

DAIRY BITES

MOUNTAIN FRESH CREAMERY

GEORGIA
WHITE COUNTY FFA
GA0329
2021

*Fresh, all natural milk
from our farm to your family!*

Ingredients: Milk (less than 1.2% fat)

Clermont
GA ★

GEORGIA
grown

Mountain Fresh Creamery

DAIRY BITES

Nutrition Facts
Serving Size 1 cup (240mL)
Servings Per Container 16

Amount Per Serving	
Calories 160 Calories from Fat 80	
	% Daily Value*
Total Fat 9g	14%
Saturated Fat 5g	25%
Trans Fat 0g	
Cholesterol 35mg	11%
Sodium 120mg	5%
Total Carbohydrate 12g	4%
Dietary Fiber 0g	0%
Sugars 11g	
Protein 8g	
Vitamin A 6% • Vitamin C 4%	
Calcium 30% • Iron 0% • Vitamin D 20%	

*Percent Daily Values are based on a 2,000 calorie diet.

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CASEY WEST, HALEIGH HOLLAND, HOYT SARTAIN

Dairy products such as portable yogurts, grab-and-go snacks, and milk are an important source of nutrients for growing children and teens. According to a study conducted by the Cleveland Clinic, children ages 4 to 18 are not eating the recommended daily intake of dairy products. "This puts many children at increased risk for injury," states dietitian Kate Patton. (Cleveland Clinic, 2020) Dairy products are packed with nutritional value; with milk, yogurt, and cheese providing the richest source of calcium. Boys and girls ages four to eight need two and one half cups of dairy products per day, while children ages 9 to 18 need three cups per day. (The Dairy Alliance, 2021) Dairy Bites, a grab-and-go snack, will aid in supplying calcium, as well as, eight other essential nutrients throughout the day. Dairy Bites will provide students with a locally grown product, that is user friendly, catering to on-the-go lifestyles.

These grab-and-go cheese snacks will be locally produced at Glo Crest Dairy's cheese facility. You, Scott and Jennifer Glover, built the dairy in 2000 in order to accomplish your life long dream of creating a dairy that produces award winning milk that is all natural, non-homogenized, and low pasteurized. As well as being sold at the creamery, it will also be sold to local school districts and in local businesses. Due to this product being locally produced, it is at its peak nutritional value. The packaging allows one to simply get rid of the trash by disposing it in a trash can. The Dairy Bites can be left at room temperature for up to two hours without spoiling and then refrigerated after that.

MARKET ANALYSIS

CLIENT'S STATUS IN CURRENT MARKET

At Mountain Fresh Creamery, all-natural, non-homogenized dairy products come straight from the farm to your family. Your products contain no added hormones or antibiotics. Each of your products is minimally processed to taste the way that nature intended. Nothing is added or taken away; it is 100% of what their cows have to give you. The Glover's market Glo-Crest Dairy and Mountain Fresh Creamery through social media platforms Facebook, Instagram, and Twitter, membership in the Georgia Grown program, signage at local businesses that carry their products, and farm tours. Mountain Fresh Creamery's initial target market is White County School System Nutrition Director Abby Rowland. She currently purchases 1,800 cases of one ounce mozzarella string cheese for daily meals and snacks for seven schools within her district. Each case consists of 165 servings. The current competitor of Mountain Fresh Creamery's Dairy Bites is corporate grab-and-go dairy snacks. Dairy Bites will provide White County School System with a locally produced product that is just down the road on US 129. These cheese bites will assist children in meeting the ideal goals of dairy consumption a day, while giving the kids a boost of energy for the day.

INDUSTRY TRENDS

- American children snack 2–3 times per day and snacking contributes 24% of their daily energy intakes. (Wang, 2018)
- About 90% of Americans do not get enough dairy, therefore most individuals would benefit by increasing intake of fat-free or low-fat dairy products. (USDA, 2020)
- 96% of consumers reported that they feel locally-grown and produced food is the freshest, healthiest and the most nutritious food available. (Forager, 2020)
- Nearly one third (30%) of parents are serving healthier snacks to their children. (Mintel Group, 2015)
- 19% of consumers overall select grab-and-go food items. (DayMark Safety Systems, 2019)

BUYER PROFILE & BEHAVIOR

Initial marketing will be targeted to the White County School System Nutrition Department to implement in grades pre-K through 12. In lieu of the School Breakfast Program (SBP) and National School Lunch Program (NSLP), both Federal child nutrition programs (CNP), White County schools can distribute free meals and snacks to their students throughout the school day and during summer or national pandemics. Marketing will then expand to other schools within the Pioneer Regional Education Service Agency district and local businesses carrying MFC dairy products.

