

Trevor Fleege, Director - Dairy Commodities, Agropur U.S. Operations

Eric Fuhrmann, Division Change Management Lead, Saputo Dairy Division USA

Alison Krebs, Dairy Policy Senior Manager, Leprino Foods Company

Katsy Leeman, Sanitation Manager, Brewster Cheese Company

Andrew Pfister, Vice President, Procurement/Industrial Sales, Masters Gallery Foods, Incorporated

Bob Sarver, Director of Packaging Operations & Continuous Improvement, Great Lakes Cheese Co., Inc.

Kim Slack, Strategic Account Manager, TC Transcontinental Packaging, a division of TC Transcontinental Inc.

IDFA Staff

John Allan

Dave Carlin

Cindy Cavallo

Michael Dykes

Donald Grady

Matt Herrick

Neil Moran

Colin Newman
Danielle Quist
Becky Rasdall
Joe Scimeca
Heather Soubra
Josie Wagler
Tom Wojno

II. Antitrust Reminder

Danielle Quist read the antitrust statement explaining IDFA's antitrust policy as it governs their conduct at the meeting and all activities associated with IDFA.

III. Chairman's Remarks

Louie Gentine, Chair, IDFA Cheese Board, welcomed and thanked members for their continued participation and engagement.

IV. Strategic Priorities Review

IDFA Staff Liaisons Dave Carlin and Joe Scimeca reviewed the Strategic Priorities and gave an update to the board on each priority.

Standards

Dave Carlin updated the board on the advocacy team's work to secure additional funding for FDA standards modernization. He also provided a status report on the work of the economic policy committee and the Stephenson cost survey. He noted that additional data from sweet whey plants is needed before USDA will be able to release the results of the cost survey. Dr. Stephenson would also like to have more data submitted from 640# cheddar plants. Dave and Sue Taylor, the chair of IDFA's Economic Policy Committee, encouraged board members who have data in either of these categories to contact Dr. Stephenson so that the cost survey can be finalized.

Comments to FDA on Filtered Milk

Joe Scimeca reported that IDFA submitted written comments in conjunction with NMPF on FDA's proposal to amend the regulations to permit the use of fluid UF and MF milk in cheesemaking without requiring a labeling declaration other than "milk".

Swiss Cheese CID

Joe Scimeca shared that in collaboration with AMS, the IDFA regulatory team collected the necessary information and data required to develop a Commercial Item Description (CID) for Swiss Cheese that was lacking. AMS subsequently issued the CID that enabled the purchase of Swiss Cheese as part of the USDA Section 32 program, resulting the purchase of 1.6M lbs of Swiss Cheese at a value of \$5M.

Nutrition

Anticipating the release of the 2020-2025 Dietary Guidelines for Americans (DGA) in December, IDFA has had a multi-year effort to ensure that the recommendations align with IDFA's goals for dairy being part of a healthy diet. Upon release of the Dietary Guidelines Advisory Committee's scientific report in July, IDFA submitted written comments and provided oral testimony that included scientific evidence supporting our goals; however, the Advisory Committee did not support one of the goals and omitted science relating to the favorable health effects of dairy at all fat levels. IDFA has implemented a multi-pronged advocacy campaign that included letters from IDFA, Congress, and our members encouraging the agencies to adopt all the Advisory Committee's recommendations on the role of dairy in a healthy diet, and to reconsider the evidence supporting the positive health effects of dairy at all fat levels.

Natural Cheese

Dave also provided an update on the status of IDFA's efforts to pass a natural cheese bill, and Becky presented two options for the board's consideration on an AMS process verification standard or grading standard for "natural cheese". If we pursue an AMS option, it was agreed that we would do so on a parallel track with our legislative efforts. One member noted that if a process verification symbol for natural cheese is developed, how would it affect the market position of companies that make natural cheese but might not choose to use the symbol? In other words, would consumers perceive the absence of a natural cheese symbol to signify that the cheese in question is not a "natural cheese". Following board discussion, Dave said that the team would continue to work to flesh out the AMS options so that a more detailed proposal can be considered by the board at a future time.

USDA Cheese Purchases

Section 32 continues to provide regular opportunities for the purchase of a variety of cheese products, such as Cheddar, Mozzarella, and Process Cheese resulting in the awarding of contracts for 23M lbs of cheese valued at nearly \$60M. The USDA Farmers to Families Food Box Program continues to deliver food to underserved Americans, and each combo box contains 5-6 lbs of dairy products, including Cheddar, Swiss (as noted with the new CID), Pepperjack, Mozzarella, along with other hard, semi-firm, and semi-soft cheeses. Finally, mention was made of IDFA outreach efforts to USDA food nutrition programs, like Child Nutrition, SNAP, WIC, etc., to ensure that cheese and other dairy products remain available to those in need.

V. IDFA Vision for the Future

Pradeep Prabhala shared a brief review of the Vision for the Future, the process, meetings, and the charge given to IDFA's Vision for the Future Task Force to develop trends and scenarios. Dykes continued by identifying the dairy leaders who have volunteered to serve on the Task Force.

VI. New Business and Adjourn

Louie Gentine thanked members for an engaging discussion and adjourned the meeting.