

Whitewashed

How Industry and Government Promote Dairy Junk Foods





EXECUTIVE SUMMARY

The United States is in the midst of a public health epidemic due to poor diet. While much of the focus has been on obvious culprits such as sugary soft drinks and fast food, dairy foods often get a pass. The dairy industry, propped up by government, has convinced us of the health benefits of milk and other dairy products. But the context of how people consume dairy matters. This report shines a light on the shifting patterns of consumption away from plain milk toward dairy products laden with sugar, fat, and salt.

Report Findings

Dairy Consumption Patterns

- Consumption of milk as a beverage has decreased nearly 50 percent since 1909
- About half of all milk is consumed either as flavored milk, with cereal, or in a drink
- Nearly half of the milk supply goes to make about 9 billion pounds of cheese and 1.5 billion gallons of frozen desserts--twothirds of which is ice cream
- Cheese is the single largest source of saturated fat in the diet
- 11 percent of all sugar goes into the production of dairy products

Government Support for Dairy

• The federal government mandates the collection of industry fees for "checkoff programs" to promote milk and dairy

- USDA employees attend checkoff meetings, monitor activities, and are responsible for evaluation of the programs
- Checkoff money is not supposed to be used for lobbying but USDA gave \$2.1 million to the U.S. Dairy Export Council, which lobbies for dairy products overseas
- The U.S. Supreme Court has upheld the legality of the checkoff programs as "government speech", finding: "the message ... is controlled by the Federal Government"

Fast Food Promotion Despite Checkoff Being for "Generic" Marketing

- McDonald's has six dedicated dairy checkoff program employees at its corporate headquarters who work to ensure that dairy plays an important role in McDonald's product development
- The dairy checkoff program helped Taco Bell introduce its double steak quesadillas and cheese shreds, which resulted in a four percent increase in the chain's dairy sales
- The dairy checkoff program helped Pizza Hut develop a 3-Cheese Stuffed Crust Pizza and the "Summer of Cheese" ad campaign
- Between 2009 and 2011, Dominos benefitted from a \$35 million partnership with the dairy checkoff program, resulting in the company adding more cheese, with other pizza makers following their lead
- Domino's "Smart Slice" program brought the pizza to more than 2,000 schools in 2011, with help from the checkoff program

Dairy Junk Foods in Schools

- 70 percent of milk consumed in schools is flavored
- USDA's milk checkoff program promotes "Chocolate Milk Has Muscle" and "Raise Your Hand for Chocolate Milk" campaigns to defend chocolate milk
- Industry leader Dean Foods' TruMoo is a popular brand sold in schools; one serving of TruMoo strawberry milk = 21g of sugar
- Milk checkoff materials were used to change the mind of one school official who was planning to remove flavored milk
- The checkoff-supported "Fuel Up to Play" program contains health messaging that is contradictory to federal dietary advice
- Fuel Up to Play promotes chocolate milk in schools as a way for children to "Fuel Up" with protein and vitamins

Misleading Health Claims by USDA Checkoff Program Recipients

- "Cheese can fit into almost any eating plan"
- "Process cheese is made from natural cheese"
- "Cheese contributes essential nutrients for good health"
- "Studies show that when chocolate milk is not an option in the school meal line, many kids don't drink any milk at all. That means they completely miss out on essential nutrients they need to think, learn and grow"
- "Chocolate milk is the perfect balance of vitamins, minerals, carbohydrates and protein—a combination that can't be found in any other beverage"
- "What's more important: a small amount of added sugar, or missing out completely on a powerful package of nutrients?"

Recommendations

The federal government should stop mandatory assessments of the dairy industry and put an end to the dairy checkoff program. At a minimum:

- 1) Checkoff funding should not promote dairy junk foods that conflict with dietary guidelines or health programs
- 2) Checkoff funding should not promote name brands such as Domino's "Smart Slice" pizza in schools
- 3) Checkoff funding should not promote sugary milk in schools
- 4) Checkoff funding should not be used for the "Fuel Up To Play 60" program in schools due to questionable benefits
- 5) The federal government should closely review checkoff recipients' materials to avoid deceptive or questionable nutrition and health claims
- 6) The federal government should conduct better oversight to ensure checkoff money is not used for lobbying

In Addition:

- 7) The federal government should not allow dairy junk foods to be approved as "Smart Snacks" in schools
- 8) The federal government should not allow sugary milk in school
- 9) The Women's Infants and Children's Program should not be exploited by the dairy industry to allow sugary yogurts
- 10) State governments such as New York State should stop subsidizing yogurt companies such as Chobani

INTRODUCTION

The United States is in the midst of a public health epidemic due to poor diet. While much of the focus has been on obvious culprits such as sugary soft drinks and fast food, dairy foods often get a pass. The dairy industry, propped up by government, has convinced us of the health benefits of milk and other dairy products. But the context of how people consume dairy

The assumption that eating dairy is essential has created a blind spot when it comes to criticizing unhealthy forms of dairy.

matters. This report shines a light on the shifting patterns of consumption away from plain milk toward dairy products laden with sugar, fat, and salt.

This report is not concerned with the debate over whether or not dairy is essential to the diet, or if an excess of dairy consumption contributes to disease. Rather, the focus is on the promotion of specific unhealthy dairy products and the government's role in supporting dairy industry campaigns. For example, this report examines government's promotion of fast food brands and other questionable partnerships that

undermine national public health goals and contravene federal dietary advice.

Switch From Plain Milk to Dairy Junk Foods

It is no secret that the production and consumption of fluid milk has declined steadily over the years. Data from the U.S. Department of Agriculture (USDA) shows that per capita consumption of fluid milk (i.e., milk as a beverage) has decreased nearly 50 percent since 1909. Americans are now far less likely to drink a glass of milk with lunch or dinner than they were a generation ago.

About half of all fluid milk is consumed as a plain milk beverage, while the other half is consumed either as flavored milk, with cereal, or added to a drink.² But this decline in fluid milk consumption has been offset by an increasing demand for other dairy products. According to the USDA, only one-third of the milk supply is used to

About half of all fluid milk is consumed as a plain milk beverage, while the other half is consumed either as flavored milk, with cereal, or added to a drink.

Each year, nearly half of the milk supply goes to make about nine billion pounds of cheese and 1.5 billion gallons of frozen desserts-two-thirds of which is ice cream.

produce fluid milk and cream products. The other two-thirds is used to manufacture a range of dairy products—especially cheese, frozen dairy products, and yogurt.

Each year, nearly half of the milk supply goes to make about nine billion pounds of cheese and 1.5 billion gallons of frozen desserts—two-thirds of which is ice cream.³ The growth in consumer demand for cheese, frozen dairy products, and yogurt is influenced by changes in consumer tastes and product innovation; (for

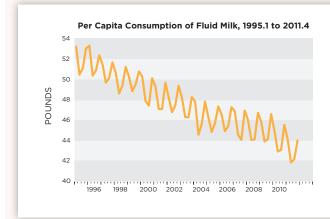
example, the introduction of flavored milks, different types of dessert and fruit yogurts, and reduced-fat cheese varieties). But the biggest factor driving the dramatic rise in demand for these and other dairy products is the dairy industry's multi-million dollar marketing effort aimed at convincing consumers that dairy is a health food.

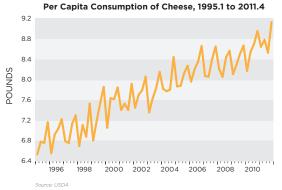
Most of the processed cheeses, frozen desserts, and yogurt industry promotes as health foods nutritionally qualify as junk foods. And while major food conglomerates reap sky-high profits from the sales of "junkified" processed dairy products, they do so at the expense of public health.

Dairy contributes to some of the biggest health concerns we face today:

 Dairy is one of the top sources of added sugar and saturated fat,⁵ which lead to cardiovascular disease⁶ among other health problems

As Milk Consumption Declined, Cheese Consumption Increased





Source: United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture.

- Dairy foods are also among the top sources of sodium⁷, which can lead to high blood pressure, another risk factor for cardiovascular disease⁸
- Cheese is the number one source of saturated fat, topping beef⁹
- Milk is the third largest source of saturated fat¹⁰
- Taken together, milk desserts, milk drinks, and yogurt make dairy the fifth largest source of added sugar¹¹

The federal government plays an important role in the promotion of dairy—from wielding authority over the dairy industry's

"checkoff" program to subsidizing school food programs. The dairy industry can be expected to heavily promote its products; but when the government steps in, we must ask critical questions about taxpayer funds being spent to support advertising campaigns that harm public health. Meanwhile, the government also spends significant resources on developing and promoting dietary guidelines to help Americans eat right. Are collaborations with the dairy industry undermining the government's own health-promotion messages and public health goal to prevent diet-related diseases?

