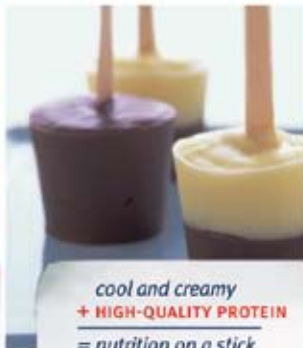




hand-held
+ **PROTEIN PACKED**
= *breakfast satisfaction*



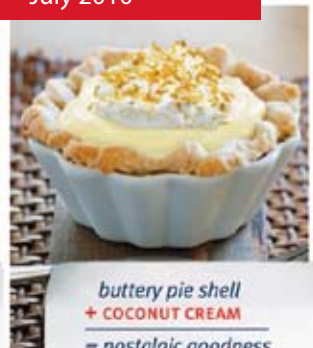
cool and creamy
+ **HIGH-QUALITY PROTEIN**
= *nutrition on a stick*



honey lavender
+ **WHEY PROTEIN**
= *mini retreat*



veggies
+ **CHEESY LAYERS**
= *tasty nutrition*



buttery pie shell
+ **COCONUT CREAM**
= *nostalgic goodness*

Snack attack

Chances are, while you're reading this article, you'll have a craving for a snack.

Consumers snack an average of three times a day. "Everybody snacks," says Lynn Stachura, senior vice president of strategic initiatives with Dairy Management Inc. (DMI). "Eating between meals is no longer considered taboo."

With a shift toward less structured eating occasions, healthy snacking is now a daily occurrence. Therefore, snacks are an important way for Americans to get nutrients, Stachura says.

Last year, the Innovation Center for U.S. Dairy reported research which gathered insights into consumer snacking behavior. Among the findings: most snacking occurs at home; 55 percent of snacks are sold through retail; snacking drops off as we age; there is little difference between snacking occasions for adult men and women; and snacking occurs roughly evenly in morning, afternoon and evening, versus 15 years ago when most snacking took place later in the day.

The research also underscored the time pressures people feel.

"Multi-tasking is common, especially for women and mothers," Stachura says. "Even children and teens have activity-packed lives that require eating on the go. That means snacks must be quick to prepare and portable."

Of course, there are two sides to the snacking spectrum, which the DMI research characterized as "Nutritious" and "Fun Munching." Snacking occasions are about evenly split between the two. "Health is important, but fun still sells," Stachura says.

Still, for dairy, the healthy snack category offers the greatest near-term opportunities, she says. Yogurt, cheese, nutrition bars and dairy smoothies all are well-positioned to capitalize on the snacking trend.

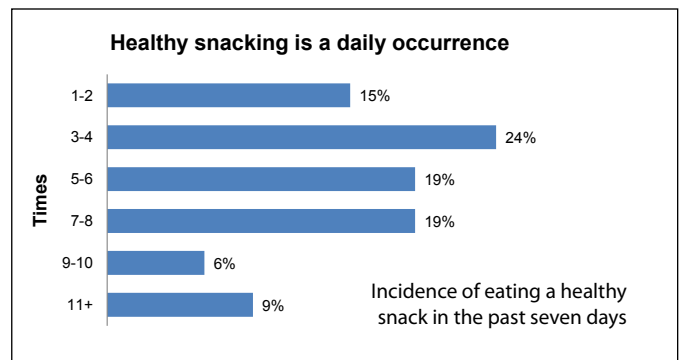
This month at the Institute of Food Technologists (IFT) Annual Meeting and Food Expo in Chicago, the U.S. Dairy Export Council (USDEC) and DMI will showcase a number of prototypes developed for the growing snack-food category:

- Cheesy veggie dip – a nutritious and versatile cheese dip that gives kids and adults a convenient snacking option and entices kids to eat their vegetables
- Protein chiller – a novel snack with protein and calcium for a

nutritious break in a delicious, frozen format to enjoy on a warm summer day

- Honey lavender smoothie - part of the IFT Trend & Solutions Tour on functional ingredients, this warm, creamy, milk-based whey protein smoothie is an excellent source of protein and calcium.
- Breakfast bites – a convenient protein-packed breakfast or snack that can appeal to on-the-go consumers
- Coconut cream tartlet – a portion-controlled creamy indulgence

In addition, USDEC/DMI marketing and technical experts will be on hand to share insights on snacking behavior and the role U.S. dairy ingredients can play.



