CALIFORNIA MILK ADVISORY BOARD

Where Is The Next $100M Dairy Product?

Ben Yee, CMAB Processor Partnerships

July 2026

AGENDA

- Market Trends Shaping Dairy Today
- White Space Opportunities: Retail, Foodservice, Exports
- California Production Strengths and Opps

MARKET TRENDS: KEY INTELLIGENCE SOURCES

Circana.

- POS (Point of Sale) and scan data from retailers
- Consumer panel data – tracks shoppers and purchase history
- Circana's Liquid Data platform integrates these data sources with AI to help CPG brands, retailers, manufacturers measure mkt share, understand consumer behavior to drive growth

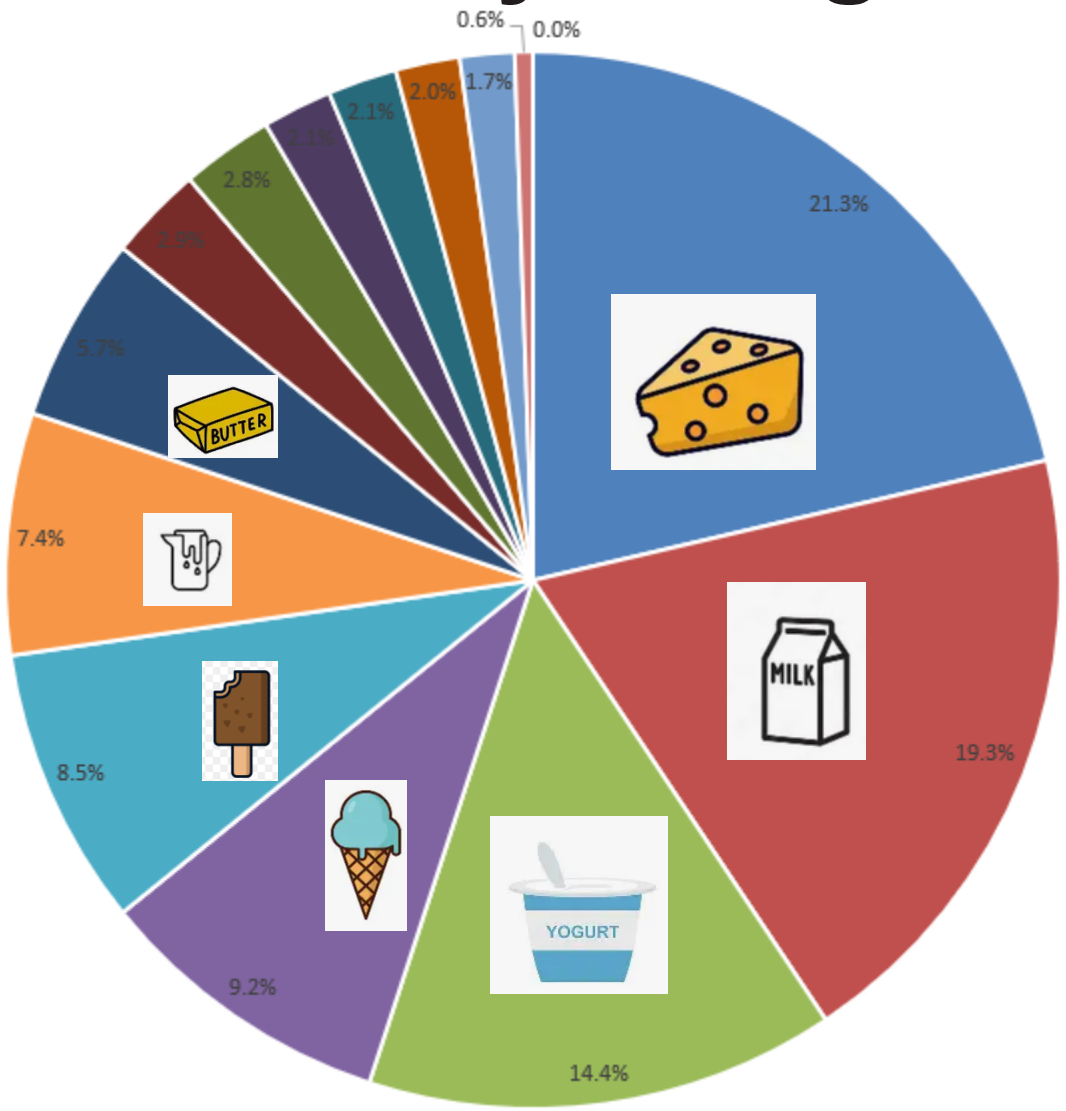
INNOVA MARKET INSIGHTS

- Market Intelligence – trends, consumer behavior and product innovations
- Data Analytics: Analytics on new products, trends and packaging
- Consumer Insights – consumer drivers and preferences to aid product dev and marketing strategies
- No POS data

Technomic by informa

- Foodservice industry focused
- Industry Trends – monitor what's popular, what's growing in restaurants, and foodservice sectors
- Consumer data – tracks what people eat, when and why
- Menu Insights
- Market intelligence and forecasting future opportunities

Dairy Categories – Largest Segments



- CHEESE, MILK, YOGURT are the largest segments in dairy.
- Protein forward products driving growth!
  - YOGURT
  - FLUID MILK – VALUE ADDED PRODUCTS
- Innovation is driving Novelties growth

* Source: Circana Dairy Sales by Category : CA MULO+ 52 Weeks Ending 06-14-26

Dairy15 Category Performance (TTL U.S)

- **Cheese, Milk and Yogurt** are the top 3 categories in Dairy.
- Yogurt ($13.3B, +12.6%) and Cottage Cheese ($2.1B, +17.2%) seeing double digit growth

Natural Cheese	Total Milk	Yogurt	Fz Novelties	Ice Cream/Sherbet
$20.9B +0.3%	$20.5B +1.2%	$13.3B +12.6%	$9.3B +3.8%	$8.7B +0.4%

Creams/Creamers	Butter/Butter Blends	Processed Cheese	Cream Cheese	Rfg Whipped Toppings
$7.0B +1.6%	$5.8B -3.0%	$3.3B -4.2%	$2.9B -3.1%	$2.6B +1.8%

Rfg Dips	Cottage Cheese	Sour Cream	Margarine/Spreads	Rfg Desserts
$2.4B +2.3%	$2.1B +17.2%	$1.9B +0.9%	$1.5B -8.3%	$1.3B -0.6%

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Source: Circana Total U.S. MULO+ w/C – 52 Weeks Ending Apr 19, 2026

CA Dairy Category Sales – Latest 52wks

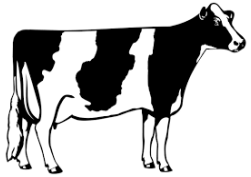
Cat Rank	Product	Dollar Share	Dollar Sales	Dollar Sales Year Ago	Dollar Sales Change vs YA	Dollar Sales % Change vs YA
1	NATURAL CHEESE	21.3%	$2,218.9M	$2,263.2M	-$44.2M	-2.0%
2	DAIRY MILK	19.3%	$2,004.2M	$1,956.9M	$47.4M	2.4%
3	YOGURT	14.4%	$1,495.6M	$1,339.1M	$156.5M	11.7%
4	NOVELTIES - FZ	9.2%	$951.7M	$908.2M	$43.5M	4.8%
5	ICE CREAM/SHERBET	8.5%	$888.1M	$891.7M	-$3.6M	-0.4%
6	CREAMS/CREAMERS	7.4%	$768.2M	$768.1M	$0.1M	0.0%
7	BUTTER/BUTTER BLENDS	5.7%	$593.0M	$618.1M	-$25.1M	-4.1%
8	CREAM CHEESE/CR CHS SPREAD	2.9%	$301.0M	$316.3M	-$15.3M	-4.8%
9	WHIPPED TOPPINGS - RFG	2.8%	$294.4M	$294.8M	-$0.4M	-0.1%
10	SOUR CREAM	2.1%	$222.0M	$220.5M	$1.5M	0.7%
11	COTTAGE CHEESE	2.1%	$220.4M	$181.8M	$38.6M	21.2%
12	PROCESSED CHEESE	2.0%	$204.6M	$220.5M	-$16.0M	-7.2%
13	DIPS - RFG	1.7%	$173.6M	$182.4M	-$8.8M	-4.8%
14	DIP/DIP MIXES - SS	0.6%	$57.5M	$57.8M	-$0.3M	-0.6%
15	DESSERTS - RFG	0.0%	$0.2M	$1.1M	-$0.9M	-85.1%