Contribution of the top sources of added sugars

| Source of added sugars | Total intake |
|--|--------------|
| Soft drinks, soda | 33% |
| Candy, sugars and sugary foods | 19.5% |
| Cakes, cookies, quick bread, pastry, pie | 14.4% |
| Fruit drinks and -ades | 11% |
| Dairy (milk desserts, milk drinks, yogurt) | 8.2% |

Contribution of the top sources of saturated fat

| Source of saturated fat | Total intake |
|--|--------------|
| Cheese | 16.5% |
| Beef | 8.5% |
| Milk | 8.3% |
| Other fats and oils | 8.2% |
| Frankfurters, sausages, luncheon meats | 6.9% |
| Cakes, cookies, quick bread, pastry, pie | 6.1% |
| Margarine & butter | 5.8% |
| Milk desserts | 5.1% |

SOURCE: Huth, 2003-2006, Major food sources of calories, added sugars, and saturated fat and their contribution to essential nutrient intakes in the U.S. diet: data from the national health and nutrition examination survey.

DAIRY CHECKOFF PROGRAM

Government-Sanctioned Marketing

The federal government supports research and promotional programs for many agricultural crops and foods—also known as "checkoff programs." The idea is to provide support for a commodity product using generic slogans without referring to specific brands. Agricultural producers finance these programs by paying mandatory assessments on a per-unit basis. Well-known examples of mass-marketing checkoff program campaigns include "Beef. It's What's for Dinner" and the ubiquitous "Got Milk" ads featuring celebrities and athletes sporting milk mustaches.

According to industry, the dairy checkoff program is intended to promote dairy consumption and protect "the good image of dairy farmers, dairy products and the dairy industry." The program collects mandatory assessments from dairy producers of 15 cents on every hundredweight (one twentieth of a ton) of milk sold or imported.

The industry's checkoff program is quite effective at promoting dairy products, as measured by its high return on investment. For example, checkoff efforts helped sell more than **7 billion additional pounds of milk in 2011 alone.**¹⁵

In 2011, checkoff program assessments totaled \$104.6 million for fluid milk and \$98.4 million for other dairy products.¹⁶

From 1995 to 2011, checkoff promotional activities¹⁷ resulted in a:

- 5.8 percent increase in fluid milk consumption
- 2.8 percent increase in cheese consumption
- 1.4 percent increase in butter consumption
- 2.4 percent increase in all dairy products, based on fat

USDA's Primary Role in Checkoff Programs

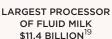
The USDA Agricultural Marketing
Service's Dairy Programs have oversight
responsibilities for the Dairy and Fluid
Milk Boards. The Dairy Board governs
the National Dairy Promotion and
Research Program, which promotes dairy
products generally, while the Fluid Milk
Board governs the National Fluid Milk
Processor Promotion Program, which
only promotes fluid milk.

USDA staff responsibilities over the Dairy Programs include¹⁸:

- Nominating and appointing Board members
- Reviewing and approving board budgets, promotional materials, and advertising campaigns
- Ensuring that the Boards and promotional programs are administered properly

"Dairy Aisle Reinvention" - Partnering with Big Dairy (sales figures for 2012)







LEADER IN FROZEN PIZZA AND ICE CREAM \$10.5 BILLION²⁰



LEADER IN CHEESE \$18.3 BILLION²¹



LEADER IN YOGURT \$1.3 BILLION²²

The dairy checkoff program, aimed at increasing overall demand for and consumption of dairy products, has strategic partnerships with retailers and manufacturers to increase department sales by an estimated \$1 billion.²³ This "Dairy Aisle Reinvention" project was conducted from 2006 to 2009 with supermarket retailers with funding from leading manufacturers such as Dannon, Kraft, and Nestle. According to the USDA²⁴:

This program intended to support the introduction of innovative dairy products, reduce clutter and enhance traffic flow in the supermarket dairy aisle, increase shopper engagement, and as a result, to increase total dairy category sales. More specifically, dairy products were arranged based on meal occasion to increase the time shoppers spent in the dairy section, to enhance purchase frequency and to increase category sales. As a result of this program, space allocated in the aisle was expanded and the benefits of dairy products were communicated to the consumer. Also, different ways to use dairy products were explained and recipes were made available to encourage purchases.

- Attending Board and Committee meetings
- Independently evaluating the Board's promotional programs

Even though USDA is not supposed to support or endorse specific companies or brands, it partners with a number of fast-food chains through the checkoff program. It also gives money to lobbying groups, thereby freeing up funding for an activity that is otherwise not allowed with checkoff dollars.

The dairy checkoff money is managed by Dairy Management Inc. (DMI) with USDA

oversight. DMI is the major umbrella organization for the checkoff program; it manages the National Dairy Council and the American Dairy Association, founded the U.S. Dairy Export Council, the Innovation Center for U.S. Dairy, and the Dairy Research Institute.²⁵

Checkoff money is not supposed to be used for lobbying but in 2001, the USDA's Foreign Market Access Program gave \$2.1 million to the U.S. Dairy Export Council²⁶, whose mission is to promote and lobby for increased U.S. dairy products overseas.²⁷

"USDA employees
attend all Board
and Committee
meetings, monitor all
Board activities, and
have responsibility
for obtaining an
independent evaluation
of the programs."

- USDA ON DAIRY CHECKOFF 28

Checkoff Legal Challenges

Checkoff programs have faced a number of legal challenges over the last seventy years in federal and state courts, mostly objecting to the mandatory assessments as violating producers' free speech rights.²⁹
The Center for Individual Freedom sums up farmer concerns about the constitutionality of checkoff programs:³⁰

America's farmers and ranchers are being forced to pay hundreds of millions of dollars annually to mandatory assessment programs, or checkoffs, for so-called 'generic' advertising. The Center believes that these types of mandatory checkoff programs violate the First Amendment, which exists, in part, to prevent the government from compelling individuals to subsidize the expression of certain views with which they may disagree.

These legal challenges are important because an argument is often made that the checkoff program is separate from government because the funding comes from industry.³¹

Indeed, the Dairy Board is made up of, and its activities are funded by, private dairy producers. However, the government's own justification for the mandatory fee collection, along with the Supreme Court's opinion in these cases, defy that position.

In 2004, a federal appeals court actually declared the dairy checkoff program unconstitutional because it forces farmers to pay for the promotion of dairy products even though it may not be in their interest. The case was brought by independent dairy farmers with 150 cows on about 200 acres of land in Pennsylvania. They engaged in a number of farming practices that they believed resulted in a cleaner environment, healthier cows, and superior milk.³² They objected to paying for generic dairy commercials because it did not reflect their business model.

In response, according to the appeals court: "the government argued that the generic dairy advertising subsidized under the Dairy Act constitutes 'government speech' and is therefore immune from First Amendment scrutiny" and that the Dairy Act is a form of economic regulation." The appeals court did not buy the government's argument; finding that the checkoff program violated the dairy farmer's First Amendment rights because "the government may not compel individuals to fund speech or expressive associations with which they disagree." 33

But this decision was overruled in 2005, when the U.S. Supreme Court made a highly controversial ruling that checkoff programs qualify as "government speech," and therefore cannot

violate producers' First Amendment rights.³⁴ Whether or not this was the "correct" decision from a public policy standpoint, the Supreme Court made numerous powerful statements about USDA's role in checkoff programs that contradict the privately-funded marketing campaigns spin.

Given the legal justification of the checkoff program as "government speech", the question becomes, why is the USDA promoting such unhealthy dairy products in the midst of a public health epidemic of diet-related diseases?

Checkoff Money Used for Lobbying?

Farmer and animal advocacy groups have filed several lawsuits claiming that checkoff money is improperly being used to fund lobbying activities that influence government policy.

In 2012, a group of small farmers filed a federal lawsuit against the beef checkoff program claiming that millions of checkoff dollars were given to the National Cattlemen's Beef Association, which is primarily a lobbying and policy group. The farmers' suit asserted that this organization would lobby on behalf of large agricultural interests and not have the interests of small farmers in mind.³⁵

In 2013, an independent pig farmer joined the Humane Society of the United States in filing a lawsuit against the Secretary of Agriculture claiming that the pork checkoff program illegally diverted \$60 million in pork producers' money from marketing and promotion to lobbying efforts intended to influence government policy and promote legislation that would

Supreme Court Ruling: Government Controls Checkoff

"The message of the promotional campaigns is effectively controlled by the Federal Government itself"

- U.S. SUPREME COURT RULING ON BEEF CHECKOFF

While the Supreme Court's decision was about beef, the following specific parts of the court's decision also applies to dairy based on the dairy checkoff legislation:³⁶

- The message...is from beginning to end the message established by the Federal Government
- Congress has directed the implementation of a "coordinated program" of promotion, "including paid advertising"
- Congress and the Secretary have set out the overarching message and some of its elements
- Officials of the Department also attend and participate in the open meetings at which proposals are developed

"The government sets the overall message to be communicated and approves every word that is disseminated."

- U.S. SUPREME COURT RULING ON BEEF CHECKOFF

harm small farmers and scuttle animal welfare reforms.³⁷ While a federal court

dismissed this lawsuit,³⁸ the Humane Society has filed an appeal.³⁹

Dairy Checkoff Promotes McDonald's

"No other supplier [besides dairy] has this kind of presence at McDonald's."

- DAIRY MANAGEMENT INC.40

Dairy Management Inc.'s full-time partnership with McDonald's between 2009 and 2011 yielded an additional 1.7 billion pounds of dairy sales⁴¹ in the form of desserts, yogurt, specialty drinks such as frappés and ice cream drinks, and cheese.⁴² The partnership's goal was to sell an additional three billion pounds of dairy between 2012 and 2014.