Source: Mintel Healthy Snacking US, June 2009

In This Issue

Dairy takes on snacking	1
Responding to the sodium challenge	2
IFT returns to "Sweet Home" Chicago	3
News and notes	4

Stepping up to the sodium solution

Health agencies are sounding the alarm: Americans consume way too much sodium. The dairy industry isn't just taking this concern with a grain of salt.

The 2005 Dietary Guidelines for Americans recommended no more than 2,300mg/day of sodium. At-risk segments of the population, such as those with high blood pressure, should consume no more than 1,500mg/day. However, Americans on average take in about 3,400mg/day.

In April, the Institute of Medicine (IOM) recommended that the U.S. Food and Drug Administration (FDA) initiate a process to set mandatory national standards for sodium content in foods. Soon after, the 2010 Dietary Guidelines Advisory Committee released its report in which they urge a gradual reduction in recommended sodium intake to 1,500mg/day for the general population. This report will be used to develop the 2010 Dietary Guidelines for Americans, which is expected to be released by the end of the year.

The challenge is that salt is so pervasive in the food supply it's difficult to cut back, says Dr. Elena Kuklina, an epidemiologist at the U.S. Centers for Diseases Control. A new report co-authored by Dr. Kuklina reported that nearly 80 percent of sodium in the diet comes from processed and restaurant foods. Just 10 percent comes from the salt shaker.

Though cheese contributes less than 8 percent of the overall U.S. dietary sodium consumption, the dairy industry has directed research efforts on ways to help lower the sodium content in cheese with minimal impact on flavor. And that's a tall order.

"Salt's role is not just about providing salty flavor. More importantly, it is critical to the manufacturing process, cheese ripening, quality and safety," says Bill Graves, senior vice president of product research, Dairy Management Inc. (DMI).

Researchers, through efforts sponsored by DMI's National Dairy Foods Research Center Program have shown significant



progress toward making lower-sodium cheeses that works well in different applications. They've also shown that dairy ingredients can be used to reduce sodium in a variety of foods.

"Many dairy ingredients contain calcium and non-protein nitrogen compounds that enhance salt perception," says K.J. Burrington, coordinator of the Dairy Ingredients Applications Laboratory at the Wisconsin Center for Dairy Research.

For instance, deproteinized whey permeate has a salty flavor. Replacing added salt with 5-8 percent permeate in baked goods such as muffins, scones, cakes and cookies can cut sodium levels in half without sacrificing taste or quality. Encouraging developments with baked goods have led to further study in other high-sodium applications, such as soups,

saucers, processed meats and snack seasonings.

The attention on sodium also has caught the eye of the Innovation Center for U.S. Dairy (IC), which is working with partners across the industry both to identify and share emerging issues related to sodium and provide a path forward for manufacturers to address these issues. This work includes consumer, sensory and analytical research as well as upcoming communication tools focused on the role of cheese in providing nutrients as part of a healthy diet.

Further, at the American Dairy Science Association (ADSA) annual meeting in Denver this month, DMI will present a symposium on "Microbiology and Flavor of Cheese: Impact of Lower Salt-in-Moisture Content of Low Fat and Reduced Sodium Cheeses." Symposium topics include sessions on how cheese composition, texture and structure influences salt perception, flavor development in reduced-sodium cheese, the influence of salt on starter and non-starter lactic acid bacteria, cheesemaking processes for manufacture of reduced-sodium cheese and the impact of salt on microbial activity in cheese.

Health officials agree that reducing sodium intake will be a gradual process. With developments on numerous fronts, the dairy industry is taking steps now to ensure that cheese maintains its rightful place in a balanced diet for Americans.

For IFT, this is no 'Second City'



“IFT is the main event of the year for the food ingredient business. And when the show is in Chicago, it takes on a special sizzle.”

Is there any better place to be than Chicago's downtown lakefront in the summer?

Ok, I'm biased; I worked in Chicago for several years. But there's an unmistakable energy in the city when the weather turns warm.

This summer, that energy will be super-charged for food and beverage manufacturers, as the Institute of Food Technologists (IFT) Annual Meeting and Food Expo comes back home to McCormick Place, July 17-20.

IFT is the main event of the year for the food ingredients business. And when the show is in Chicago, it takes on a special sizzle. The last 18 months have been difficult for both supplier and food and beverage manufacturers, but investment is coming back, and we expect this year's event to be very well attended.