* Source: Circana Dairy Sales by Category : CA MULO+ 52 Weeks Ending 06-14-26

Low Sugar, Protein, Digestion and Organic claims are among the fastest growing in all of Food and Beverage

No / Low / Less Sugar

$ Sales	$ % Chg
$55.7B	+31.2%



Animal Diet Humanely Raised

$ Sales	$ % Chg
$7.9B	+10.4%

Antibiotics No / No Added / Not Treated With

$ Sales	$ % Chg
$14.1B	+6.8%

No / Reduced Lactose

$ Sales	$ % Chg
$6.5B	+6.0%

Organic 100% USDA Certified

$ Sales	$ % Chg
$29.5B	+5.9%

Protein High / More / Source

$ Sales	$ % Chg
$59.3B	+3.4%

Natural Sweetener

$ Sales	$ % Chg
$14.7B	+3.3%

No / Low / Less Carbohydrates

$ Sales	$ % Chg
$1.4B	+3.1%

Prebiotic / Probiotic

$ Sales	$ % Chg
$4.5B	+2.9%

Calorie No / Low / Less

$ Sales	$ % Chg
$23.8B	+2.4%

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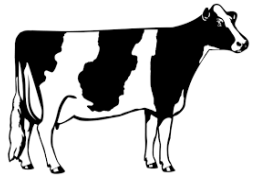
In Dairy, Lactose Free, Low Sugar and Gluten Free claims continue to thrive. Digestive claims slip out of the top 10

No Added Sweetener

$ Sales	$ % Chg
$1,516M	+36.8%

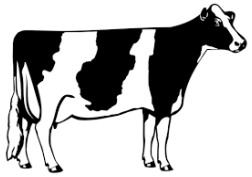
No / Low / Less Sugar

$ Sales	$ % Chg
$6,572M	+33.7%



Grass Fed Diet

$ Sales	$ % Chg
$1,427M	+17.5%



Humanely Raised

$ Sales	$ % Chg
$1,645M	+14.8%

Protein Hi / Source / More / Other

$ Sales	$ % Chg
$10,251M	+14.1%

Natural Sweetener

$ Sales	$ % Chg
$3,132M	+9.0%

No / Reduced Lactose

$ Sales	$ % Chg
$5,010M	+7.7%

Antibiotics No / No Added / Not Treated With

$ Sales	$ % Chg
$1,254M	+7.6%

Organic 100% USDA Certified

$ Sales	$ % Chg
$4,998M	+7.2%

Gluten Free

$ Sales	$ % Chg
$9,259M	+5.6%

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Circana OmniMarket Total U.S. MULO+C – 52 Weeks Ending Apr 19, 2026

Notable declining claims include Sodium No/Low/Less **-24.2%**, Fiber High/Source/More **-18.9%** and Trans Fat No/Low **-15.3%**,

Circana. Dairy Moos

Fiber is poised to become one of the biggest food trends of 2026

June 24, 2026

Dairy foods function as ideal carriers for various types of fiber including prebiotics, heart-healthy beta glucans, and insoluble plant fibers

So What?

Dairy brands are fortifying products with fiber to cater to consumers focused on metabolic health, weight management, and GLP-1 usage

- Fiber is no longer just a digestive aid; it has become a premium wellness macro
- Brands that do not add fiber risk losing market share to plant-based competitors and missing out on the highly lucrative GLP-1 companion-food market

Now What?

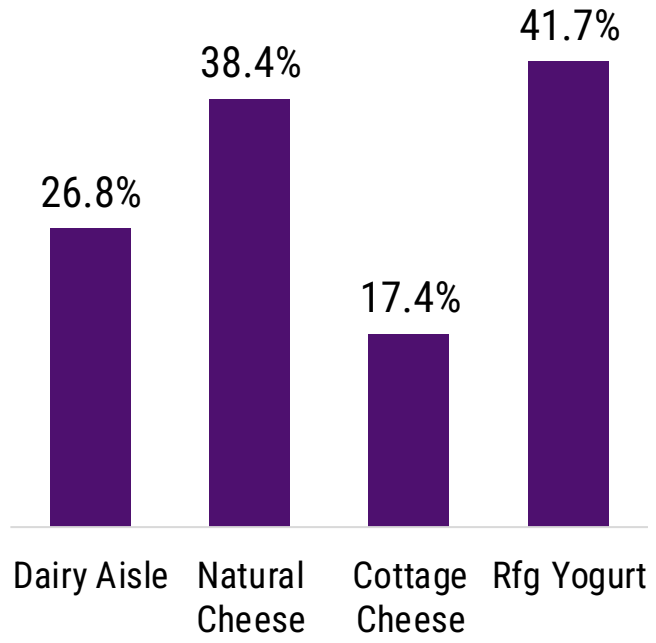
Consider…

- Reviewing current product lines for seamless prebiotic fiber integration opportunities
- Partnering with dietary influencers to highlight "Protein + Fiber"

Fiber-enriched yogurt: Extra value for your wellness and GLP-1 journey

High Source of Fiber Claims

$ % Chg vs YA | MULO+C 26WE 6.14.26



Source: Circana TSV Syndicated Hierarchy

https://www.dairyprocessing.com/articles/3775-consumers-focusing-on-fiber-and-its-benefits

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May 27, 2026

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Plant-Based Milk Slows as Dairy Reclaims Relevance on Protein, Simplicity & Value

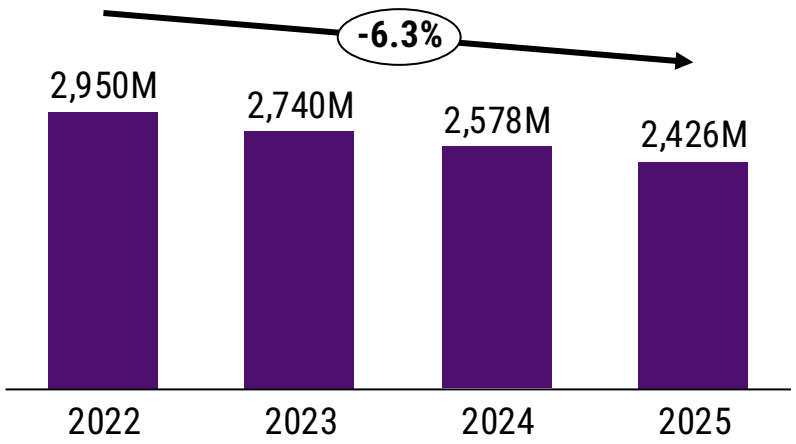
What's Driving Plant Based Milk Slowdown?

- Perception Challenges: "Ultra-processed" concerns are eroding trust and frequency
- Protein Gap: Plant-based options underdeliver vs. dairy on protein and satiety
- Price Pressure: It costs more than dairy!

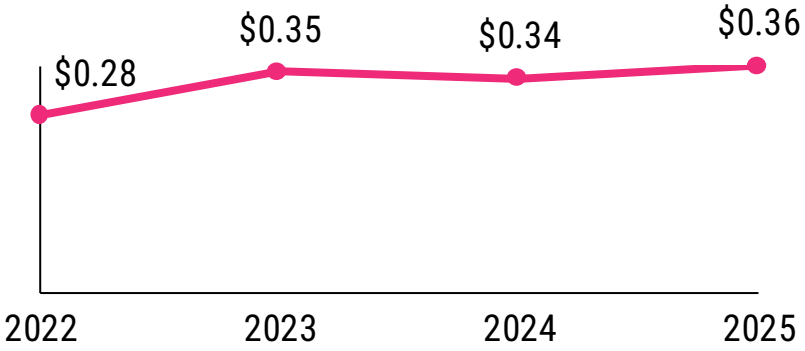
NOW WHAT?

- For Plant Based Milk Manufacturers
  - **Simplify labels** and **close the nutrition gap** by investing in **high-protein formulations** or lead with **specific functional benefits**
- For Dairy Milk Manufacturers
  - Reclaim share and shelf space by leading with **real dairy, natural, and high protein**
  - Win back flexitarians with **lactose free options** and emphasize on **dairy's price advantage**

Plant Based Milk Volume (in Millions)



Plant Based Milk Price/Vol Gap vs Dairy Milk



Source: Circana POS MULO+ with Conv., 1 volume = 16oz

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Where is flavor innovation headed?

July 8, 2026

Indulgence wins the Top Flavor Trends for 2026

-Dairy Reporter

Café and dessert inspired (Indulgent)

Pistachio and premium nuts (Indulgent)

Nostalgia (Classic Flavors)

So What?

