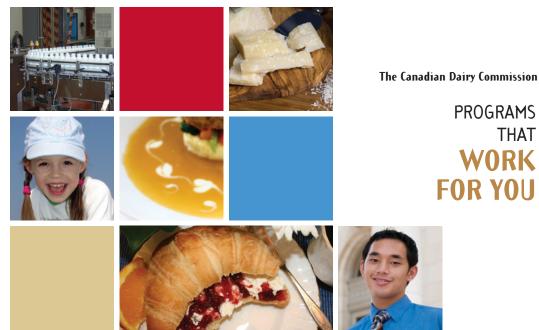


Canadian Dairy Commission Commission canadienne du lait





The Canadian Dairy Commission (CDC) is proud of the many initiatives it has put in place to benefit the Canadian dairy and food processing industries. These initiatives result from the close working relationships the CDC maintains with key stakeholders from the dairy and food sectors.

For information on any of these programs, contact the Canadian Dairy Commission.

Telephone: (613) 792-2000

Email: cdc-ccl@cdc-ccl.gc.ca

Web sites: www.cdc-ccl.gc.ca

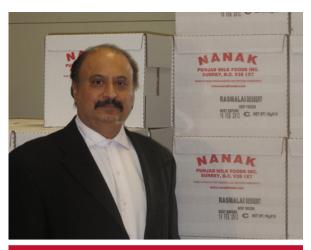
www.MILKingredients.ca

The Canadian Dairy Commission is a federal Crown corporation that facilitates the design of dairy policies and contributes to the success of the dairy industry.

SPECIAL MILK CLASS PERMIT PROGRAM

Growing the market for milk ingredients

This program allows Canadian food manufacturers to access dairy ingredients at competitive prices. It has been so popular that from 2005 to 2010, the number of participants has increased by 50% and the volume of milk they utilize has increased by 20% to reach 6.7 million hectolitres in 2010. Today, the program extends to 1,382 businesses that produce a wide variety of products ranging from baked goods to nutraceuticals and frozen foods.



Gurpreet Arneja President Punjab Milk Foods Surrey, British Columbia

"The Special Milk Class Permit Program has allowed my company to compete in the marketplace and to introduce a variety of authentic Indian finished food products."

DOMESTIC DAIRY PRODUCT INNOVATION PROGRAM

Flexibility to create

Developing new dairy products in Canada where milk production is controlled can be a difficult task. The Domestic Dairy Product Innovation Program (DDPIP) provides flexibility in the milk supply so that companies have the latitude to experiment with new product formulations. Thanks to the DDPIP, about 30 innovative products were introduced in Canadian grocery stores from 2005 to 2010 and the national production quota increased by 0.56%.



"The DDPIP helped the local dairy industry partner together to source milk for Cow's Clothbound Avonlea Cheddar. The program allows innovators such as Cow's Creamery to enter the industry with specialty type products that meet the growing appetite of Canadian consumers for fine cheeses."

Chad Mann Director of Finance, Corporate Secretary Amalgamated Dairies Limited Prince Edward Island



DAIRY MARKETING PROGRAM

Promoting innovation

This program promotes growth and innovation in the manufacture and use of dairy products and ingredients. It provides support to both dairy product manufacturers and food processors by offering the following services:

- An Innovation Champion who provides guidance and business advice to companies involved in dairy and food product development
- An on-line dairy ingredients information centre: www.MILKingredients.ca
- A matching fund that provides assistance to companies re-formulating and innovating using Canadian dairy products and ingredients
- Seminars focused on dairy product innovation and market opportunities
- Participation in Canadian food science and industry trade shows



"In 2010, Pharmalab inc. joined the marketing program of the Canadian Dairy Commission. This allowed us to secure supplies, add new products to our offering through the work of our R&D team, and remain competitive on the North American market."

Francis Chénard Vice-president, Business Development, R&D Pharmalab inc., Lévis, Québec

CDC SCHOLARSHIP PROGRAM

Investing in the future

The CDC distributed \$3 million to major universities in Canada to create scholarships for graduate students in the areas of agricultural economics and policy, food and dairy science, and animal science. Since the program started in 2006-2007, 50 masters' students received scholarships worth \$20,000 per year and 19 Ph. D. students received scholarships worth \$30,000 per year. The program was renewed for five years starting in 2011.



Ningning Zou

Ph.D. candidate at the University of Saskatchewan and Research Analyst Canada Brand Agriculture and Agri-Food Canada *"I received a CDC Scholarship during three years and it allowed me to achieve the major part of my Ph.D. thesis at the University of Saskatchewan. This scholarship was fantastic! I was able to prepare several research papers and make oral presentations at various professional and international conferences in 2009 and 2010.*

The global market for functional foods is dominated by dairy products, which constitute the key sales category. I looked at how different types of labelling information and the verification of health claims by different agencies affect consumer preferences for functional foods. Such research is especially important in Canada because of our specific regulatory environment concerning health claims. Using data from an on-line survey of 740 Canadians, I could draw some conclusions about what kind of labelling works best. I sincerely appreciated the support I got from the Dairy Commission.

RESEARCH

In 2010, the CDC entered into a three-year partnership with Agriculture and Agri-Food Canada, Dairy Farmers of Canada, and the Natural Sciences and Engineering Research Council to fund research projects related to health and nutrition and sustainable development. The CDC made \$1.5 million available for this initiative. Over 100 researchers in Canadian universities and research centres take part in 46 projects.



Émie Désilets Scientific Coordinator Dairy Farmers of Canada

"The first objective of this partnership is to identify health benefits associated with milk and dairy products, leading to adequate consumption and beneficial health outcomes for the public and economic benefits for both the agricultural and health sectors. The second objective is to establish directives supporting the protection of the environment through the principles of sustainable development in relation with climate change, dairy cattle efficiency and longevity through animal health and welfare." Dairy Research for a Healthy World.



CANADIAN QUALITY MILK

Since 2008, the CDC reimburses \$300 to each dairy producer who completes the validation process leading to certification under Dairy Farmers of Canada's Canadian Quality Milk Program. This program, which was approved by the Canadian Food Inspection Agency, will help ensure that consumers receive dairy products of the highest quality.



"Dairy Farmers of Canada is very pleased with the funding that the Canadian Dairy Commission is offering to all dairy producers. The money helps producers move forward with implementing the Canadian Quality Milk Program. Producers are happy that they can now access \$300 to offset the validation costs that they will incur."

Nicole Sillett National Coordinator Canadian Quality Milk Program