I've attended IFT for years, wearing a variety of hats. Early in my career, I worked for a food manufacturer, so I would spend the week visiting booths to learn about the latest ingredients and innovations from our suppliers.

The last few years I was on the ingredient-supplier side, so I worked the booth and met with attendees. Just as importantly, my colleagues and I would walk the floor to see what was out there and what people were talking about. It was the perfect chance to see the latest products and trends and pick up the industry buzz.

Now, I switch roles again, and this year we're the ones creating the buzz. IFT has always been an important show for Dairy Management Inc. (DMI). Our booth may look a little different because our team is now part of a global platform under the U.S. Dairy Export Council (USDEC). But our approach is still the same. We'll have product developers from DMI in the booth, and we'll have several prototypes that demonstrate how U.S. dairy ingredients can contribute to improved taste, functionality and nutritional benefits that meet consumer demands on a global scale.

One of our focuses this year is the role of dairy ingredients in the emerging snack category (*see story on p. 1*). And of course we look forward to talking with you about health and wellness, and where dairy fits into the product development process. Product development is still a collaborative effort and we welcome the opportunity to share our insights with you.

So come see us. It's an opportune time – and place – to learn about the latest U.S. ingredient solutions.

Vikki Nicholson,

Vice President of Ingredient Marketing,
U.S. Dairy Export Council



USDEC Dairy Ingredient Vantage Point is published by the U.S. Dairy Export Council (USDEC) and is designed to provide information about the U.S. dairy industry for the benefit of dairy ingredient manufacturers and distributors.

USDEC is a non-profit, independent membership organization that represents the global trade interests of U.S. dairy producers, proprietary processors and cooperatives, ingredient suppliers and export traders. Its mission is to enhance U.S. global competitiveness and assist the U.S. industry to increase its global dairy ingredient sales and exports of U.S. dairy products. USDEC accomplishes this through programs in market development that build global demand for U.S. dairy products, resolve market access barriers and advance industry trade policy goals. USDEC is supported by staff across the United States and overseas in Mexico, South America, Asia, Middle East and Europe.

News and notes

DMI/USDEC input helps shape Wheaties bar



General Mills' new *Wheaties FUEL* energy bars, made with U.S. whey protein, began hitting convenience store shelves last month. DMI/USDEC played a role in the line's formulation, supplying technical details on whey protein, sharing nutritional information and providing consumer insights from proprietary studies. General Mills is touting *Wheaties FUEL* as "the only energy bars made especially for the everyday man." The bars, which each contain 15g of protein and 100 percent of five B vitamins, initially come in two flavors: chocolate peanut butter and double chocolate.

Crisis drills scheduled for Atlanta, Dallas

DMI has two crisis drills scheduled for the second half of 2010. The first takes place in Atlanta July 22. The next drill is Nov. 11 in Dallas. The programs, part of a series of crisis workshops established in 2009, feature a realistic food-safety scenario that tests a company's crisis team's skills and preparedness in communications, operations and management. Attendees typically include dairy manufacturer and co-op communications and quality assurance experts; federal, regional and state government officials; and communicators from state and regional dairy check-off organizations. For more information, contact Margaret Speich, U.S. Dairy Export Council, 703-528-3049 or mspeich@usdec.org.

Dairy product solids can replace salt and sweeteners

Proliant Dairy Ingredients, Ankeny, Iowa, completed applications research that demonstrated its *VersiLac* dairy product solids can replace up to 100 percent of nonfat dry milk and at least 25 percent of salt, sugar or cocoa in select bakery, beverage, confectionery, dairy and savory products. *VersiLac* also can replace corn-based ingredients like dextrose, maltodextrin or corn syrup solids. "Our research shows that *VersiLac* provides unmatched versatility in reducing, or in some cases replacing, these and other more expensive ingredients, while improving the ingredient statement in many food systems," says Lori Stevenson, vice president of sales and marketing for Proliant.

Developments in milk protein fractionation

A new report, "Emerging Milk Protein Opportunities," is available from Dairy Management Inc. The special report highlights the latest research on applications, processing and markets for whey proteins captured directly from milk prior to cheesemaking. "Whey proteins derived directly from milk are new-generation dairy ingredients with hold great potential for foods and beverages formulated with high concentrations of protein," says K.J. Burrington, coordinator of Dairy Ingredients Applications at the Wisconsin Center for Dairy Research. "Promising applications include sports and nutritional bars and beverages, baked goods, whipped confectionery items and snack foods." The report is available at www.innovatewithdairy.com.