- People are willing to spend on a **premium indulgence** dessert or coffeehouse experience
- Nostalgic flavors offer **broad appeal and emotional responses across generations**
- **Think beyond the daypart** to expand eating occasions and consider grab & go offerings

Consider these ideas:

- **Affordable indulgence** messaging
- **Nostalgia** plays to drive household penetration
- **Flavor trends as solutions for premiumization**, not just new products
- **Expanded consumption occasions** through savory & meal-led dairy products
- Make sure it **tastes great** – table stakes

Top 5 Dairy Taste Trends: From Indulgent Dessert Flavours to Spicy Innovation

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Consumers Expect Health and Indulgence to Go Hand in Hand

July 22, 2026

Shoppers are scrutinizing ingredient lists, seeking functional benefits, and increasingly view food as a tool to support long-term health

So What? Balance vs Perfection

- **Not every product needs to deliver all aspects,** but functional benefits give consumers 'permission' to indulge
- **Indulgence and taste remain dominant in product selection**
- Successful brands are **combining attributes** successfully, and **driving premiumization**

Fiber + Protein/ 'truly delicious' claim →

← High Protein / low sugar/ 'unbeatable taste' claim

Now What? Innovate and message with both health and Indulgence in mind

- Brands should consider ways to **balance taste, nutrition and health claims across their portfolios,** if not within products
- Consider **functional adds to indulgent offerings** to bring in new consumers: **fiber, protein, and clean label** are already showing up in dairy…
- **Consider options for cognitive health, anxiety, or even oral heath** seen elsewhere in the store

https://www.foodnavigator.com/Article/2026/07/16/health-vs-indulgence-the-two-trends-shaping-food-and-drink-innovation/

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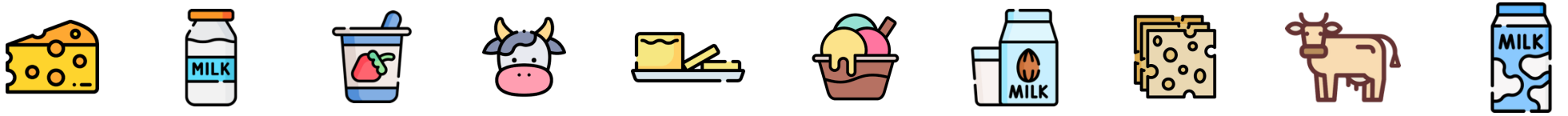
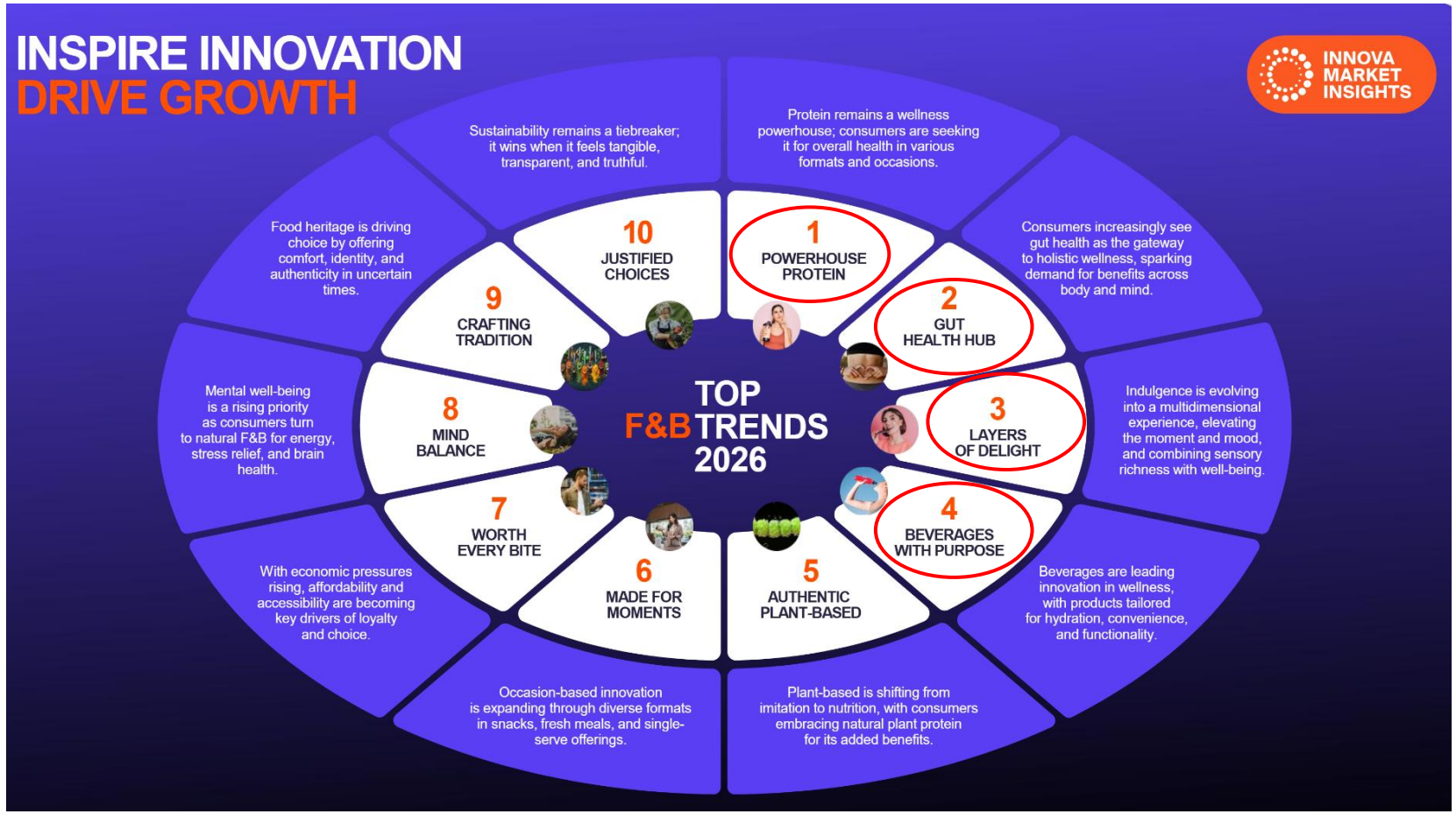


INNOVA – TOP 10 GLOBAL TRENDS 2026



Protein, gut health, indulgence, and functional beverages all align with what we're seeing in Circana and Technomic for 2026

AGENDA

- Market Trends Shaping Dairy Today
- White Space Opportunities: Retail, Foodservice, Exports
- California Production Strengths and Opps
- Key Intelligence Sources: Circana, Innova, Technomic

WHERE IS THE NEXT $100M DAIRY PRODUCT?

THE ROAD TO A SUCCESSFUL DAIRY PRODUCT…

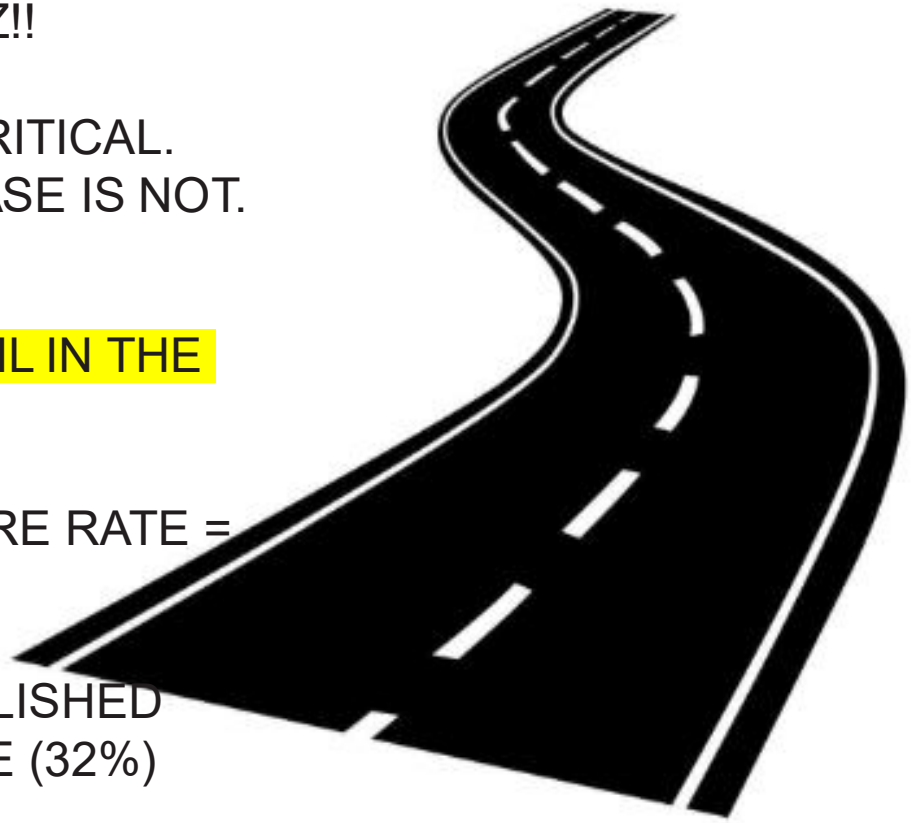
NEW PRODUCT LAUNCHES ARE EXCITING AND GENERATE A LOT OF BUZZ!!