The partnership runs so deep that McDonald's has six dedicated dairy checkoff program employees at its corporate headquarters, including dairy scientists and other experts who work on behalf of dairy farmers, to help ensure that dairy plays an important role

in McDonald's product development.⁴³

This successful partnership has led to an additional 27 new dairy-based products on McDonald's menu.⁴⁴ For example, the dairy



industry brags that the McCafé line of coffee drinks contains up to 80 percent milk.⁴⁵ One such drink, the **Frappé Chocolate Chip Shake, contains 530 calories and 67g of sugar.**⁴⁶

DAIRY CHECKOFF PROMOTING CHEESE

Fast Food Checkoff Partners

The USDA brags about the success of partnerships between fast food companies and government while defying the legal mandate that the checkoff programs promote dairy in a "generic" fashion.

Furthermore, by promoting the unhealthiest menu items at fast-food restaurants, the USDA contradicts the government's own public health goals.



The dairy checkoff program helped Taco Bell introduce its double steak quesadillas and cheese shreds, which resulted in a four percent increase

in the chain's dairy sales by volume. In 2014, Taco Bell launched a dairy-based breakfast menu which is expected to increase its dairy sales by five percent. The checkoff program has provided a number of resources to Taco Bell, including two on-site dairy scientists at its corporate headquarters.⁴⁷



In 2002, a partnership between the checkoff program and Pizza Hut led to the "Summer of Cheese" advertising campaign.⁴⁸ In

2013, the checkoff program helped Pizza Hut develop a 3-Cheese Stuffed Crust Pizza, the first permanent new pizza product to be added to Pizza Hut's menu in almost two decades.⁴⁹



Perhaps the dairy checkoff program's most significant partnership with a fast-food restaurant has been with Domino's Pizza, which enjoys

about 10 percent of the quick-serve pizza industry's market share. Between 2009 and 2011, Dairy Management Inc. spent more than \$35 million on this partnership.⁵⁰

This proved to be a highly successful relationship. Domino's used more cheese on pizzas, introduced new specialty cheeses into its recipes, and added new lines of pizza. This led other pizza companies to follow Domino's lead by also adding pizza lines that used more cheese, which shows how the checkoff program has industry-wide impacts beyond the dollars spent on any one partnership.⁵¹

The checkoff program measures its success in terms of "benefit cost ratio," for which the USDA calculates "demand enhancing relationships for fluid milk, cheese, butter, and all dairy products attributed to the checkoff program to derive an estimate of the change in consumption."⁵² From 2009 to 2011, the partnership with Domino's resulted in a benefit-cost ratio for cheese of 7.7 to 1 — that is, more than seven dollars returned in sales for every dollar spent on the program.⁵³ This demonstrates how the checkoff program's promotional activities actually increase demand for dairy junk food. In other words, these programs work.

Government-Approved Pizza in Schools

The dairy industry is working hand-in-hand with school districts to create what they call "healthy viable options" for students. In 2011, the Dairy Board partnered with Domino's Pizza to develop a line of "kid-approved" pizzas that use light and reduced-sodium ingredients. The Smart Slice school program brought this new pizza to more than 2,000 schools.⁵⁴

"We worked with Domino's Pizza to go in and reduce the total fat and sodium and increase the amount of cheese used." 555

- DAIRY MANAGEMENT INC. ON GETTING DOMINO'S "SMART SLICE" INTO SCHOOLS WITH USDA CHECKOFF FUNDS

The dairy industry has used this program as a model to be followed for efforts to keep flavored milk in schools. Barbara O'Brien, of Dairy Management Inc., called the Smart Slice program a "perfect example" of how the dairy industry works with schools, saying "that same proactive approach is important now with flavored milk...".⁵⁶

As of 2013, Domino's Smart Slice program continues to grow, adding 33 new school districts, with the company boasting how they meet the new USDA school lunch nutrition standards. New flavors added include: BBQ Smokehouse, Cheezzilla, Pacific Coast Veggie, Kick'n Chicken, and Hawaiian Hot Lava, which features sliced ham, smoked bacon, pineapple, hot sauce, jalapeños, and lite mozzarella.⁵⁷



National Frozen Pizza Institute: Pizza is Good for You

The National Frozen Pizza Institute's "Myths and Facts" sheet aims to convince people that cheese is healthy. Their "facts" include claims such as:

- Cheese is a high-quality food providing valuable nutrients...and continues to be a part of a healthy eating plan
- Pizza contributes many essential nutrients to children's diets particularly teens
- Pizza is among the top four sources of calcium, protein and fiber in the U.S. diet

Yet they conveniently leave out the fact that cheese and pizza are the number one and number two sources of saturated fat in the American diet.⁵⁸

SOURCE: http://www.affi.org/assets/resources/public/nfpi-myths-and-facts.pdf

CHEESE HEALTH CLAIMS FACT CHECK

with Registered Dietitian Andy Bellatti

To justify its presence as a staple in the American diet, the dairy industry goes out of its way to make a number of questionable health claims. We asked Registered Dietitian Andy Bellatti to fact check some of these claims.

The National Dairy Council, a recipient of checkoff money, is one of the leading marketers of dairy spin. For example, the NDC makes the following misleading claims about cheese:⁵⁹

_

CLAIM: "Cheese can fit into almost any eating plan – from the Dietary Guidelines for Americans general population recommendations and many of its meal plans to the Dietary Approaches to Stop Hypertension (DASH) diet and other meal plans such as diabetic, Mediterranean, plant-based, vegetarian, gluten-free and low-lactose, among others. Natural cheese is made with four simple ingredients and process cheese is made from natural cheese."

REALITY: "Process cheese" (AKA Velveeta) is high in sodium, so it cannot fit into the DASH diet. Also, the fact that "process cheese" is made from natural cheese is akin to saying that Froot Loops are made from natural wheat. But the problem with both process cheese and Froot Loops is what additives and ingredients are tacked on.

CLAIM: "Cheese contributes essential nutrients for good health to the U.S. diet, including calcium, phosphorus, protein, vitamin A and zinc."

REALITY: Yet cheese doesn't offer an ounce of fiber, which the average American does not get enough of.

_

CLAIM: "Sixteen percent of teenagers and 26 percent of adults are reducing or not eating meat in their diets and both are looking for additional sources of protein."

REALITY: Considering that protein is in vegetables, grains, beans, nuts, and seeds, highlighting cheese is both unnecessary and deceptive.

YOGURT: HEALTH-WASHED DESSERTS

Yogurt has seen the most growth of any dairy product in recent years, with production skyrocketing by 400 percent over the last three decades. According to industry analysts, this surge in production is driven largely by the idea of yogurt as a health food and a rich source of calcium and protein.⁶⁰

The popularity of high-protein Greek yogurt in the U.S. has led to wider consumer interest in the protein content of dairy foods, leading many yogurt makers to position yogurt as a high-protein, high-nutrient food. But, yogurt manufacturers don't mention that many of their products also contain high amounts of added sugar.

Sweet Mystery: How Much Sugar is in Your Yogurt?

The top five flavors of yogurt in the U.S. are: strawberry, blueberry, vanilla, peach, and plain. Berry flavors have been in the lead for three years, and currently account for 13.5 percent of yogurt sales. ⁶² Given that the top four yogurt flavors are other than plain, people are consuming large quantities of sugar along with their yogurt.

Because the Food and Drug Administration only requires total sugars to be listed in the nutrition facts panel, it can be confusing to know how much added sugar is in each product. Some

Top Money Makers in Sugary Yogurt, 2012-13

The companies leading the \$4.2 billion yogurt industry are Dannon, General Mills, and Chobani. Together, they account for 65 percent of the industry's revenues.⁶³

| Company | Total Yogurt Revenue | Sugar in Typical Product |
|----------------------|----------------------|---|
| DANNON | \$1.3 billion | 24g (Blueberry) ⁶⁴ |
| GENERAL MILLS | \$958 million | 26g (Yoplait French Vanilla) ⁶⁵ |
| CHOBANI GREEK YOGURT | \$530 million | 27g (Vanilla Chocolate Chunk) ⁶⁶ |

sugar occurs naturally from the dairy and with fruit flavors, from the fruit. So we reached out to each of the three top selling yogurt companies to ask if they disclosed the amount of added sugar. Neither General Mills or Chobani responded. Here is part of the emailed reply from Dannon's vice president of corporate affairs: "What is important is the total amount of all sugars consumed. From all sources!...FDA requires listing the total sugar on the nutrition facts panel so we follow that for what to disclose."

In fact, the FDA has recently proposed to require companies to break out added sugars on the Nutrition Facts panel, but we can expect industry to fight that idea, especially given the lack of transparency by the three leading yogurt makers.

New York State Propping Up Chobani

In 2012, with the intention of subsidizing New York's growing Greek yogurt business, State Senator Chuck Schumer proposed the



Dairy Augmentation for Increased Retail in Yogurt products Act (DAIRY). If signed into law, it would have used taxpayer money to pay farmers for increasing milk production, to help supply the increasingly popular Greek yogurt, which requires more milk to produce than regular yogurt.⁶⁸

In 2013, Senator Schumer also joined Chobani, the country's largest manufacturer of Greek-style yogurt, in lobbying the USDA to subsidize Greek yogurt in school lunches. Chobani spent at least \$80,000 on

Chobani Defends Deceptive Claims in Court

"Only natural ingredients. No artificial flavors or sweeteners."