- Moms prioritize nutritional value followed by taste and familiar ingredients at a low price in the foods that they buy for their children. With Dairy Bites being locally produced and at their peak nutrition when consumed, they will be able to meet the standards for parents prioritizing the nutritional value. (Food Dive, 2017)
- Through camps offered at the school, Dairy Bites will provide children with a locally grown, healthy snack that is full of protein that can fuel them up for the rest of the day at camp. (SFGATE, 2020)

COMPETITION'S SWOT ANALYSIS GRAB-N-GO SNACKS

Strengths

- Name recognition nationally.
- Wide product profile allows expansion of customer base and offset of losses.
- Strong financial position allows further expansion in the market.
- Horizontal and vertical integration can result in improved access to raw material and quick product delivery to the final customer.

Weaknesses

- Inability to understand customers wants and expectations which may lead to ineffective improvement.
- Unable to respond to consumer demand with quick turnaround time due to many levels of supply chains.

Opportunities

- The exponential growth in the population of White County, Georgia provides a growth opportunity.
- Customers may start preferring new and creative products/services as a result of changing tastes.
- The advanced technological integration can decrease costs, improve efficiency and result in the quick introduction of innovative products.
- The emergence of new market segments and new niches provide business and product line expansion opportunities.

Threats

- The growing environmental sustainability trends act as a major threat when offered products/services are not environment friendly. It draws negative publicity and criticism from the environmentalists and affects the brand image in a competitive market.
- The changing regulatory framework and introduction of new stricter regulations impose a major threat to corporate dairy grab-and-go snacks. It makes compliance with legal standards more complex and challenging for the business organization. Inability to comply with changing regulations raises the risk of expensive lawsuits.
- Shortage of skilled labour in the market can make it difficult for the organization to attract talent with the right skills set.
- The deteriorating economic conditions affect business performance when they directly influence the customers' spending patterns and purchasing power.

PRODUCT/CLIENT SWOT ANALYSIS

Strengths

- MFC is able to provide a product that is a single serving size that helps meet the dairy consumption goals for children.
- Dairy Bites provide children with a grab-and-go snack that is fulfilling to their nutritional needs.
- Simple packaging of Dairy Bites provides children with a snack that is not contaminated and easy to throw away.

Weaknesses

- Small companies have a hard time growing the business outside their area.
- Products are not overly differentiated.
- There is weak negotiating power with buyers due to less differentiation of products.
- Products do require refrigeration when being transported and stored.

Opportunities

- MFC is able to adjust dairy bites due to customer preferences in a short time.
- MFC is able to have local relationships with citizens and businesses about the Dairy Bites.
- MFC is able to respond to issues with dairy bites like change in federal law quickly.
- MFC has regional control and is able to develop partnerships with local businesses and other farms.

Threats

- Possibility of disease outbreak in the Holstein herd which decreases milk production utilized by Mountain Fresh Creamery dairy products.
- Competing with major international dairy companies which have name recognition and availability to greater resources.
- Federal and state funding programs change year to year, especially when legislators change. These changes could cause deterioration of school nutrition funding programs.
- Another Georgia Grown dairy could enter the market to offer a similar product to compete with current products.

PRIMARY RESEARCH

Primary Research (from our survey—see page 7) 958 surveys were collected from a QR code placed at local businesses selling Mountain Fresh Creamery products. 64% (613) of respondents were female and 35% (335) were ages 25 to 40.

- 62% of respondents consume cheese two or more times a week
- 42% of respondents are motivated to purchase cheese as a snack due to convenience
- 38% of respondents purchase grab-and-go snacks two or more times a week; 36% of respondents purchase grab-and-go snacks daily
- 91% of respondents would purchase a grab-and-go cheese snack for \$0.50

PRIMARY RESEARCH: INTERVIEWS W/ FOOD NUTRITION DIRECTORS

The fifteen Nutrition Directors from each school system within the Pioneer Regional Education Service Agency are aware of the benefits of consuming recommended daily servings of dairy products willing to pay \$0.21 per one ounce serving. This price currently is what nutrition directors are paying for mozzarella cheese sticks in their schools. Dairy products can be offered for breakfast, lunch or snacks served during the school day.