THE FIRST 3-6 MONTHS ARE CRITICAL. TRIAL IS EASY, BUT REPURCHASE IS NOT.

85-90% OF NEW PRODUCTS FAIL IN THE FIRST YEAR

NEW BRAND LAUNCHES FAILURE RATE = 38%

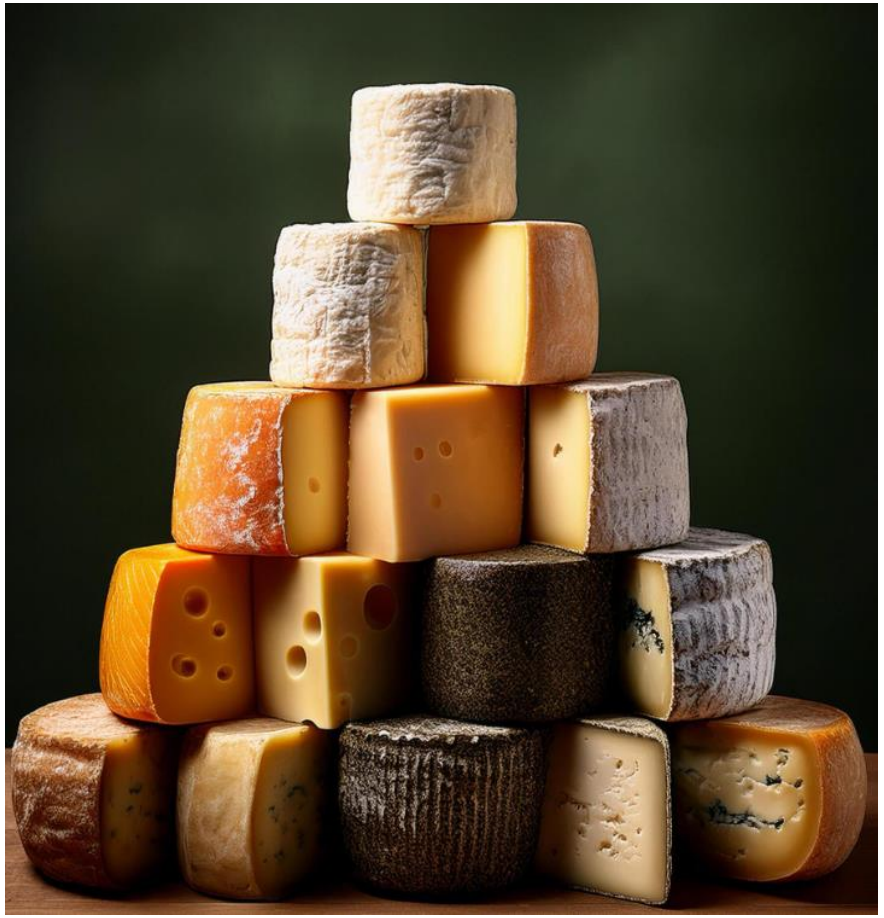
LINE EXTENSION FROM ESTABLISHED BRANDS FAIL AT A LOWER RATE (32%)



- BRAND POSITIONING
- WHO IS YOUR CONSUMER?
  - Are you solving a need?
- ARE YOU COMPETITIVE?
  - Price
  - Packaging Communication
  - Why are your competitors winning?
  - Taste is the #1 factor above all else.

*Source: Euromonitor / Dairy Reporter May 2025

CHEESE IS STILL THE BIGGEST CATEGORY



CALIFORNIA HAS WIDE VARIETY OF CHEESES

LIMITED AND IN NEED MORE OF:

- PANEER
- PARMESAN
- PROCESSED
- SWISS
- SNACKING FORMATS
- OTHER

Natural Cheese | Top Cheese Type (NATIONALLY)

Mozzarella is the largest cheese type that is contributing 19.6% followed by Cheddar and Parmesan with 19.2% and 5.9% share, respectively

Cheese Type	Dollar Sales				Volume Sales		Unit Sales	
	Share	Pt change vs YA	Sales (M)	% Change vs YA	Sales (M)	% Change vs YA	Sales (M)	% Change vs YA
Mozzarella	19.6%	+0.2pts	$3,132.6	+1.1%	$560.8	+0.7%	$720.6	+0.8%
Cheddar	19.2%	-0.6pts	$3,067.1	-2.9%	$553.7	-2.1%	$894.0	-1.9%
Parmesan	5.9%	+0.3pts	$938.7	+6.5%	$89.2	+4.7%	$225.9	+3.9%
Colby Jack	5.0%	+0.2pts	$803.2	+4.1%	$152.3	+6.9%	$256.1	+6.6%
Feta	3.4%	+0.1pts	$547.3	+4.0%	$58.8	+8.5%	$109.4	+3.7%
Queso Fresco	2.7%	+0.1pts	$436.4	+5.0%	$85.7	+4.9%	$96.1	+4.7%
Pepper Jack	2.5%	-0.1pts	$393.4	-4.1%	$65.6	-3.0%	$128.9	-2.4%
Swiss	2.0%	-0.1pts	$321.8	-5.2%	$51.5	-3.7%	$106.9	-3.3%
White Cheddar	1.9%	-0.1pts	$307.4	-6.4%	$43.6	-9.8%	$82.2	-8.8%
Provolone	1.9%	-0.1pts	$304.7	-3.1%	$50.4	-1.2%	$99.9	-0.7%
All Others	35.9%	+0.2pts	$5,730.6	+0.8%	$892.7	-0.1%	$1,377.5	+0.0%

Source: Circana Total U.S. MULO+w/C – 52 Weeks Ending Apr 19, 2026

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Natural Cheese | Top Flavors

Non-Flavored is the top flavor that is contributing 80.8% of dollar share in L52W

