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**California Producers, Processors Awarded \$300,000 in Dairy Business
Innovation Initiative Grants**

Tracy, Calif. – January 12, 2023 – The California Dairy Innovation Center (CDIC) today announced five California winners of Dairy Business Innovation Initiative grants by the Pacific Coast Coalition, the USDA-funded Initiative hosted by Fresno State University supporting dairy product, process and packaging innovation. The winners include Capstone Ranch/Wonder Cow (Madera County), Central Coast Creamery (San Luis Obispo County), Foggy Bottom Boys (Humboldt County), Schoch Family Farmstead (Monterey County) and Weststeyn Dairy Farm (Glenn County).

The grants are the first in the \$1.8 million DBII award from the USDA that created the Pacific Coast Coalition to support dairy businesses in California, Oregon and Washington in the development, production, marketing, and distribution of dairy products. These are supplemented by additional phases of funding (2022-2025) totaling over \$20 million announced in November by USDA. A second round of funding, which will award around \$4 million in grants from \$50k to \$1 million, will be announced this month.

For Cal Poly Dairy Science graduate Rob Diepersloot, founder of WonderCow, Inc. the award will focus on pilot-scale testing of the feasibility and regulatory applications for an innovative dairy-based beverage. Diepersloot said, “We started WonderCow in order to harness the functional ingredients that dairy has to offer and bring them to families in an easy and practical way. This grant will provide much support to accelerate our path to market and add considerable value; not only to our milk-based product, but more importantly, to the families who will benefit from the health factors it will bring.”

“Receiving this grant will kick start a chain of events that promises an overall increase in our company's revenue and will benefit our employees and all of our dairy partners,” said Reggie Jones, owner of the Paso Robles-based Central Coast Creamery. “The grant will enable us to purchase processing equipment to increase our production capacity by 40%, which translates to more income for our dairy partners. This also has a significant impact on the local economy.”

Cody Nicholson Stratton, key partner of Foggy Bottom Boys applied for funding to purchase equipment to manufacture a value-added milk product from the farm's milk. “Being able to create extra revenue from a portion of our total milk volume will ensure that our farm remains financially sustainable and operational,” Stratton said. “We are consistently asked where our milk goes. This farmstead product line will offer our customers more ways to engage with our brand/business. We are excited to be able to offer our dairy with our family branded label.”

As one of the last dairies on the Central Coast of California, Schoch Dairy knows well the challenges of small-scale dairy production. Schoch received an award for equipment to produce new European style cheeses and butter products that are not common in California. “We believe this will be a major step that moves us from a local into a regional supplier of innovative farmstead dairy products as well as demonstrating the viability of a smaller-scale dairy operating profitably,” said Beau Schoch, third generation dairy farmer, engineer and project manager for the project. “Schoch Family Farmstead would like to lead the way in our region thanks to this grant.”

The grant will allow Weststeyn Dairy Farm to study the feasibility of high-pressure processing (HPP). Stephen Weststeyn, third generation farmer said, “I studied dairy processing at Cal Poly, San Luis Obispo, with the dream of making dairy products someday from our milk on our farm. The dairy industry is in desperate need of innovation. There is a window of opportunity here in the U.S. to apply new technologies to milk and milk packaging to reset milk's image. Applying the HPP process to milk gives the opportunity to not only to refresh milk's image, but it also allows the opportunity to create a better, fresher tasting product, improve shelf life, and open milk to a new field of possibility and development with functional beverages.”

Funded through the U.S. Department of Agriculture, Agricultural Marketing Service, DBII program funded initiatives focus on product, process and packaging innovation and serve to:

- Diversify dairy product markets to reduce risk and develop higher value uses for dairy products.
- Promote business development that diversifies farmer income through processing and marketing innovation.
- Encourage the use of regional milk production.

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supplemented by additional phases of funding (2022-2025) totaling over \$20 million announced in November by USDA.

“The continued investment in dairy innovation at both the farm and plant level will help take our industry to the next level,” said John Talbot, CEO of the California Milk Advisory. “And CMAB’s California Dairy Innovation Center was instrumental in this grant process and has resources to guide qualified California dairy businesses to take full advantage of these opportunities.”

“We appreciate Fresno State University, host of the DBII grant,” said Talbot. “The dedication of Dr. Carmen Licon and Dr. S. Pheasant and the administrators and grant staff at Fresno State have moved this initiative forward in a significant way and created a smooth pathway for grants to start making a difference.”

The CDIC’s Steering Committee, which includes representatives of California Dairies Inc., California Dairy Research Foundation, California Milk Advisory Board, Cal Poly San Luis Obispo, Dairy Management Inc., Fresno State University, Hilmar Cheese, Leprino Foods, and UC Davis assisted in the thorough review process and recommended funding applications based on objective criteria.

Grants are available to anyone operating a dairy farm or dairy processing plant in California that focus on product, process, packaging innovation for dairy manufacturing. This includes feasibility studies and workforce training. Proposals can include requests for funding for qualified equipment, feasibility studies, innovation in packaging as well as training of the workforce. This is a reimbursement program with applicants reimbursed upon presentation of invoices/receipts for approved projects. Grants are available to qualified applicants throughout California. For more information on upcoming grants, please contact CMAB’s California Dairy Innovation Center: vlagrange@cmab.net.

¹ <https://www.ams.usda.gov/press-release/usda-awards-229-million-support-dairy-initiatives>

¹ Additional information on the (a) program and (b) allowable expenses is available at: (a) <https://www.ams.usda.gov/services/grants/dbi> (b) <https://www.ams.usda.gov/sites/default/files/media/DBISpecificTermsandConditions.pdf>

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About the California Dairy Innovation Center

The California Dairy Innovation Center (CDIC) coordinates pre-competitive research and educational training in collaboration with industry, check-off programs, and research/academic institutions in support of a common set of innovation and productivity goals. The CDIC is guided by a Steering Committee that includes California Dairies Inc., California Dairy Research

Foundation, California Milk Advisory Board, Cal Poly San Luis Obispo, Dairy Management Inc., Fresno State University, Hilmar Cheese, Leprino Foods, and UC Davis.