BUSINESS PROPOSAL

MISSION STATEMENT

Mountain Fresh Creamery provides a wholesome, all natural product, fresh from their farm to your family. They are passionate about treating their cows like family. This is why the cows are able to produce the award winning milk used in Dairy Bites.

KEY PLANNING ASSUMPTIONS

The following key planning assumptions were developed from an interview with the owners of Mountain Fresh Creamery and Pioneer Regional Education Service Agency Nutrition Directors along with surveys conducted within local businesses selling MFC dairy products.

Mountain Fresh Creamery

- Continue to offer all-natural, non-homogenized dairy products with no added hormones or BST that is appealing to health conscious consumers.
- Continue to promote dairy education through agritourism farm tours and farm day at the local agricultural center.
- Continue to broaden name recognition through local and regional businesses.

SHORT & LONG TERM GOALS

- **Year 1:** Dairy Bites will be distributed to all seven schools within the White County School System and sold at Mountain Fresh Creamery. MFC will strive to gain consumer satisfaction.
- **Year 2:** Dairy Bites will be distributed to seven additional school systems within the Pioneer Regional Education Service Agency district and market within already established local businesses carrying Mountain Fresh Creamery dairy products. MFC will strive to gain consumer satisfaction.
- **Year 3:** Dairy Bites will be distributed to all fifteen school systems within the Pioneer Regional Education Service Agency district and market to five new local businesses in surrounding counties to carry Mountain Fresh Creamery dairy products. MFC will strive to gain consumer satisfaction.

TARGET MARKET

The target market for Mountain Fresh Creamery Dairy Bites is the White County School System. The entire student population, pre-K through 12, receive free breakfast and lunch, as well as an additional afternoon snack that they can pick up before they leave to go home for the day. Buses deliver daily meals during the summer to 13 locations throughout the county that serve as summer food distribution sites for students. Marketing through local businesses such as Adams IGA and Farmhouse Coffee will help promote a locally grown product and its peak freshness while maintaining the local connection to the community. In additional years, MFC will expand their market to additional schools within the Pioneer Regional Education Service Agency and new local businesses seeking to carry MFC products.

STRATEGIES & ACTION PLAN

PRODUCT

Mountain Fresh Creamery will begin making Dairy Bites, a cheddar cheese grab-and-go snack for students pre-K through 12. Grab-and-go snacks are single serving nutritious one ounce packages that provide children with key nutrients. They will initially be placed within local schools in White County, Georgia through initiatives created by Federal and State funding programs and MFC. The product will then expand outside of White County in future years.

PRICE

The primary research carried out with White County Nutrition Director Abby Rowland specifies that her nutritional program for the school system would be willing to purchase 150 cases of Dairy Bites at \$0.21 cents. Grab-and-go snacks will be sold to local businesses at the price of \$0.50 cents who will retail the product. Grab-and go snacks will also be sold at Mountain Fresh Creamery for \$0.50 cents per snack pack.

PLACE

Dairy Bites will be provided to students through Pioneer Regional Education Service Agency School System Nutrition Programs. Dairy Bites will also be available at businesses that carry Mountain Fresh Creamery products. Mountain Fresh Creamery will also provide Dairy Bites at its location in Clermont, Georgia, one mile from the White County line.

PROMOTION

Mountain Fresh Creamery will promote Dairy Bites using the following methods:

Consumer Taste Tests: Consumer taste tests will take place with the 15 nutrition directors of the Pioneer RESA district, local business owners who sell MFC dairy products, and visitors to the creamery. The taste tests will be conducted by you, the owners, and the employees of Mountain Fresh Creamery as you meet with local school systems and businesses.

Social Media and Website: Dairy Bites will be advertised via social media sites such as Facebook, Twitter and Instagram and MFC's website to educate about how cheddar cheese grab-and-go snacks aid consumers in healthy food choices.

For more information about Mountain Fresh Creamery and their products please follow the link provided:

<https://mountainfreshcreamery.com>.

Billboard: Dairy Bites will be advertised on their billboard located on a major highway US 129 that consumers will travel to visit MFC and the surrounding Northeast Georgia areas.