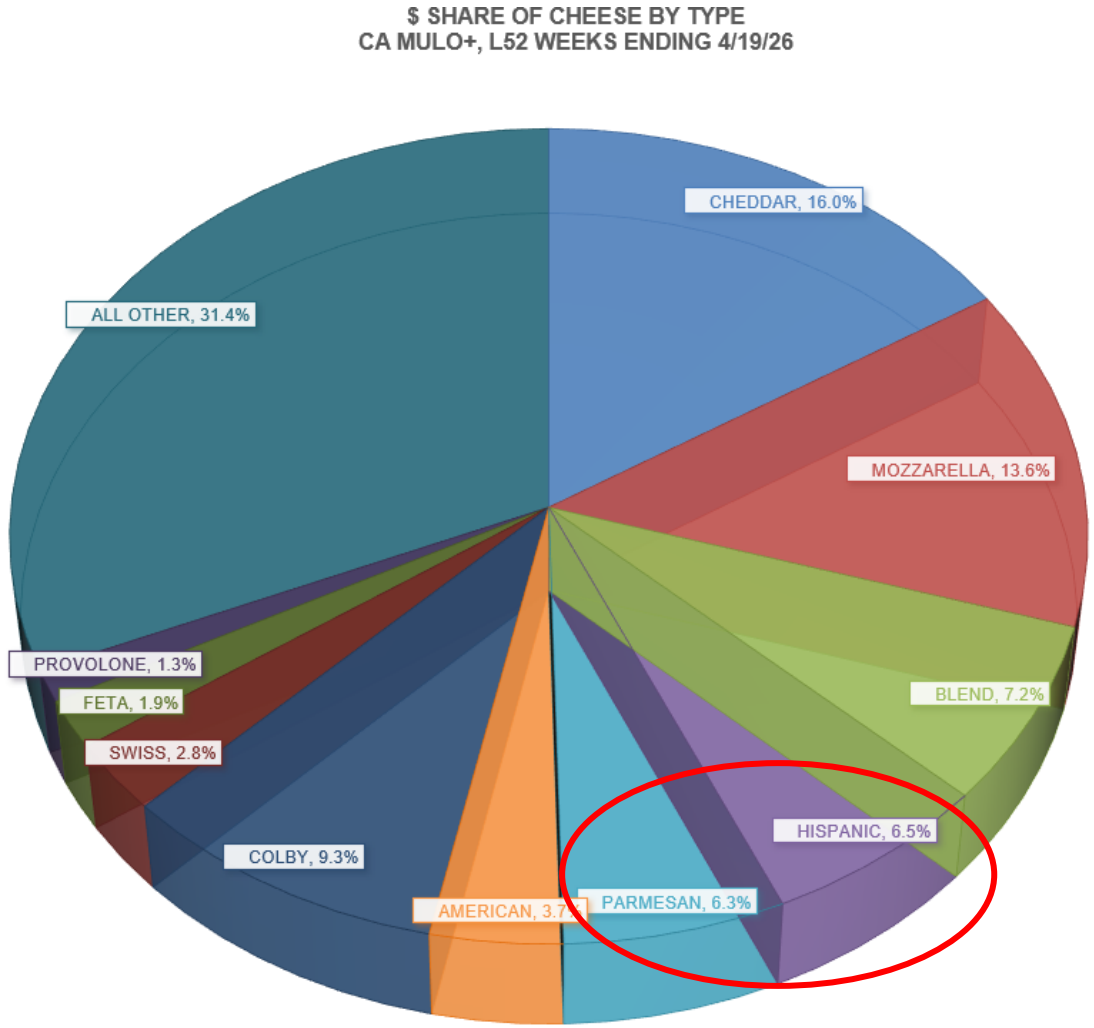
Top Flavor Detail	Dollar Sales				Volume Sales		Unit Sales	
	Share	Pt change vs YA	Sales (M)	% Change vs YA	Sales (M)	% Change vs YA	Sales (M)	% Change vs YA
Non-Flavored	80.8%	+0.4pts	$12,907.7	+0.8%	$2,112.6	+0.8%	$3,274.9	+0.4%
Mexican	7.3%	-0.3pts	$1,172.5	-3.9%	$232.8	-3.4%	$319.6	-2.7%
All Other Flavor/Scent	3.2%	+0.2pts	$512.7	+5.3%	$64.3	+4.4%	$112.3	+4.4%
Hot / Spicy	2.6%	-0.1pts	$422.5	-1.6%	$69.3	-0.6%	$136.4	+0.7%
Smoked	2.1%	-0.0pts	$334.2	-0.7%	$53.6	+0.4%	$106.7	+1.3%
Herb	0.4%	+0.0pts	$62.0	+1.2%	$7.0	+17.3%	$10.0	-2.1%
Garlic	0.4%	+0.0pts	$61.0	+6.1%	$4.9	+3.5%	$13.3	+2.6%
Tomato	0.3%	-0.0pts	$50.8	-11.4%	$8.7	-8.6%	$16.4	-11.4%
Cheese	0.3%	-0.0pts	$48.4	-2.0%	$10.9	-1.6%	$13.5	-3.5%
Beef	0.2%	-0.0pts	$29.1	-2.4%	$2.3	-9.5%	$5.9	-9.4%
All Others	2.4%	-0.1pts	$382.3	-4.3%	$38.0	-13.5%	$88.2	-3.3%

Source: Circana Total U.S. MULO+w/C – 52 Weeks Ending Apr 19, 2026

CA CHEESE PERFORMANCE

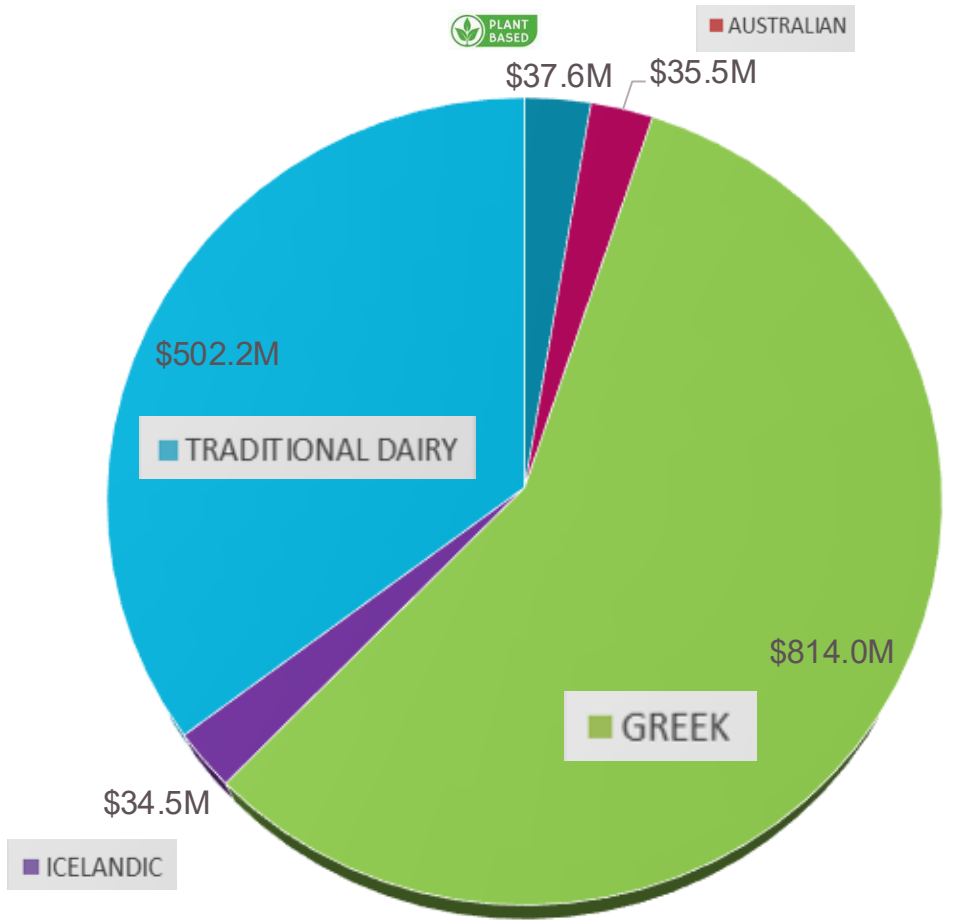
California - Multi Outlet+ **Latest 52 ending 4/19/26**

Product	$ Shr of Cheese	$ Shr YAG	Shr Pt Chg	Sales in Billions	Dollar Sales % Change vs YA	Volume Sales % Change vs YA
Total All Products				**$3.2B**	**-1.8%**	**0.1%**
CHEDDAR	**16.0%**	16.3%	-0.3pts	$518.2M	-3.3%	-1.5%
MOZZARELLA	**13.6%**	13.4%	0.2pts	$439.7M	-0.6%	2.1%
BLEND	**7.2%**	7.5%	-0.3pts	$231.2M	-6.1%	-2.6%
HISPANIC	**6.5%**	6.0%	0.5pts	$210.3M	6.9%	8.7%
PARMESAN	**6.3%**	**5.9%**	**0.4pts**	**$202.0M**	**4.7%**	**0.2%**
AMERICAN	**3.7%**	3.9%	-0.1pts	$120.5M	-5.4%	-5.1%
COLBY	**9.3%**	9.5%	-0.1pts	$301.6M	-3.1%	2.4%
SWISS	**2.8%**	2.8%	0.0pts	$89.6M	-3.3%	-4.6%
FETA	**1.9%**	1.9%	0.0pts	$61.8M	0.7%	2.2%
PROVOLONE	**1.3%**	1.3%	-0.1pts	$40.9M	-6.3%	-1.7%
ALL OTHER	**31.4%**	**31.6%**	**-0.2pts**	**$1.0B**	**-2.4%**	**-1.5%**



- CHEESE VOLUME FLAT
- GROWTH IN HISPANIC (6.5% SHARE, +7% $ VS LY)
- GROWTH IN PARMESAN (6.3% SHARE, +4.7% $ VS LY)

YOGURT LANDSCAPE IN 2026



ALTERNATIVE AUSTRALIAN GREEK ICELANDIC TRADITIONAL

- LATEST 52WKS Total US Sales = $13.3B, +12.6% VS PY
- Greek is now **57%** of TTL Cat
  - +23.3% vs PY
  - YTD, growing at +16.8%
- Traditional is now 35% of TTL Cat
  - -0.1% vs PY
  - YTD, +1%
- Icelandic growing +40.4%
- Australian +3.5%
- Alternatives +6.7%

Source: TTL US MULO Circana 52wks Ending 12/31/25

YOGURT SEGMENTS: 3YR TREND ($ % CHG)

