



U.S. Dairy Overview



Fulfilling Customer Needs from Farm to Table

With an ample and rising milk production capacity and competitive, sustainably produced product portfolio, the U.S. dairy industry is well positioned and eager to fulfill the world's expanding appetite for dairy. Throughout the supply chain, from farm families and milk processors to product and ingredient manufacturers, the U.S. dairy community is fully invested in being a long-term global supply and innovation partner that drives customers' business forward.

U.S. DAIRY FARMING TODAY

Advantageous land and resources, along with the adoption of modern and environmentally conscious farming practices, secure the United States' position as the world's largest producer of cow's milk. The United States has 9 million cows, which collectively produce over 100 million metric tons of milk. Milk production per cow exceeds 10,000 kilograms annually, with this leading efficiency making for a comparatively small environmental footprint.

Most U.S. dairy farms are family-owned and operated. With generations of experience, U.S. dairy farmers know that healthy, well-tended cows fed

a nutritious diet consistently produce high-quality milk more efficiently. U.S. dairy farmers work closely with animal nutritionists and veterinarians to identify the right mix of feed ingredients to meet cows' nutritional requirements. In turn, the cow is a recycler of nutrients, and the cow's powerful digestive system utilizes these dietary nutrients to produce wholesome, high-quality milk. Minimal season-to-season variance in feed quantity and nutrient composition ensures a steady milk supply throughout the year, in contrast to the cyclical volume typical of dairy cows that graze, as is more common in some parts of the world.



DID YOU KNOW

- In the United States, milk is produced across geographically diverse regions fostering a steady, year-round and resilient supply.
- U.S. milk production in 2022 has nearly doubled since 1970 despite a 25% decrease in dairy cows, reflecting a growing and increasingly efficient milk supply.
- U.S. milk production has topped 100 million MT since 2020. That's more than triple the volume of New Zealand and Australia combined.
- U.S. dairy suppliers are investing in future production growth, with coast-to-coast investments in new and expanded facilities set to increase production of cheese, whey and more.

Source: U.S. Department of Agriculture



U.S. Dairy Industry

Accelerating Customers' Growth

AMPLE GROWTH CAPACITY

The United States has the land, infrastructure and technological resources in place to continue expansion of milk production and dairy product offerings. U.S. milk production's upward growth trajectory assures global customers a reliable, long-term source of sustainably produced dairy products. This steady future milk and dairy production growth capacity sets the United States apart from constraints that other milk-producing regions experience.

Moreover, this rising growth capacity is backed by the assurance of rigorous quality and safety standards. From stringent farm sanitation to state-of-the-art food manufacturing technology, the U.S. dairy community carefully controls conditions to deliver world-class products and ingredients to customers. Individual farmer and processor efforts are supplemented by rigorous government oversight to further protect consumers.

The U.S. dairy community is committed to and enthusiastic about fulfilling customer needs around the world.



SUSTAINABLE SUPPLY

With ample natural resources, unmatched farm efficiency, strong dedication to the environment and a highly regulated food system, U.S. dairy offers a sustainable supply of products to help nourish a growing global population.



LASTING PARTNERSHIPS

U.S. dairy farmers, suppliers and institutions are focused long term on deepening global customer ties and evolving our world-class product portfolio to meet and exceed diverse market needs.



ACCELERATED GROWTH

U.S. dairy can help accelerate customers' business success by delivering innovation solutions while supporting sustainable food systems.

WORLD-CLASS PRODUCT PORTFOLIO

Continuous investments in research and innovation, combined with a long, rich heritage of skilled craftsmanship, support the United States' consistency in delivering high-quality dairy products and ingredients. Here's a sampling of the ever-widening U.S. dairy product portfolio.



CHEESE

The United States is the world's largest manufacturer and exporter of cheese, producing more than 1,000 delicious varieties. This includes European-style selections such as cheddar and mozzarella alongside American Originals such as Monterey Jack, Colby and cream cheese. International competitions place U.S. specialty cheeses among the best in the world with consistent top honors for flavor, body and appearance.