- CHOBANI

In May 2012, California consumers filed a lawsuit against Chobani for labeling its products with "All Natural" and "Only Natural Ingredients" when the products contain artificial ingredients, flavorings, colorings, and chemical preservatives. ⁶⁹ The lawsuit also alleges that Chobani is misbranding its products by labeling sugar as "evaporated cane juice," and representing it as "a natural type of unrefined sweetener" when in fact, evaporated cane juice is just sugar. The Food and Drug Administration has specifically warned companies not to use the phrase "evaporated cane juice" as a euphemism for sugar because it is false and misleading.

There's nothing special about dairy farmers that makes them uniquely worthy of a special subsidy.

- SLATE'S MATTHEW YGLESIAS

lobbyists and worked closely with Senator Schumer to convince the USDA to launch a pilot program adding Greek yogurt to the school lunch menu in New York, Arizona, Idaho, and Tennessee. While this effort is supposedly "beneficial for the health of our kids," it is clear that the economic benefits to New York State and Chobani were major motivating factors for both the company's and Senator's involvement.⁷⁰

According to Kenneth Smith, executive director of the Cornell Cooperative Extension of Chenango County, "Before Chobani, the dairy industry was perceived to be dying – a historical legacy and the least interesting agricultural effort in New York State...When Chobani came, it was like 'We need more milk,' and all of the sudden dairy became an important part of New York's future. This lightbulb goes off, and (politicians) realize this is a really huge moneymaking business."

Yogurt Promotion to Women, Infants, and Children

The Special Supplemental Nutrition Program for Women, Infants, and Children (also known as WIC), is another major promotional target of the dairy industry. The dairy checkoff-supported National Dairy Council, for example, has produced a health education kit dedicated exclusively to increasing the role of dairy in WIC.⁷²

Also, given that lactose intolerance is higher amongst communities of color, and that a disproportionate number of WIC participants are Hispanic and African-American⁷³, the National Dairy Council makes a concerted effort to convince those populations not to worry about lactose intolerance.⁷⁴

Making matters worse, USDA's new rules for the WIC program allow a significant amount of sugar in yogurt, up to 40g per 8-oz serving.⁷⁵ According to Marion Nestle, "plain yogurt is already sweet. It contains 16 grams of lactose sugar in 8 ounces. The [new] rules allow for an additional 24 grams of sugar per 8 ounces—6 teaspoons!"⁷⁶



YOGURT HEALTH CLAIMS FACT CHECK

with Registered Dietitian Andy Bellatti

Dannon makes the following misleading health claims about yogurt.⁷⁷

CLAIM: "Most yogurts contain several nutrients that are lacking in the American diet, including calcium, vitamin D and potassium."

REALITY: Calcium is also plentiful in dark leafy greens, chickpeas, and almonds. Vitamin D is in yogurt because it is fortified – meaning it is no different from taking a supplement. It is also supplemented in dairy alternatives. Using Vitamin D as a reason to eat dairy is like recommending people eat Lucky Charms to get iron in their diet (another nutrient that is only there via fortification). Dairy products do contain potassium – but leafy greens, avocados, potatoes, sweet potatoes, and lentils contain more potassium per serving. Most yogurts also contain added sugar, whereas other foods that naturally offer calcium and potassium don't.

CLAIM: "For those who are lactose intolerant, milk avoidance is a major obstacle for obtaining adequate calcium, vitamin D, and some high-quality source of protein."

REALITY: Avoiding dairy is only a major obstacle to obtaining adequate amounts of calcium because the average American diet is lacking in plant-based sources of calcium. The issue isn't that there isn't enough calcium in non-dairy foods; rather, it's that the average American doesn't consume enough of those foods.

Again, dairy products only contain vitamin D because they're fortified – but so are dairy alternatives like soy milk. By "high-quality" source of protein, industry is referring to foods with a complete amino acid profile (i.e., foods that contain all 9 essential amino acids). Not only do some plant-based foods (e.g., hemp, soy, and quinoa) offer all 9 essential amino acids, but this is a moot point because as long as all 9 essential amino acids are consumed in the entirety of a day, the body is able to function properly.

GOVERNMENT PROMOTING SUGARY MILK

The fluid milk sector of the dairy industry is more than a little concerned about continued declines in consumption.

Alternative milk beverages made from soybeans, almonds, even hemp are creeping into cows' milk sales.⁷⁸

As a result, the dairy industry encourages fluid milk consumption in creative ways. For instance, it promotes the drinking of milk with added sugar by euphemistically

Flavored milk is a \$1 billion category

calling it "flavored milk" – while a more accurate name for this product would be sugary milk. Milk naturally contains some sugar in the form of lactose, so it is already sweet. Adding sugar only makes it more so, and turns milk into yet another sugar delivery system that harms American's health. Indeed, flavored milk is a \$1 billion category at retail.⁷⁹

MilkPEP to the Rescue

The National Fluid Milk Processor Promotion Program (MilkPEP) is a checkoff-funded organization led by a 15-member board that is monitored by the USDA. According to the USDA's 2011 Report to Congress, the program is "designed to educate Americans about the benefits of milk, increase milk consumption, and maintain and expand markets and uses for fluid milk products."80

MilkPEP promotional efforts have included targeting schools through its "Chocolate Milk Has Muscle"⁸¹ and "Raise Your Hand for Chocolate Milk" campaigns to defend chocolate milk against efforts to remove it from schools.⁸²

Since 2012, MilkPEP has also spent \$15 million a year on its Refuel campaign, which promotes chocolate milk as a postworkout recovery beverage for athletes.⁸³

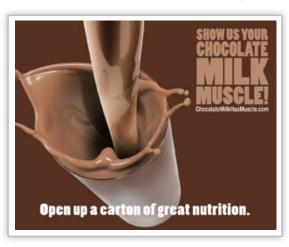
A 2011 survey conducted for MilkPEP, the National Dairy Council, and the School Nutrition Association showed that school milk volume declined for a third year in a row.⁸⁴ The report's tone is markedly worried, and includes such statements as "the pulling back on flavor availability in a portion of the schools resulted in a loss

70 percent of milk consumed in schools is flavored

of 12.3 million gallons of milk," and that "school use of MilkPEP posters/banners declined ... for the fourth year in a row."85

No wonder industry is worried, given that 70 percent of milk consumed in schools is flavored, and that milk consumption drops by 35 percent when flavored milks are removed. 86 Also, school milk sales comprise seven to eight percent of total U.S. fluid milk sales, which are already declining. As Barbara O'Brien, senior executive vice president of Dairy Management Inc. notes, "That's a sizable and important piece of business. Those sales are crucial to lifelong dairy consumption and keeping people positively inclined to our products and our industry." Considering these trends, it's no wonder that the dairy industry works so hard to keep sugar-flavored milk in schools.

With 23.2 percent of the market share of flavored milk in grocery stores, Dean Foods is the largest processor and distributor of fluid milk in the U.S.⁸⁸ But they are also a leading supplier of flavored milk, ice cream, and other dairy products. In 2012, the company's net sales totaled \$11.4 billion – of which eight percent (almost a billion dollars) came from TruMoo, which is the number-one brand of flavored milk — three times the size of its next competitor.⁸⁹ TruMoo can be found in retail stores, fast food restaurants, and numerous schools across the country.⁹⁰



Schools with flavored milk bans:91

Los Angeles Unified School District
Minneapolis School District
District of Columbia School District
Boulder, Colorado School District
Berkeley Unified School District
11 elementary schools in Oregon

Schools Under Pressure to Curtail Sugary Milk

Despite aggressive industry marketing, many school districts have considered eliminating flavored milk due to concerns over children's health.

The Wisconsin Milk Marketing Board (WMMB) promotes the "Chocolate Milk Has Muscle" campaign, designed to warn people of the "nutritional consequences" of removing flavored milk from schools. This advertising effort asks, "If chocolate milk is taken out of schools, then what will kids drink?"92 Yet the beverages that it compares chocolate milk to include unhealthy choices such as cola, energy drinks, sport drinks, and fruit punch.93 The campaign's website contains a sample letter that nutrition professionals can send parents to reassure them that, despite their concerns, chocolate milk is a good nutritional choice.94 Although the campaign directs to WMMB's website, many of these materials are likely used nationwide, as indicated by the "Got Milk?" and "MilkPEP" logos adorning many of them.95

These tactics can succeed at keeping sugar-flavored milk in schools. For



example, the superintendent of Winston-Salem/Forsyth County schools was convinced that banning chocolate milk was a good idea, but decided to leave the issue alone after he got "a whole lot more information" from advocates of chocolate milk in schools. Parents contacted the superintendent, as well as the school board members, with information about the nutritional benefits of flavored milk, such as vitamins A and D and calcium, and the fear that students would stop drinking milk altogether if flavored milk was banned.98 This is essentially the same rhetoric the dairy industry uses in its promotional materials to keep flavored milk in schools.