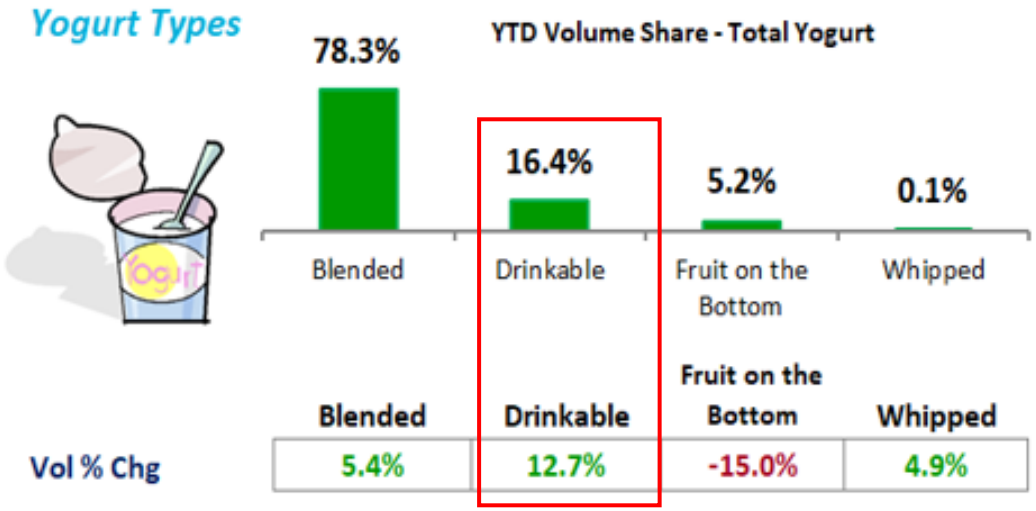
		Dollar Sales % Change vs YA			
Type	Product	2023	2024	2025	YTD 2026 ENDING 5-24-26
Yogurt Type	ALTERNATIVE YOGURT	-4.8%	-1.0%	6.7%	9.3%
Yogurt Type	AUSTRALIAN YOGURT	-1.6%	-3.0%	3.5%	-2.0%
Yogurt Type	GREEK YOGURT	13.9%	15.7%	23.3%	16.8%
Yogurt Type	ICELANDIC YOGURT	10.5%	31.9%	40.4%	30.7%
Yogurt Type	TRADITIONAL DAIRY YOGURT	1.4%	-2.4%	-0.1%	1.0%

- ALT YOGURTS MAKING A COMEBACK. YTD +9.3%
- ICELANDIC IS THE FASTEST GROWING SEGMENT : +40.4% IN 2025!
- GREEK CONTINUES TO SEE STRONG GROWTH: +23.3% IN 2025

Source: TTL US MULO Circana 52wks Ending 12/31/25

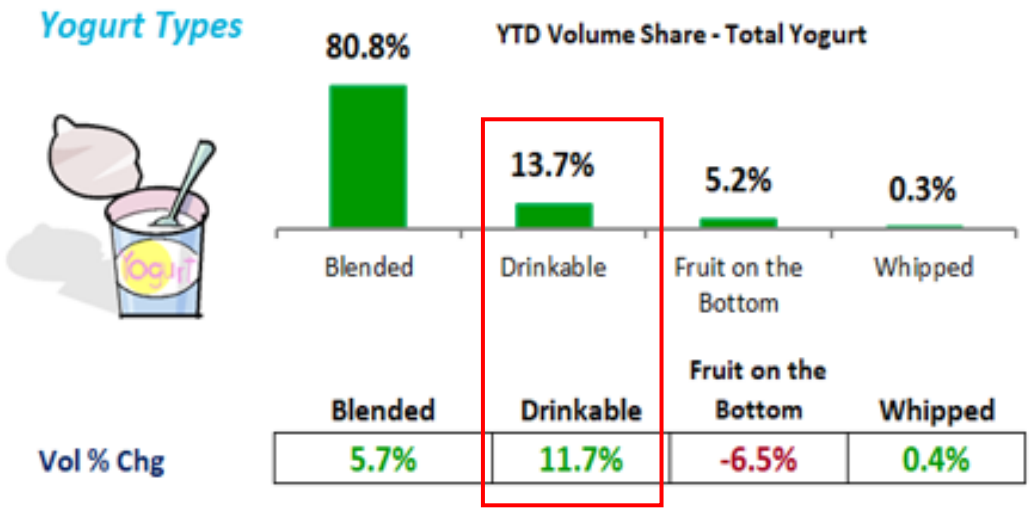
DRINKABLE FORMS GAINING

CA



Vol % Chg	Blended	Drinkable	Fruit on the Bottom	Whipped
	5.4%	12.7%	-15.0%	4.9%

US



Vol % Chg	Blended	Drinkable	Fruit on the Bottom	Whipped
	5.7%	11.7%	-6.5%	0.4%

- DRINKABLE YOGURTS – DOUBLE DIGIT VOLUME SHARE GAINS
- FRUIT ON THE BOTTOM – DOWN SIGNIFICANTLY
- WHIPPED FORMATS RESONATING IN CA

Source: DMI Q1 DATA – 1/25/26- 03/22/26 (CA MULO, TTL US MULO)

YOGURT FLAVOR TRENDS

Yogurt | Top Flavors

Vanilla is the top flavor for Yogurt with 20.1% share followed by Fruit Blend with 17.6%, Non-Flavored with 16.3% and Strawberry with 13.8% share.

Top Flavor Detail	Dollar Sales				Volume Sales		Unit Sales	
	Share	Pt change vs YA	Sales (M)	% Change vs YA	Sales (M)	% Change vs YA	Sales (M)	% Change vs YA
Vanilla	20.1%	+0.1pts	$2,451.7	+13.3%	$767.6	+7.1%	$712.7	+5.6%
Fruit Blend	17.6%	+0.1pts	$2,140.3	+13.6%	$795.5	+6.9%	$496.1	+11.3%
Non-Flavored	16.3%	+1.3pts	$1,979.6	+22.1%	$668.5	+17.7%	$482.9	+13.7%
Strawberry	13.8%	-1.0pts	$1,682.9	+5.3%	$539.9	+1.1%	$634.6	+0.5%
All Other Flavor/Scent	5.2%	+0.5pts	$630.4	+26.0%	$222.1	+19.5%	$245.9	+0.2%
Berry	4.5%	+0.2pts	$546.3	+18.8%	$142.7	+12.4%	$222.1	+5.4%
Peach	3.9%	-0.3pts	$469.4	+5.0%	$142.7	-1.0%	$276.7	+0.6%
Cherry	2.7%	-0.0pts	$333.2	+11.7%	$103.0	+6.2%	$185.9	+4.9%
Blueberry	2.3%	-0.3pts	$276.2	+0.8%	$82.1	-2.6%	$166.0	-4.1%
Lime	1.6%	-0.1pts	$197.8	+4.4%	$52.4	-0.0%	$113.2	-2.4%
All Others	12.1%	-0.6pts	$1,474.2	+7.5%	$403.6	+4.1%	$795.7	+3.2%

Circana.

Source: Circana Total U.S. MULO+w/C – 52 Weeks Ending Apr 19, 2026

REAL CALIFORNIA MILK

CHOBANI LEADS ALL YOGURT BRANDS IN GROWTH

New packaging puts Protein in the forefront vs. Chobani Complete

Chobani High Protein yogurt delivers on some of the most top of mind health benefits:

- 15-30g of Protein per unit
- 0g of Added Sugar
- Lactose Free
- Only Natural Ingredients

Circana.

CATEGORY RANK	TOP BRANDS	Dollar Sales	Dollar Sales % Change vs YA
1	CHOBANI RFG YOGURT	$2,764,994,940	20.0%
2	DANNON RFG YOGURT	$2,360,535,727	8.7%
3	PRIVATE LABEL RFG YOGURT	$1,582,104,933	15.4%
4	YOPLAIT RFG YOGURT	$1,270,923,120	-0.4%
5	DANNON RFG YOGURT DRINKS	$664,458,885	**+73.2%**
6	CHOBANI RFG YOGURT DRINKS	$624,880,905	73.2%
7	FAGE RFG YOGURT	$605,512,726	17.8%
8	STONYFIELD ORGANIC RFG YOGURT	$465,033,634	15.7%
9	NOOSA RFG YOGURT	$274,583,465	9.7%
10	SIGGIS RFG YOGURT	$242,504,488	38.1%

➢**Chobani** is the largest Dairy15 Brand and **is driving 40% of total Dairy15 dollar growth**. Chobani seeing strong growth in Yogurt, Yogurt Drinks and Cream/Creamers

* Source: Circana 52wks US MULO+C, wk ending 12-28-25

REAL CALIFORNIA MILK

YOGURT OPPORTUNITIES - INTERNATIONAL

Key highlights in yogurt across Asia Pacific

China is the leading country for yogurt during Apr 2021-Mar 2026.

