

MINNESOTA'S DAIRY INDUSTRY: A FACT SHEET FOR BUSINESSES

KEY MINNESOTA RANKINGS



8th in Milk Production

9.5 billion pounds



7th Largest Dairy Herd

460,000 dairy cows



6th in Cheese Production

657 million pounds



8th in Milk Goats

12,000 head



4th in Total Value of Manufactured Dairy Products

\$5.0 billion



8th in Employment in Dairy Product Manufacturing

5,500 people



8th in Dairy Product Exports

\$190 million

Sources: Minnesota Dept. of Agriculture; U.S. Dept. of Agriculture; U.S. Census Bureau Annual Survey of Manufacturers; Minnesota Dept. of Employment and Economic Development

MAJOR DAIRY PRODUCT COMPANIES AND BRANDS

- **General Mills**, a Fortune 500 company, is a major producer of consumer dairy products, including Yoplait and Annie's yogurt.
- **Schwan's**, on Forbes' list of largest private companies, got its start in home food delivery services in 1952 delivering ice cream. It remains a major manufacturer and retailer of manufactured dairy products.
- **Land O'Lakes**, also a Fortune 500 company, ranks as the #1 retail butter brand in the United States.
- American **Dairy Queen**, headquartered in Minnesota, has over 6,000 locations in the United States, Canada, and 20 other countries, through the DQ system of franchisees.
- **Kraft Heinz** completed a more than \$100 million expansion of its New Ulm, Minn., cheese plant in 2017. The plant produces Velveeta, Kraft Deli Deluxe cheese slices and Handi Snacks cheese and crackers.

BROAD RANGE OF PRODUCTS

Minnesota's dairy product manufacturing industry produces a diverse range of products that include:

Fluid Milk

(Agropur, Dean Foods, Kemps, Land O'Lakes)

Butter

(Associated Milk Producers Inc., Hope Creamery, Land O'Lakes)

Cheese

(Bongards Creameries, First District Association, Kraft Heinz, Land O'Lakes, Le Sueur Cheese Co., Melrose Dairy Proteins)

Dry, Condensed and Evaporated Products

(Bongards Creameries, Dairy Farmers of America, Innovative Food Processors, Saputo Foods)

Ice Cream and Frozen Desserts

(Dean Foods, Kemps, Schwan's)

Industries that support dairy farmers and manufacturers

(Cargill, Relco, Tetra Pak Cheese and Powder Systems)

Sources: Minnesota Department of Agriculture; U.S. Department of Agriculture; U.S. Census Bureau Annual Survey of Manufacturers; Minnesota Department of Employment and Economic Development

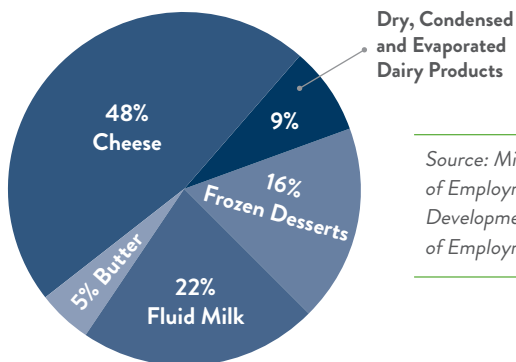
DAIRY PRODUCT MANUFACTURING FACTS

In 2016, the Minnesota dairy product manufacturing industry:

- Employed nearly 5,500 people, ranking 8th nationally
- Paid an annual average wage of \$56,000
- Consisted of 78 establishments with about two-thirds located in Greater Minnesota
- Was mainly composed of small establishments employing fewer than 100 people
- Had total sales of nearly \$5.0 billion (2016), ranking 4th nationally

Sources: Minnesota Department of Employment and Economic Development; U.S. Census Bureau Annual Survey of Manufacturers

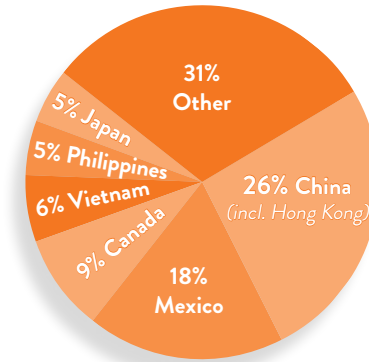
EMPLOYMENT DISTRIBUTION ACROSS DAIRY PRODUCT MANUFACTURING INDUSTRIES, 2016



Source: Minnesota Department of Employment and Economic Development, Quarterly Census of Employment and Wages

DAIRY EXPORTS

Minnesota exported \$190 million in dairy products in 2017 and ranked 8th among the states. Two export markets (China and Mexico) made up about 44 percent of Minnesota's dairy product exports.



Source: Global Trade Atlas

PLENTIFUL RESOURCES

Minnesota has world-class resources for dairy production and manufacturing.

- **The University of Minnesota Department of Animal Science** is home to industry experts in dairy cattle production, genetics, nutrition and organic dairy production. This includes distinguished faculty such as Dr. Les Hansen, a nationally recognized expert in dairy cattle breeding.
- **The Dairy Program Team** through the University's Extension Service provides on-farm research and statewide outreach programs designed to help producers and industry professionals make sustainable and profitable decisions.
- **Quality Count\$** is a statewide campaign to improve milk quality in Minnesota.
- **The Joseph J. Warthesen Food Processing Center** – a pilot plant – helps support the industry with process and product development.
- **The Midwest Dairy Foods Research Center** is a collaboration between dairy farmers and land-grant universities that's hosted by the University of Minnesota.
- **The Agricultural Utilization Research Institute**, with four locations around the state, partners with businesses and entrepreneurs to help develop new uses for agricultural products through science and technology.