Local Counties Chamber of Commerce and Signage: Agritourism to Mountain Fresh Creamery will be presented to visitors of Northeast Georgia counties, as families travel to Helen and the Cabbage Patch Kids Babyland. This will allow visitors to travel to MFC, to visit a local farm, and participate in a farm tour, where they end at the Creamery where dairy products are sold. "We proudly sell Mountain Fresh Creamery products," signs are placed at local businesses throughout White County and surrounding counties who market and sell MFC products. These will draw potential consumers who may buy Dairy Bites as a grab-and-go option while traveling in a tourist region.

Newspaper: Mountain Fresh Creamery advertises their products in the Northeast Georgia Newspaper, as well as, the White County Newspaper which is available and free to its residents.

POSITION

Mountain Fresh Creamery's unique selling position is that they produce a locally grown product that is low pasteurized, non homogenized product, and is suitable for all ages. Due to Dairy Bites easy packaging, it is a clean, healthy, and an easy snack for children that will provide them with energy for the day.

BUDGET

	YEAR 1	YEAR 2	YEAR 3
REVENUE			
Dairy Bites sold to schools	1,800 cases at \$34.65/case w/165 snacks \$62,370	14,400 cases at \$34.65/case w/165 snacks \$498,960	27,000 cases at \$34.65/case w/165 snacks \$935,550
Dairy Bites sold at creamery/other retailers	24 cases at \$0.50/snack w/165 snacks \$1,980	150 cases at \$0.50/snack w/165 snacks \$12,375	225 cases at \$0.50/snack w/165 snacks \$18,562.50
TOTAL REVENUE	\$64,350	\$511,335	\$954,112.50
EXPENSES			
Cheddar Cheese Cutting Equipment & Maintenance	Machine purchase & maintenance \$17,400	Equipment maintenance \$2,000	Machine purchase & maintenance \$21,400
Packaging Equipment & Maintenance	Machine purchase & maintenance \$19,545	Equipment maintenance \$2,500	Machine purchase & maintenance \$24,545
Cheese Ingredients	\$21,067.20	\$168,052.50	\$314,448.75
Packaging	\$12,038.40	\$96,030	\$179,685
Labor	\$3,240	\$28,800	\$57,600
Marketing	Facebook Ads \$500	Facebook Ads \$750 Billboard \$1,500	Facebook Ads \$750 Signage \$100
TOTAL EXPENSES	\$70,550.60	\$299,632.50	\$598,528.75
NET PROFIT BEFORE TAXES	-\$6,200.60	\$211,702.50	\$355,583.75
ROI	-8.79%	70.65%	59.41%
ROS	-9.63%	41.40%	37.26%

EVALUATION

- **Benchmark 1:** Distribute Dairy Bites within 100% of White County Schools and begin selling at MFC. Measure this with records kept from quarterly meetings held with White County Nutrition Director and data from the MFC record keeping system. If this benchmark is not met, consider the additional needs of White County Nutrition Director and new promotional methods.
- **Benchmark 2:** Distribute to seven additional school systems within the Pioneer RESA district and market within already established local businesses carrying MFC dairy products. Measure with contracts established and MFC product sales reports. If this benchmark is not met, then evaluate the new school systems wants and needs, and then assign someone to contact current retailers to determine why they do not want to sell your cheese product and how you could interest them in marketing it.
- **Benchmark 3:** Distribute to all 15 school systems within Pioneer RESA district and market to five new local businesses in surrounding counties to carry MFC dairy products. Measure this with records kept of current retailers. If this benchmark is not met, then assign someone to research and contact possible retailers, as well as, evaluate advertising practices by finding new avenues or improving old ones to be better able to connect with potential and returning consumers.
- **Benchmark 4:** Strive to gain consumer satisfaction. Use follow-up surveys to provide input on consumer satisfaction. If this benchmark is not met, evaluate how the product can be improved to meet consumer wants and needs.

SURVEY

COW SCENE INVESTIGATION DAIRY BITES

1. Are you male or female?

- ☐ Male
☐ Female

2. How old are you?

- ☐ 18-25
☐ 25-40
☐ 40-60
☐ 60+

3. How often do you consume cheese?

- ☐ Daily
☐ Once a week
☐ Two or more times a week
☐ Never

4. What motivates you to purchase cheese as a snack?

- ☐ Color
☐ Taste
☐ Health based reasons
☐ Convenience

5. How often do you purchase grab-and-go snacks?

- ☐ Daily
☐ Once a week
☐ Two or more times a week
☐ Never

6. Would you purchase a one ounce grab-and-go cheese snack for \$0.50?

- ☐ Yes
☐ No



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