Banana is the fastest growing flavor during Apr 2025-Mar 2026.

Mengniu Chewy Yogurt With Pineapple Orange Flavor And Oats

China, May 2026 VIEW DETAILS

100% raw cow's milk source. Pasteurized and heat treated. Real ingredients, nutritious and delicious. For an energetic breakfast and leisure snack.

Gomgom Big Choco Ball Yogurt

South Korea, Jan 2026 VIEW DETAILS

Delicious taste. Sweet and crunchy. Can be enjoyed as breakfast or an afternoon snack.

Moogurt Mighty Vanilla Frost Probiotic Yoghurt

New Zealand, Nov 2025 VIEW DETAILS

Whether they're diving into schoolwork, gearing up for game time, or charging into the afternoon.

Smaller formats in yogurt resonate (budget conscious)!

Compact squeeze pouch

Yoplait Petit Miam Vanilla Yoghurt

Malaysia, May 2026 VIEW DETAILS

Pillow pouch

Milma Sambharam

India, Apr 2026 VIEW DETAILS

Single-serve stick pack

Yoger Ro Organic Greek Yogurt

South Korea, Apr 2026 VIEW DETAILS

On-the-go pot

Epigamia Turbo Zero Fat Greek Yogurt Alphonso Mango

India, Mar 2026 VIEW DETAILS

* SOURCE: INNOVA DATABASE, INNOVA CATEGORY SURVEY 2026 (AVG OF 11 COUNTRIES), INNOVA TOP F+B TRENDS 2026

INNOVATION IS DRIVING NOVELTIES GROWTH!

Sum of Dollar Sales	Sum of Dollar Sales Year Ago	Sum of Dollar Sales Change vs YA	Sales % Chg
$ 8,604,061,356	$ 8,234,313,432	$ 369,747,925	4%

Top 10 Absolute Growth Items (National)

Rank	Brand	Share	Sum of Dollar Sales	Sum of Dollar Sales Year Ago	Sum of Dollar Sales Change vs YA	Sales % Chg
1	DREYERS GRAND ICE CREAM CO	30%	$ 2,543,693,621	$ 2,417,509,547	$ 126,184,074	5%
2	JONNYPOPS LLC	2%	$ 136,898,212	$ 78,912,164	$ 57,986,048	73%
3	ISLAND WAY SORBET LLC	1%	$ 84,167,155	$ 28,038,463	$ 56,128,693	200%
4	WELLS ENT INC	8%	$ 662,511,374	$ 614,127,619	$ 48,383,755	8%
5	YASSO INC	5%	$ 416,231,426	$ 379,566,927	$ 36,664,499	10%
6	CASPERS ICE CREAM CO INC	2%	$ 161,490,232	$ 131,948,610	$ 29,541,622	22%
7	THE MAGNUM ICE CREAM CO	12%	$ 1,006,485,061	$ 982,484,904	$ 24,000,157	2%
8	MARS WRIGLEY CONFECTIONERY US LLC	5%	$ 463,939,903	$ 442,082,929	$ 21,856,975	5%
9	HONG QI	0%	$ 20,612,012	$ 660,229	$ 19,951,783	3022%
10	BEN & JERRYS HMDE INC	0%	$ 34,309,321	$ 16,168,223	$ 18,141,098	112%

HONG QI FROZEN ICE CREAM NOVELTIES EXPLODED INTO THE CATEGORY WITH $20.6MM SALES, UP +$19.9M (+3022% GROWTH!)

WEIGHT CONTROL IS A $1.4B CATEGORY

Product	Dollar Share	Dollar Sales	Dollar Sales Year Ago	Dollar Sales Change vs YA	Dollar Sales % Change vs YA
WEIGHT CONTROL	**11.8%**	$1,450.2M	$1,309.5M	$140.8M	10.7%

- TOP 10 ABSOLUTE GROWTH ITEMS:

PRODUCT	Dollar Sales	Dollar Sales Year Ago	Dollar Sales Change vs YA	Dollar Sales % Change vs YA
NURRI VANILLA 132OZ	$14,552,272	$5,111,768	$9,440,503	184.7%
PREMIER CHOC RTD 132OZ	$12,710,712	$9,217,035	$3,493,678	37.9%
CORE POWER CHOC 14OZ	$22,497,594	$19,232,161	$3,265,433	17.0%
NURRI CHOC 132OZ	$14,629,205	$11,467,703	$3,161,501	27.6%
CORE POWER ELITE CHOC RTD 14OZ	$13,851,065	$11,230,967	$2,620,098	23.3%
ORGAIN CHOC FUDGE 43.2OZ	$18,174,189	$16,709,447	$1,464,742	8.8%
ORGAIN VANILLA 43.2OZ	$27,398,018	$26,224,598	$1,173,420	4.5%
OPT NUTRITION VAN POWDER 87.52OZ	$18,489,168	$17,908,679	$580,489	3.2%
PREMIER CAFÉ LATTE 198OZ	$32,532,662	$32,484,686	$47,976	0.1%
ENSURE VANILLA RTD 240OZ	$24,114,213	$26,127,056	-$2,012,844	-7.7%

+$9.4M VS LY!
(+185%)

FOODSERVICE TRENDS

FASTEST GROWING DAIRY FORMATS IN FS:

Specialty and emerging formats gained operator traction in Q1 2026 vs PY

Dairy Format	Operators (Q1 2026)	Operators (Q1 2025)	YoY Growth %
Cookie Butter	43	39	+10.3%
Chile Butter	89	82	+8.5%
Cheese Dressing	64	60	+6.7%
Whey Protein	33	31	+6.5%
Oat Milk	239	225	+6.2%
Condensed Milk	87	83	+4.8%
Whole Milk	252	243	+3.7%

Compound butters (Chile Butter, Cookie Butter) are the clearest growth signal, reflecting growing consumer interest in elevated, flavor-forward dairy ingredients as both finishing elements and signature components.

Whey Protein growth points to the intersection of dairy and performance/health positioning, particularly in nontraditional daypart and wellness-oriented menus.

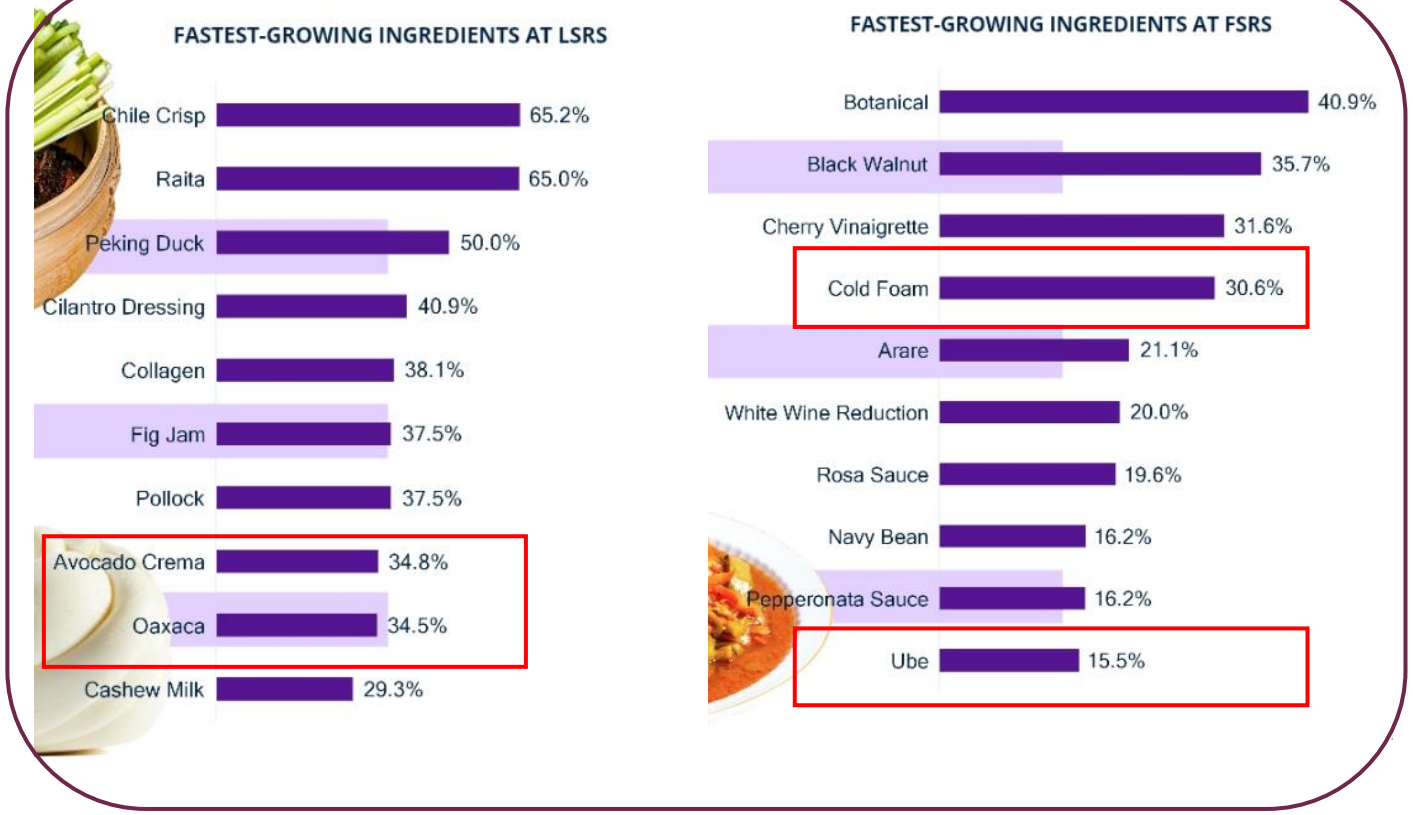
Oat Milk's continued growth (+6.2%, 239 operators) represents the dairy-alternative crossover that many operators now treat as a standard dairy complement rather than a replacement.