- 19 percent of school nutrition directors are facing pressure to reduce or eliminate flavored milk
- 31 percent said they are facing more challenges and questions about flavored milk, which often mirrors their own opinions⁹⁹

Sometimes industry even gets schools to reverse previous decisions to eliminate the sugary milk. For example, in Cabell County, West Virginia, schools decided to reinstitute chocolate milk at the recommendation of state officials. The County of Fairfax in Virginia also brought flavored milk back into its schools after their dairy provider replaced high-fructose corn syrup (HFCS) with beet sugar. They made this decision despite the fact that beet sugar is no healthier than HFCS.

Sugar and Dairy: Powerful Partners

That some players in the dairy industry lobby along side the sugar industry demonstrates the importance of the relationship between these two industries.

For example, the International Dairy Foods Association (IDFA), a global industry lobbying group, is a proud member of the Coalition for Sugar Reform and has worked with them to reform sugar policy in the farm bill.¹⁰¹ IDFA also teamed up with the Sweetener Users Association to co-host the 2014 International Sweetener Colloquium, the sugar industry's "premier meeting" where major issues facing the global sweetener industry are discussed once a year.¹⁰²

This partnership is not surprising given that, according to the IDFA, 11 percent (605,866 tons) of all sugar goes to dairy products.¹⁰³ And sugarcane harvesting is one of the top-selling sectors to the dairy industry.¹⁰⁴

11 percent of all sugar production goes to dairy



SUGARY MILK HEALTH CLAIMS FACT CHECK

with Registered Dietician Andy Bellatti

The following claims are made by the Wisconsin Milk Marketing Board: 105

_

CLAIM: "Studies show that when chocolate milk is not an option in the school meal line, many kids don't drink any milk at all. That means they completely miss out on essential nutrients they need to think, learn and grow."

REALITY: The essential nutrients the dairy industry keeps coming back to time and time again are calcium, vitamin D, and protein. Yet they fail to mention that these nutrients are all available in other foods, and the only reason that milk contains vitamin D is because it is required by food fortification laws.

CLAIM: "Chocolate milk is the perfect balance of vitamins, minerals, carbohydrates and protein—a combination that can't be found in any other beverage."

REALITY: The idea of a "perfect balance" is made up by the dairy industry. The same "perfect balance" claim could be made about the nutrient composition of nuts, beans, broccoli, or potatoes. Other foods containing these same nutrients also offer fiber and phytonutrients. In contrast, dairy contains no fiber or phytonutrients whatsoever.

CLAIM: "Compared with white milk, 8 oz. of lowfat chocolate milk adds only 35 calories and 9 grams of sugar to a child's diet."

REALITY: Per American Heart Association guidelines, children ages 4 to 8 should consume no more than 12 grams of added sugar per day. So a single 8-ounce glass of chocolate milk contains more than their entire daily recommended sugar intake.¹⁰⁶

CLAIM: "What's more important: a small amount of added sugar, or missing out completely on a powerful package of nutrients?"

REALITY: Not only is 12 grams of sugar not a small amount, but when each sector of the food industry (flavored milk, sugary cereals, juice, confectionary) makes claims about their "small contribution" to daily sugar intake, what is left out is that most children consume many, if not all, of those foods on a daily basis. And, considering that this "powerful package of nutrients" is available without added sugar tacked on, why encourage children to consume healthy nutrients in a sugar-laden vessel?

TARGETING SCHOOLCHILDREN TO EAT DAIRY JUNK FOODS

As the dairy industry attempts to reverse the decline in plain fluid milk, schools are a major focal point for milk promotion. The federal government has subsidized milk for schoolchildren since the 1940s, when plain milk became integrated into the National School Lunch Program.¹⁰⁷ Since then, plain milk consumption has declined, and as discussed above, flavored milk is promoted in schools to get children to continue drinking milk. Also, as mentioned above, the dairy checkoff program promotes Domino's Pizza in schools as a healthy option for kids. This section describes additional ways the dairy industry lobbies the government to sell dairy junk foods in schools.

Playing Politics with Schoolchildren

Given the media storm that erupted in 2011 when Congress declared pizza a vegetable, it should come as no surprise that the food industry meddles in school food policy. Recall how the American Frozen Food Institute successfully lobbied Congress to upend a sensible proposal by USDA to limit the role of pizza on the National School Lunch Program. Congress essentially hijacked the USDA regulatory process to do the pizza industry's bidding. (Obviously the cheese lobby was happy with that outcome too.)

Then in 2013, the International Dairy Foods Association made sure that the

USDA's proposal to improve the nutrition of snack foods in schools included plenty of dairy-friendly language.
Actually it was a pretty easy sell. From IDFA's comments:¹⁰⁹

"Milk, yogurt, cheese, dairy snacks and frozen dairy desserts are all options that can be nutritious and tasty choices for kids. We are pleased that the proposed rule intends to increase children's consumption of dairy products."

Then IDFA celebrated when the USDA capitulated to its lobbying and went soft on issues such as added sugar, touting how the industry "worked diligently to reformulate the foods and snacks that kids enjoy, including flavored milk, yogurt, cheese and ice cream, to provide more options in schools."

Dairy was given elevated status as one of the major food groups that school snacks must contain as the first ingredient — quite a coup given how much junk food will now qualify for that coveted category.

The National Milk Producers Federation was also thrilled with the outcome, specifically celebrating the following products with dubious nutrition benefits:¹¹¹

- Fat-free flavored milk
- · Reduced-fat cheeses
- Yogurt, "subject to a sugar limit (35% by weight) that should facilitate dairy consumption"
- Entrees, such as pizza

The sugar threshold was an especially huge victory for the dairy industry, which pushed for a 35 percent limit by weight versus by calories because the former is more lax. The industry complained that it's too hard to make dairy products that are low in both fat and sugar. But



as registered dietitian Andy Bellatti explains, this very high sugar limit allows products like YoCrunch yogurt with M&Ms topping to pass muster.¹¹² The USDA also set no limit on sugar or calories at all for fluid milk, only

a portion cap. (Flavored milk can only be fat-free says USDA.) Bellatti said he finds this "very problematic" and that:

The absence of sugar guidelines for flavored milk would allow an 8oz serving of chocolate milk containing 5 teaspoons of added sugar (20 grams). The American Heart Association recommends that children ages 4-8 should consume no more than 3 teaspoons of added sugar a day. Most 8oz servings of chocolate milk contain anywhere from 2-4 teaspoons of added sugar.

The dairy industry also successfully lobbied the USDA to allow fortification of school snacks (most milk is fortified with Vitamin D, a "nutrient of concern" according to the feds) and artificial sweeteners, which the industry euphemistically calls "non-nutritive sweeteners".

Fuel Up with Dairy

Fuel Up to Play 60 (FUTP60), the largest in-school health and wellness program in the U.S.¹¹³, was jointly created by the National Dairy Council and the National Football League.¹¹⁴ Active in more than 73,000 schools,¹¹⁵ it enjoys \$50 million annually from checkoff money (or \$250 million over a five-year period)¹¹⁶ and aims to combat childhood obesity through physical activity and nutrition.¹¹⁷

One of the program's "success stories" features a school in West Fargo, North Dakota, which put up posters promoting dairy week, distributed free Greek yogurt samples, and gave out yogurt bars for correct answers to their dairy trivia game.¹¹⁸

Many of FUTP60's nutritional brochures were created by the National Dairy Council and promote chocolate milk consumption as a way for children to "Fuel Up" with protein and vitamins. So we asked registered dietitian Andy Bellatti for his take on their health claims.

Fueling Up with Dubious Nutrition Advice?

By Andy Bellatti

One significant concern with FUTP60 is that it utilizes weight loss as its framework, and not only ties that in with physical activity but also with dairy products. Yet the evidence linking physical activity to weight loss is extremely weak, and the latest research has shown that overall fitness matters more from a health standpoint than weight.

Not only is there no evidence that dairy helps with weight loss, but many of the products pushed in the literature contain added calories – empty ones, at that – from added sugar.

What about the Dietary Guidelines for Americans (DGA), which the Fuel Up To Play 60 literature cites as science-based advice that it takes into schools? The Dietary Guidelines make the following statements:¹¹⁹

- 1) "Consume more of certain foods and nutrients such as fruits, vegetables, whole grains, fat-free and low-fat dairy products, and seafood"
- 2) "Consume fewer foods with sodium (salt), saturated fats, trans fats, cholesterol, added sugars, and refined grains"

Talk about contradictory and inaccurate nutrition messaging. Just looking at these two statements, the only thing that the Dietary Guidelines truly recommend from a dairy standpoint (though this recommendation is not terribly explicit) are fat-free and low-fat dairy products without added sugar that are also low in sodium. It's fair to extrapolate that information based on the fact that the guidelines explicitly recommend less



TATES CREEK ELEMENTARY SCHOOL, LEXINGTON, KENTUCKY.

consumption of foods with sodium (some cheeses contain a fair amount), saturated fats (again, think cheese), and cholesterol (which applies to all dairy products).

At the very least, chocolate milk and flavored yogurts would certainly not be recommended under the DGA since they contain added sugars, yet FUTP60 features flavored milks front and center.