MILK POWDER

The United States leads the world as a single-country producer and exporter of nonfat dry milk/skim milk powder, and has ramped up capacity to deliver various powder options that meet customers' diverse specifications.



WHEY INGREDIENTS

U.S. whey suppliers produce a wide array of ingredients, from sweet whey to whey protein concentrates and whey protein isolates, to meet varying needs for protein levels, functional properties and other specifications.



MILK PROTEIN

U.S. manufacturers have become increasingly specialized in the production of milk protein concentrates and isolates offering a variety of functional benefits. Micellar casein concentrate is also in production and commercially available.



PERMEATE

The United States is the world's leading producer and exporter of permeate. U.S. whey and milk permeates are versatile ingredients, creating attractive new opportunities to enhance flavor, reduce sodium and lower costs in a variety of food products.



LACTOSE

A track record as the world's largest producer and exporter makes the United States a trusted, go-to lactose source for feed, food and pharmaceutical uses.



BUTTER AND MILKFAT

The sweet taste and creamy texture of "Made in USA" butter enhances flavor and texture in a multitude of applications.



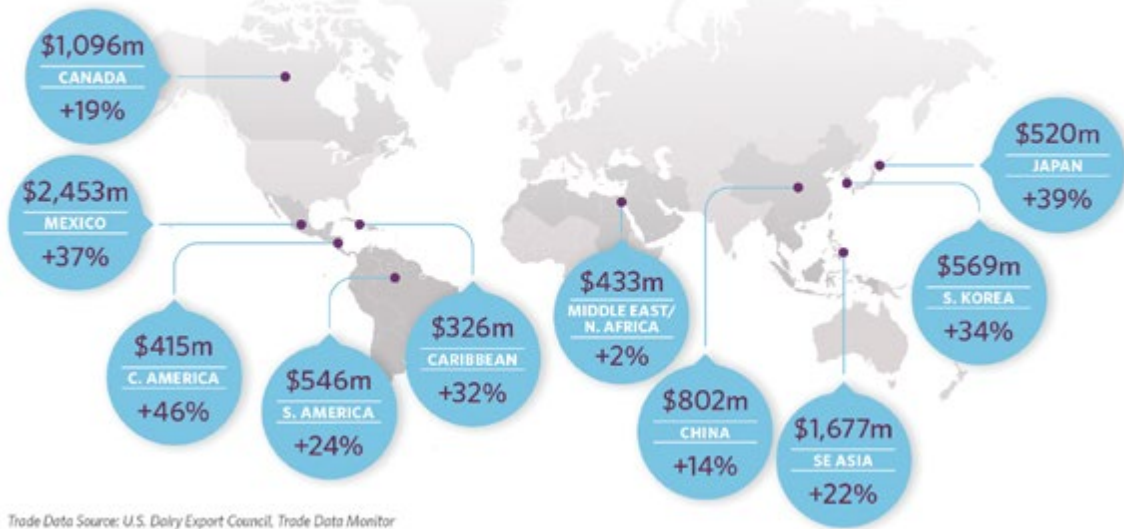


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Top 10 U.S. Dairy Export Markets (2022 vs. Prior Year)



RISING GLOBAL PRESENCE

The dedicated American dairy farmer and processor communities reach far beyond U.S. borders. The U.S. dairy industry today has embraced global markets and emerged as a leading dairy supplier worldwide. Today, one in six tankers of milk leaving American farms is turned into products sold overseas.

U.S. dairy suppliers today are attuned to global customers' needs, with sales efforts increasingly supported by offices and representatives around

the world. The industry is also fully invested in delivering a product portfolio that meets the selection, specifications and packaging global customers seek.

The result has been a sharp upward trajectory in exports. This steady export growth reinforces the United States' long-term commitment to collaborative partnerships with global customers.

Count on U.S. dairy to drive your business forward. ■



GET IN TOUCH

USDEC is your dedicated resource for everything U.S. dairy.

As a springboard for customer and end-user success, we can help identify new opportunities for your growth with U.S. dairy.

To learn more and find a USDEC representative near you, go to ThinkUSAdairy.org/global-presence.