Whole Milk (+3.7%) is benefiting from a premiumization narrative and the resurgence of real ingredient messaging.

* Source: Technomics Dairy Food Trends 2026 Summary

FOODSERVICE TRENDS

Fastest-Growing Ingredients



FOODSERVICE TRENDS

- Beverages in full service restaurants are hot
  - 9 of the 10 fastest growing menu items in FSR's are beverages
- LTO's (Limited Time Offers)
  - 9 of the 10 fastest growing menu items in FSR's are beverages

* Source: Technomic Ignite Menu Q2 2025 – Q2 2026

AGENDA

- Market Trends Shaping Dairy Today
- White Space Opportunities: Retail, Foodservice, Exports
- California Production Strengths and Opps

CA PRODUCTION STRENGTHS

- CA is the leading producer of milk, butter, ice cream and NFDM in the nation
- CA is the 2nd largest producer of cheese and yogurt in the country. CA produces about 20% of the nation's cheese.
- CA exports 1/3 of milk production
- CA processors cover all categories
- New UF processing available!
  - +Valley Milk (2026)
  - + Land O'Lakes (2027-28)
  - Existing suppliers: CDI, Actus

TOP 10 PROCESSORS IN CALIFORNIA

Rank	Processor	Type	Annual CA Milk Production	Share of CA Milk Production	Brands
#1	California Dairies, Inc. (CDI)	Processor - Cooperative	17B lbs/annually	42%	Valley Natural Beverages, Challenge, Danish Creamery, Dairy America, Private label
#2	Leprino Foods	Processor - Private	5.6B lbs/annually	14%	Leprino, Bacio, Gina Marie, Ascent Protein
#3	Hilmar	Processor - Private	4.7B lbs/annually	12%	Hilmar, Private label brands
#4	Saputo	Processor - Private	3.7B lbs/annually	9.3%	Frigo, Stella, Treasure Cave, Montchevre, Friendship Dairies, Lorraine, Great Midwest, Joan of Arc, Private Label brands
#5	Land O'Lakes	Processor - Cooperative	2.7B lbs/annually	7%	Land O' Lakes, Kozy Shack, Alpine Lace
#6	Dairy Farmers of America (DFA)	Processor - Cooperative	1.3B lbs /year	3.3%	Private Label, Alta Dena, Borden, Cache Valley, Cass-Clay, Country Fresh, Dean's, Swiss, TruMoo
#7	Lactalis	Processor - Private	1.2B lbs/annually	3.2%	Kozy Shack, Alpine Lace
#8	Producers Dairy (Mid-Valley)	Processor - Private	1B lbs/annually	2.7%	Berkeley Farms, Producers, Raley's, Sequoia Farms
#9	Crystal Creamery	Processor - Private	936M lbs/year	2.4%	Crystal Creamery, Humboldt Creamery, private label
#10	Valley Milk	Processor - Cooperative	801M lbs/year	2%	Valley Milk, Francisco Foods

ANNUAL CA PRODUCTION = 40B lbs

BY THE NUMBERS:

PROCESSORS

115

Mid Valley Family Foods

Clover Sonoma

California Dairies Inc.

Joseph Farms California Natural

Saputo

FARMSTEADS

8

Point Reyes Farmstead Cheese Co.

Fiscalini Farmstead

Foggy Bottoms Boys

Rosa Brothers Milk Company

CONVERTERS

8

Gourmet Foods International

Pacific Cheese Est. 1970

Masters Gallery

Marathon Cheese Corporation

BRAND MARKETERS

175

Pioneer Pastures

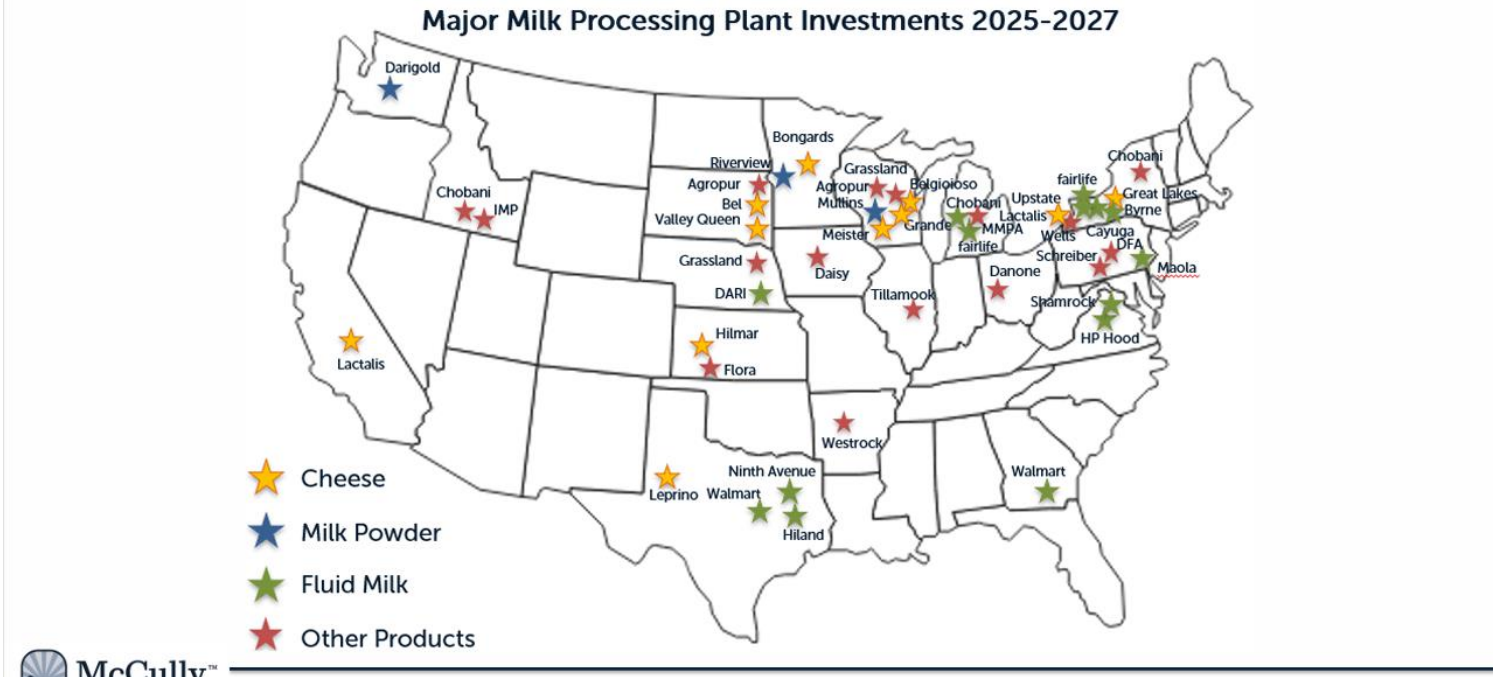
good culture

Grocery Outlet Bargain Market

Real California Milk

CA PRODUCTION OPPORTUNITIES

$11 billion+ in 40+ new plants and expansions



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CA could use more:

- ESL / UHT FLUID
- YOGURT – ALL FORMS
- COTTAGE CHEESE

REAL CALIFORNIA MILK

THANK YOU

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