Ultimately, the DGAs simply point to calcium, potassium, and vitamin D as lacking from the American diet. The dairy industry likes to use that as the basis

for trumpeting their products, but it's important to keep in mind that:

- 1) Calcium can be obtained from non-dairy sources
- 2) Potassium is abundant in plant-based foods: the reason that Americans are deficient in it isn't because potassium is hard to come by, but because the American diet is so low in whole, plant-based foods
- 3) Vitamin D is fortified in non-dairy milks at the same levels as it is in milk

Therefore, these three "nutrients of concern" can be easily obtained without consuming an ounce of milk, cheese, or yogurt.

What about the "fueling up" aspect of Fuel Up To Play 60? Above all, children are simply moving their bodies; they are not engaging in professional athlete-level exercises. Therefore, the concept of fueling up (AKA "consume calories") is hyperbolic.

From a sports nutrition standpoint, foods that are used to "fuel up" for exercise are carbohydrate-rich ones that are easy to digest (like fresh fruit, oats, and yams).

Then there are the claims about the importance of breakfast; specifically how studies show that students who eat breakfast perform better on standardized tests. While that is true, all of the studies cited by FUTP60 simply compared breakfast eaters to non-breakfast eaters. There is absolutely no data demonstrating that a breakfast with dairy is in any way superior for performance than one without dairy.

Protein is an important nutrient for brain function, but milk does not own exclusive rights to that nutrient.

In its education materials, FUTP60 defines "nutrient-rich foods" as fruits, vegetables, whole grains, and low-fat and fat-free dairy products. (Oddly, however, beans, nuts and seeds – also nutrient-rich – are not included). Categorizing yogurt – most of which is a sugar-carrying vessel – and cheese along with fruits, vegetables, and whole grains is nutritionally inaccurate because, unlike dairy, fruits, vegetables and whole grains contain fiber as well as healthful antioxidants and phytonutrients.

As a bonus, fruits, vegetables, and whole grains offer nutrients not found in dairy, like vitamin K, manganese, and vitamin C. Vitamin K, for example, has been shown to increase bone mineral density and lower osteoporotic fracture rates. The best sources of vitamin K include kale, spinach, beet greens, chard, broccoli, mustard greens, and collards. Kale, broccoli, mustard greens, and beet greens are also excellent sources of calcium. While these three nutrients play vital roles in bone health, the dairy industry's informational materials conveniently leave out this important tidbit.

The dairy industry is doing everything in its power to associate its products with health, weight loss, wellness, and children's performance in school. Fuel Up to Play 60 is a marketing campaign hiding behind a veneer of nutrition science.

CONCLUSIONS AND RECOMMENDATIONS

At a time when our nation is suffering from an epidemic of diet-related health problems, we cannot allow whitewashing by the dairy industry to continue. The assumption that eating dairy is essential to the diet has obstructed our ability to criticize federal government support for unhealthy forms of dairy.

The large and powerful players in the dairy industry are the masters of spin. For decades, lobbyists and marketers have promoted milk as "nature's perfect food." But consumption patterns have shifted away from plain fluid milk to highly processed forms of dairy that are little more than vessels for salt, sugar, and fat. Whatever nutrients dairy products may contain are outweighed by the detrimental impacts of these and other additives. Moreover, healthier alternatives abound.

The promotion of dairy products in schools is especially troubling, where children are a captive audience and greatly influenced by the foods served there. That's why the dairy industry wants to maintain its strong presence in schools, despite local and federal efforts to improve the nutritional quality of school food.

Dairy Checkoff Undermines Health

It's time to stop dancing around the federal checkoff programs by pretending they are privately-funded. As this report demonstrates, federal government administers, oversees, and approves almost every aspect of the dairy checkoff program. These funds are used to promote junk foods, which contribute to the very diseases our federal government is allegedly trying to prevent.

"The meat and dairy industries can do what they like with their own money.

The public power of taxation should be used for the public good."

- PARKE WILDE, ASSOCIATE PROFESSOR, FRIEDMAN SCHOOL OF NUTRITION SCIENCE AND POLICY, TUFTS UNIVERSITY Does it make sense to tell Americans to avoid foods high in salt, sugar, and saturated fat, while engaging in the promotion of those same foods?

In response to the claim that the dairy checkoff is industry-funded, the Supreme Court has put that argument to rest. Here is how Parke Wilde, a food economist at Tufts University put it: "If the checkoff programs were not government programs, the government would not be allowed to support them using the power of taxation, and the Supreme Court would have ended them." 120

Wilde also calls on the government to stop undermining public health:

Congress should either: (a) stop having the federal government enforce the checkoff assessments, or (b) expect that the checkoff messages serve our stated public-health goals at a time when healthcare costs are threatening to bankrupt the government.

Whether or not the dairy checkoff ever benefitted the public is highly questionable. But in its current form, the program only serves the economic interests of the largest industry members at the expense of public health. Moreover, the program is in direct conflict with both the federal government's own dietary advice, as well as various federally-funded programs to reduce diet-related chronic disease.

In addition, as this report demonstrated, much of the nutrition advice promoted by dairy checkoff recipients is dubious at best and deceptive at worst.

Recommendations

The federal government should stop mandatory assessments of the dairy industry and put an end to the dairy checkoff program. Barring this, at a minimum:

- 1) Checkoff funding should not promote dairy junk foods that conflict with federal dietary guidelines or public health programs
- 2) Checkoff funding should not promote name brands such as Domino's "Smart Slice" pizza in schools
- 3) Checkoff funding should not promote sugary milk in schools
- 4) Checkoff funding should not be used for the "Fuel up To Play 60" program in schools due to its dubious benefits
- 5) The federal government should more closely review checkoff recipients' marketing and educational materials to avoid potentially deceptive or questionable nutrition and health claims
- 6) The federal government should conduct better oversight to ensure checkoff money is not used for lobbying

In Addition:

- 7) The federal government should not allow dairy junk foods to be approved as "Smart Snacks" in schools
- 8) The federal government should not allow sugary milk in school
- 9) The Women's Infants and Children's Program should not be further exploited by the dairy industry to allow sugary yogurts
- 10) State governments such as New York State should stop subsidizing yogurt companies such as Chobani.

REFERENCES

- 1. "Why Are Americans Consuming Less Fluid Milk? A Look at Generational Differences in Intake Frequency," *United States Department of Agriculture* (2013). http://www.ers.usda.gov/media/1118789/err149.pdf
- 2. Sebastian RS, Goldman JD, Wilkinson Enns C, LaComb RP. Fluid Milk Consumption in the United States: What We Eat In America, NHANES 2005-2006. Food Surveys Research Group Dietary Data Brief No. 3. September 2010. http://ars.usda.gov/SP2UserFiles/Place/12355000/pdf/DBrief/3 milk consumption 0506.pdf
- 3. "Dairy: Background," *United States Department of Agriculture Economic Research Service*. http://www.ers.usda.gov/topics/animal-products/dairy/background.aspx#.Utmi1dLTmim
- 4. Neville, A. (2013) IBISWorld Industry Report 31151. Dairy Product Production in the US. Retrieved December 20, 2013 from IBISWorld database.
- 5. Huth et al.: Major food sources of calories, added sugars, and saturated fat and their contribution to essential nutrient intakes in the U.S. diet: data from the national health and nutrition examination survey (2003–2006). Nutrition Journal 2013 12:116.
- 6. Hooper L, Summerbell CD, Thompson R, Sills D, Roberts FG, Moore HJ, Davey Smith G. Reduced or modified dietary fat for preventing cardiovascular disease. Cochrane Database of Systematic Reviews 2012, Issue 5. Art. No.: CD002137. DOI:10.1002/14651858.CD002137.pub3.
- 7. Rhodes DG, Adler ME, Clemens JC, LaComb RP, Moshfegh AJ. Consumption of Pizza: What We Eat in America, NHANES 2007-2010. Food Surveys Research Group Dietary Data Brief No. 11. February 2014.
- 8. Loria, et al: The Dietary Guidelines: Surveillance Issues and Research Needs: Choose and Prepare Foods with Less Salt: Dietary Advice for All Americans. The Journal of Nutrition 2001: 131:2
- 9. Huth et al.: Major food sources of calories, added sugars, and saturated fat and their contribution to essential nutrient intakes in the U.S. diet: data from the national health and nutrition examination survey (2003–2006). Nutrition Journal 2013 12:116.
- 10. Ibid
- 11. Ibid
- 12. "Checkoff Programs—An Overview," National Ag Law Center. http://nationalaglawcenter.org/overview/checkoff/
- 13. "DMI and the Dairy Checkoff," Dairy Management Inc. http://www.dairy.org/about-dmi
- 14. United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 2. https://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 15. USDA Agricultural Marketing Service. Benefits of Research & Promotion Boards (Checkoffs). November 18, 2011 (Version 5). http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5095745
- 16. United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, pp. 4;16. http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 17. Ibid.
- 18. Ibid at p. 22
- 19. "2012 Dean Foods Focus," Dean Foods. http://www.deanfoods.com/media/56157/df_factsheet_5_2013.pdf
- 20. Nestle. 2012 Consolidated Financial Statements. http://www.nestle.com/asset-library/documents/library/documents/financial_statements/2012-financial-statements-en.pdf
- 21. Kraft. 2012 Annual Report.
- http://files.shareholder.com/downloads/ABEA-3QV6OO/3206931719x0x700379/D5F7C788-CD23-4D0E-9E32-06D404F87289/ANNUAL_REPORT_2012_KRFT.pdf
- 22. Kruchkin, A. (2013) IBISWorld Industry Report 0D4275. Yogurt Production in the US. Retrieved December 20, 2013 from IBISWorld database.
- 23. "The Future: Dairy aisle reinvention could increase overall department sales by \$1 billion," Dairy Business. http://dairybusiness.com/archive/?p=5730
- 24. United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 47. http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 25. "DMI and the Dairy Checkoff," Dairy Management Inc. http://www.dairy.org/about-dmi
- 26. United States Department of Agriculture. (2002). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 14. https://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3099963
- 27. "About," U.S. Dairy Export Council. http://www.usdec.org/About/index.cfm?navItemNumber=82211
- 28. United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 3. https://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 29. "Case Law Index Checkoff Programs," National Agricultural Law Center. http://nationalaglawcenter.org/aglaw-reporter/case-law-index/checkoff-programs/
- 30. "Agriculture," Center for Individual Freedom. http://www.cfif.org/htdocs/legislative_issues/federal_issues/hot_issues_in_congress/agriculture/
- 31. Parke Wilde, "Sorry, McWilliams, the New York Times got the USDA cheese story right," Grist, November, 20, 2010. http://grist.org/article/food-2010-11-18-the-new-vork-times-got-the-usda-cheese-story-right/
- 32. "Checking Off Another Court," Center for Individual Freedom. http://www.cfif.org/htdocs/legislative_issues/federal_issues/hot_issues_in_congress/agriculture/

