

# 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

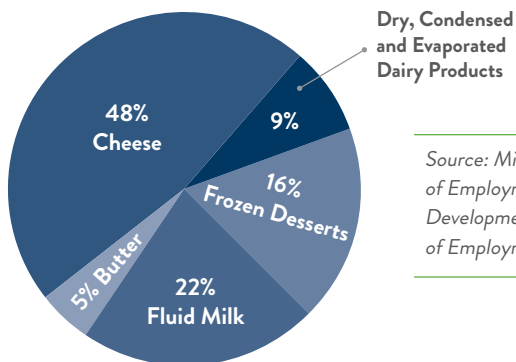
## DAIRY PRODUCT MANUFACTURING FACTS

In 2016, the Minnesota dairy product manufacturing industry:

- Employed nearly 5,500 people, ranking 8<sup>th</sup> 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 4<sup>th</sup> nationally

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

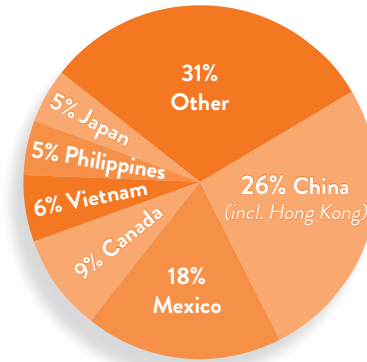
## EMPLOYMENT DISTRIBUTION ACROSS DAIRY PRODUCT MANUFACTURING INDUSTRIES, 2016



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 8<sup>th</sup> 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.