compelled speech.htm

- 33. Cochran v. Veneman. 359 F.3d 263 (3d Cir. 2004).
- 34. Johanns, Secretary of Agriculture, et al. v. Livestock Marketing Association et al. 544 U.S. 550 (2005).
- 35. Mike McGraw, "Suit filed against beef checkoff program," The Kansas City Star, August, 10, 2012. http://www.kansascity.com/2012/08/10/3755810/suit-filed-against-beef-checkoff html
- 36. Dairy Production Stabilization Act of 1983 (7 U.S.C. Section 4501-4514, as amended May 7, 2010). http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELD EV3021892
- 37. "Lawsuit Challenges \$60 Million Federal Payout for 'The Other White Meat' Slogan," The Humane Society of the United States, September, 24, 2012. http://www.humanesociety.org/news/press_releases/2012/09/lawsuit_other_white_meat_slogan_092412.html
- 38. "Federal Court Dismisses HSUS Lawsuit over Pork Slogan Sale," Ag & Food Law Blog, September, 30, 2013. http://www.agandfoodlaw.com/2013/09/federal-court-dismisses-hsus-lawsuit.html
- 39. Email with Matthew Penzer, Humane Society of the United States, May 27, 2014.
- 40. Dairy Management Inc. 2011 Annual Report. http://www.dairy.org/for-farmers/annual-reports/2011-annual-report#
- 41. United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 8. http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 42. Carol Ryan Dumas, "McDonald's, DMI team up for milk," Capital Press, August, 26, 2011. http://www.capitalpress.com/content/CRD-milk-marketing-w-photo-072911#
- 43. Dairy Management Inc. 2011 Annual Report. http://www.dairy.org/for-farmers/annual-reports/2011-annual-report#
- 44. "Partnerships," Dairy Management Inc. http://www.dairy.org/for-farmers/partners
- 45. United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 48. http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 46. "Deliciousness, made for you," McDonald's Full Menu. http://www.mcdonalds.com/us/en/food/full_menu/mc_cafe.html
- 47. "Partnerships," Dairy Management Inc. http://www.dairy.org/for-farmers/partners
- 48. United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 47;48. https://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 49. Dairy Today Editors, "Checkoff Helps Pizza Hut Introduce New 3-Cheese Pizza," AgWeb, October, 25, 2013. http://www.agweb.com/article/checkoff_helps_pizza_hut_introduce_new_3-cheese_pizza_NAA_Dairy_Today_Editors/
- 50. United States Department of Agriculture. (2011). Report to Congress on the National Diary Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 48. http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 51. Ibid at pg. 51
- 52. Ibid at pg. 45.
- 53. Ibid at pg. 47.
- 54. USDA Agricultural Marketing Service. Benefits of Research & Promotion Boards (Checkoffs). November 18, 2011 (Version 5). http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5095745
- 55. Marjie Knust, "Got flavored milk?" DFA Leader, Fall 2011. http://dfaleader.com/sites/default/files/pdf/DFA%20Leader%20-%202011%2014-4.pdf
- 56. Ibid.
- 57. "Domino's Smart Slice Expands Participation," QSR, September, 25, 2013. http://www.gsrmagazine.com/news/domino-s-smart-slice-expands-participation
- 58. "Top Food Sources of Saturated Fat in the U.S.," Harvard School of Public Health. http://www.hsph.harvard.edu/nutritionsource/top-food-sources-of-saturated-fat-in-the-us/
- 59. "Cheese," National Dairy Council. http://www.nationaldairycouncil.org/EducationMaterials/HealthProfessionalsEducationKits/Pages/Cheese.aspx
- 60. Kruchkin, A. (2013) IBISWorld Industry Report 0D4275. Yogurt Production in the US. Retrieved December 20, 2013 from IBISWorld database.
- 61. Monica Watrous, "Yogurt makers pump up protein claims," Food Business News, December, 3, 2013. http://bit.ly/1n4Wq1d
- 62. Deborah Cassell, "2014 Flavor Trends: Yogurt's Fruitful Union," Food Processing, 2014. http://www.foodprocessing.com/articles/2014/flavor-trends-yogurt/
- 63. Kruchkin, A. (2013) IBISWorld Industry Report 0D4275. Yogurt Production in the US. Retrieved December 20, 2013 from IBISWorld database.
- 64. "Fruit on the Bottom," Dannon. http://www.dannon.com/fruit-on-the-bottom/
- 65. "Yoplait Original," Yoplait. https://www.yoplait.com/products/yoplait-original-style
- 66. "Vanilla Chocolate Chunk," Chobani. http://www.chobani.com/products/blended#vanilla-chocolate-chunk
- 67. Email from Philippe Caradec, The Dannon Company, February 19, 2014.
- 68. Matthew Yglesias, "Greek Yogurt, Meet American Politics," Slate, March 22, 2012.
- http://www.slate.com/articles/business/moneybox/2012/03/the_greek_yogurt_boom_sen_charles_schumer_s_ridiculous_plan_to_subsidize_new_york_dairies_.html
- 69. Katie Kane v. Chobani, Inc. United States District Court for the Northern District of California San Jose Division. 2012. The Legal Pulse. Web. September 19, 2013. http://wlflegalpulse.files.wordpress.com/2013/09/153-kane-12-09-19-order-granting-mtn-reconsideration.pdf
- 70. Abby Wisse Schachter, "Chuck Schumer Engineers USDA Greek Yogurt Subsidy," Reason.com, July, 31, 2013. http://reason.com/archives/2013/07/31/chuck-schumer-greek-yogurt-subsidy
- 71. "The Yogurt That Ate New York," NY Mag, 2013. http://nymag.com/news/business/boom-brands/chobani-2013-10/index2.html
- 72. "WIC Health Education Kit," National Dairy Council. http://www.nationaldairycouncil.org/EducationMaterials/HealthProfessionalsEducationKits/Pages/WIC.aspx

- 73. Johnson, B., Thorn, B., McGill, B., Suchman, A., Mendelson, M., Patlan, K.L., Freeman, B., Gotlieb, R., & Connor, P. (2013). WIC Participant and Program Characteristics 2012. Prepared by Insight Policy Research under Contract No. AG-3198-C-11-0010. Alexandria, VA: U.S. Department of Agriculture, Food and Nutrition Service
- 74. "Lactose Intolerance and Your Child," National Dairy Council. http://www.nationaldairycouncil.org/SiteCollectionDocuments/education_materials/wic/LlandYourChild. pdf
- 75. "Special Supplemental Nutrition Program for Women, Infants and Children (WIC): Revisions in the WIC Food Packages; Final Rule," 79 Federal Register (4 March 2014), pp. 12273-12300. https://www.federalregister.gov/articles/2014/03/04/2014-04105/special-supplemental-nutrition-program-for-women-infants-and-children-wic-revisions-in-the-wic-food
- 76. Marion Nestle, "Oops. WIC rules for yogurt permit loads of added sugar," Food Politics, March, 5, 2014. http://www.foodpolitics.com/2014/03/oops-wic-rules-for-yogurt-permit-loads-of-added-sugar/
- 77. "Inside Yogurt: Vitamin D," One Yogurt Every Day. http://oneyogurteveryday.com/#inside-yogurt/vitamin-d
- 78. Neville, A. (2013) IBISWorld Industry Report 31151. Dairy Product Production in the US. Retrieved December 20, 2013 from IBISWorld database.
- 79. "2012 Dean Foods Focus," Dean Foods. http://www.deanfoods.com/media/56157/df_factsheet_5_2013.pdf
- 80. United States Department of Agriculture. (2011). Report to Congress on the National Dairy Promotion and Research Program and the National Fluid Milk Processor Promotion Program. Washington, DC: United States Department of Agriculture, p. 2. http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELPRDC5104671
- 81. "Show Us Your Chocolate Milk Muscle," Wisconsin Milk Marketing Board. http://www.wmmb.com/wdc/ChocolateMilkHasMuscle.aspx
- 82. Marion Nestle, "Raise your hand for chocolate milk?" Food Politics, November, 10, 2009. http://www.foodpolitics.com/2009/11/raise-your-hand-for-chocolate-milk/
- 83. Jia Lynn Yang, "Beverage of champions: Chocolate milk gets an Olympic-style makeover," *The Washington Post*, January, 31, 2014. http://www.washingtonpost.com/business/economy/beverage-of-champions-chocolate-milk-gets-an-olympic-style-makeover/2014/01/31/a13261b6-89c8-11e3-9163-301534b1e132_story.html
- 84. (2012). MilkPEP: got milk? 2011-2012 Annual School Channel Survey [PowerPoint presentation].
- 85. Ibid at pg. 12
- 86. Christina Hoag, "More Schools Consider Flavored Milk Bans," *The Huffington Post*, May, 9, 2011. http://www.huffingtonpost.com/2011/05/09/flavored-milk-in-schools-n 859311.html
- 87. Marjie Knust, "Got flavored milk?" DFA Leader, Fall 2011. http://dfaleader.com/sites/default/files/pdf/DFA%20Leader%20-%202011%2014-4.pdf
- 88. "Grocery Goliaths: How Food Monopolies Impact Consumers" Food and Water Watch (2013). http://documents.foodandwaterwatch.org/doc/Grocery_Goliaths_12-19-13.pdf#_ga=1.162867132.1060288049.1401493977, p. 19.
- 89. "2012 Dean Foods Focus," Dean Foods. http://www.deanfoods.com/media/56157/df factsheet 5 2013.pdf
- 90. "Frequently Asked Questions," TruMoo. http://www.trumoo.com/trufaqs/
- 91. Christina Hoag, "L.A. school district bans chocolate milk," USA Today, June, 15, 2011. http://usatoday30.usatoday.com/yourlife/food/diet-nutrition/2011-06-15-chocolate-milk-ban_n.htm
- Jeremy Olson, "Got chocolate milk? No longer," StarTribune, May, 24, 2011. http://www.startribune.com/lifestyle/health/122372854.html

Gregory Hiladky, "Gov. Malloy Puzzling Over What To Do With Bill Banning School Chocolate Milk," Capitol Watch: Hartford Courant, May, 15, 2014. http://courantblogs.com/capitol-watch/gov-malloy-puzzling-over-what-to-do-with-bill-banning-school-chocolate-milk/

- 92. "Chocolate Milk Has Muscle," Wisconsin Milk Marketing Board. http://www.wmmb.com/assets/files/wdc/ChocolateMilkMuscleBrochure.pdf
- 93. "Low Fat Chocolate Milk," Wisconsin Milk Marketing Board. http://www.wmmb.com/SchoolResources/Promotions/Sports/Chocolate_milk.swf
- 94. "Dear Parent," Wisconsin Milk Marketing Board. http://www.wmmb.com/assets/files/wdc/DearParent-ChocolateMilk.pdf
- 95. "Rethink Your Drink," Wisconsin Milk Marketing Board. http://www.wmmb.com/files/documents/wdc/ChocolateMilk-RethinkYourDrink-CMHM.pdf

"Important Facts about Sugar and Hyperactivity," Wisconsin Milk Marketing Board. http://www.wmmb.com/files/documents/wdc/ChocolateMilk-SugarHyperactivity-CMHM.pdf

- 96. "TruMoo Products," TruMoo. http://trumoo.com/products
- 97. Ibid
- 98. Travis Fain, "Chocolate milk will stay in Winston-Salem/Forsyth County school lunch lines," Winston-Salem Journal, March, 29, 2012. http://www.journalnow.com/news/local/article_eb2174bb-2bc3-59b8-afea-ab3987dbb475.html
- 99. MilkPEP: got milk? 2011-2012 Annual School Channel Survey [PowerPoint presentation]. Retrieved from milkpep.org website.
- 100. Christina Hoag, "More Schools Consider Flavored Milk Bans," *The Huffington Post*, May, 9, 2011. http://www.huffingtonpost.com/2011/05/09/flavored-milk-in-schools-_n_859311.html
- 101. "Coalition Welcomes Bipartisan Push for Sugar Reform in Budget Debate," International Dairy Foods Association, March, 27, 2013. http://www.idfa.org/news--views/headline-news/details/8081/
- $102. \ "International Sweetener Colloquium," \ \textit{International Dairy Foods Association}. \ http://www2.idfa.org/forms/meeting/Microsite/2014_ISC$
- 103. "USITC to Continue Investigation of Mexican Sugar Imports," International Dairy Foods Association, May, 14, 2014. http://www.idfa.org/news-views/headline-news/article/2014/05/14/usitc-to-continue-investigation-of-mexican-sugar-imports
- 104. Neville, A. (2013) IBISWorld Industry Report 31151. Dairy Product Production in the US. Retrieved December 20, 2013 from IBISWorld database, p14.
- 105. "Show Us Your Chocolate Milk Muscle," Wisconsin Milk Marketing Board. http://www.wmmb.com/wdc/chocolatemilkhasmuscle.aspx
- 106. Rachael Johnson, Lawrence Appel, et al, "Dietary Sugars Intake and Cardiovascular Health," Circulation, American Heart Association Journal, August, 2009. https://circ.ahajournals.org/content/120/11/1011.full
- 107. "National School Lunch Program (NSLP)," United States Department of Agriculture Food and Nutrition Service. http://www.fns.usda.gov/nslp/history_1
- 108. Michele Simon, "School food politics: What's missing from the pizza-as-vegetable reporting," Eat Drink Politics, November, 17, 2011. http://www.eatdrinkpolitics.com/2011/11/17/whats-missing-from-the-pizza-as-vegetable-reporting/

- 109. "IDFA Urges USDA to Allow Dairy Options as Competitive Foods in Schools," International Dairy Foods Association, April, 10, 2013. http://www.idfa.org/news-views/article/2013/04/10/idfa-urges-usda-to-allow-dairy-options-as-competitive-foods-in-schools-
- 110. "Dairy Manufacturers Commend USDA for Recognizing Importance of Dairy Products as Snacks in Schools," International Dairy Foods Association, June, 27, 2013. http://www.idfa.org/news-views/news-releases/article/2013/06/27/dairy-manufacturers-commend-usda-for-recognizing-importance-of-dairy-products-as-snacks-in-schools
- 111. "New USDA Regulations on School Snack Foods Good News for Dairy Sector," National Milk Producers Federation, June, 28, 2013. http://www.nmpf.org/latest-news/press-releases/jun-2013/new-usda-regulations-school-snack-foods-good-news-dairy-sector?nopaging=1
- 112. Michele Simon, "How Smart are School Snacks? A Closer Look at New USDA Rules," Center for Food Safety, August, 12, 2013. http://www.centerforfoodsafety.org/blog/2421/how-smart-are-school-snacks-a-closer-look-at-new-usda-rules#
- 113. "March 2013 Dairy Checkoff Update," Dairy Management Inc. http://www.dairylea.com/Portals/0/Documents/March%202013%20DCU.pdf
- 114. "Fuel Up to Play 60 Health Education Kit," National Dairy Council.
- http://www.nationaldairy council.org/Education Materials/Health Professionals Education Kits/Pages/Fuel Upto Play 60 Health Education Mit. aspx. asp
- $115. \ "March 2013 \ Dairy \ Checkoff \ Update," \ \textit{Dairy Management Inc.} \ http://www.dairylea.com/Portals/0/Documents/March%202013%20DCU.pdf \ and \ an algorithms of the property of th$
- 116. "Dairy checkoff-funded Fuel Up to Play 60 program begins year two," Progressive Dairyman, August, 31, 2010. http://bit.ly/1oLZceX
- 117. "Fuel Up to Play 60 Health Education Kit," National Dairy Council.
- http://www.nationaldairycouncil.org/EducationMaterials/HealthProfessionalsEducationKits/Pages/FuelUptoPlay60HealthEducationKit.aspx. A contract of the contr
- 118. "Fuel Up to Play 60 Success Stories Dairy Week!," Fuel Up to Play 60. http://school.fueluptoplay60.com/community/view-story/38852263
- 119. "Dietary Guidelines for Americans, 2010," DietaryGuidelines.gov. http://www.health.gov/dietaryguidelines/2010.asp
- 120. Parke Wilde, "Sorry, McWilliams, the New York Times got the USDA cheese story right," Grist, November, 20, 2010. http://grist.org/article/food-2010-11-18-the-new-york-times-got-the-usda-cheese-story-right/

ACKNOWLEDGEMENTS

This report was written by Michele Simon. Many thanks to Seema Rupani for excellent research assistance and obsessing over footnotes, to Andy Bellatti for nutrition expertise and calling out heathwashing, to Parke Wilde for suggesting digging into the checkoff program, to Casey Hinds for sending photos. and to Ross Turner for professional design and endless patience.



eatdrinkpolitics.com