



Your Guide to

Fixing the Top 3 Logistics Challenges for Dairy Producers

Streamlining Your Supply Chain



A streamlined dairy operation requires a supply chain partner who understands all factors involved in getting products to market.

This includes complex variables such as:

- 1. Multi-temperature storage and transportation,
- 2. Ingredient proximity for the right timing and location, and
- 3. Longer storage for aging and fast turns for fresh dairy products.

These complexities require precise logistics, convenient cold storage locations, reliable transportation, and highly efficient production support.

In this guide, explore an ideal partnership and learn how Americold is the global leader with the capacity and capabilities to solve your cold chain challenges.

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Industry Trends and Outlook

The dairy industry is not alone in confronting post-pandemic challenges. Dairy has unique concerns that require proactive mitigation. A strong supply chain partner can augment safety protocols, maximize efficiencies, minimize waste, and reliably help you move products to market.

Changes and Challenges

Some of the top changes and challenges the dairy industry is facing include:

Changing Diets

Cheese and yogurt are taking a more prominent place as a primary nutrition source for many consumers around the globe. Over the last four decades, daily cheese intake has more than doubled, and yogurt has grown more than 500% while fluid milk consumption has declined.¹

Dairy manufacturers must pivot quickly as demand changes, sometimes shifting product requirements during production. Producers have to remain acutely attuned to consumer demand in order to cultivate brand loyalty and product enthusiasm. Supply chain partners need to be in sync too, ready to adapt.

¹ <https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=105777#>

Healthy Choices

Consumer demand for **healthy choices** is at an all-time high. Customers are seeking low preservatives or additives and prefer fresh, organic, grass-fed animals and local ingredients. And consumers are paying more for these differentiators.²

Some products require special handling, prolonged aging, and specified temperatures. These requirements are essential to protect ingredient integrity along the entire supply chain. Coordinating ingredient availability with precise timing, sometimes changing course along the production cycle, requires real-time, accurate logistics and timely transportation.

Packaging and Production

Consumers are looking for (and are willing to pay more for) environmentally-friendly packaging and production methods.

The commonly used plastic wrap may need to be replaced with more sustainable cheese paper, an increasingly technological aspect of production. Some specialty papers allow for greater oxygen flow and support longer shelf life.³

Support with packaging details like these during the aging process or utilizing time in cold storage can optimize production, increase customer loyalty, and promote core value alignment.

Technology

Production technology continuously improves, integrating automation to increase speed and maximize facility square footage.

An ideal supply chain partner is looking ahead and updating facilities to accommodate the changing pace and expectations of production.



² <https://www.mckinsey.com/industries/agriculture/our-insights/whats-next-for-dairy>

³ <https://www.packagingconnections.com/news/developments-cheese-packaging.htm>



PROBLEM

Multi-Temp Requirements

AMERICOLD SOLUTION

240+ Facility Network in the U.S. and globally with Variable Temp Capabilities & 1.5 B cu. ft. Cold Storage

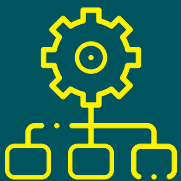


PROBLEM

Timely Transport at Convenient Locations

AMERICOLD SOLUTION

Integrated Transport Solutions including Drayage, Consolidation Options, Heavyweight Corridors, Port-Support



PROBLEM

Complex Logistics

AMERICOLD SOLUTION

Utilize Cutting-Edge Automation and Technology; Comprehensive Value-Added Production Services to Maximize Time in Storage

Streamlining the Supply Chain Americold Solutions

Producers can improve efficiencies and increase margins by working in partnership with a comprehensive logistics partner like Americold.

Together we can tackle the top 3 challenges of supply chain complexity with world-class expertise and cutting-edge solutions.

- Multi-temperature requirements need a vast network of facilities
- Timely transport to/from facilities near processing and/or market
- Coordinating complex raw materials / ingredients into quality products requires comprehensive support services



Reliable Multi-Temp Cold Storage Capacity

The foundation of a streamlined dairy supply chain partnership must be reliable cold storage capacity at the variety of temperatures required.

Americold boasts an unmatched network of 240+ temperature-controlled facilities to support your dairy operations' success.

Americold is the world's largest publicly traded REIT (real estate investment trust) and is the only one in the temperature-controlled supply chain industry. Americold owns and operates more than 240 temperature-controlled warehouses, with approximately 1.5 billion refrigerated cubic feet of storage in North America, Europe, Asia-Pacific, and South America, and continues to grow.

Features of this vast infrastructure include:

- 240+ (and growing!) temperature-controlled warehouses
- Approximately 1.5 Billion refrigerated cubic feet of storage in North America, Europe, Asia-Pacific, and South America
- US Port Facilities on both coasts and the Gulf with access to existing and new markets
- Import/Export support services at the facilities
- A variety of storage mediums such as bulk and racked storage
- Cold storage facilities convenient to farms and production centers
- Facilities along transportation routes to streamline the entire supply chain
- Densification of product to maximize warehouse space

With this network, Americold has the capacity and capabilities to support the multi-temperature requirements of cheese production and dairy product manufacturing.

Ambient Ambient [room temperature ~55 to 68]

Chilled 42

Cooler 36 to 32

Freezer 0

Deep Freeze -10 to -20





Integrated Transportation Solutions

As a comprehensive partner, Americold understands the importance of integrating transportation into supply chain planning, rather than coordinating it separately. As a partner, our buying power, high service standard requirements, and efficient transportation operations enable us to manage inventory most effectively from producer to end customer. We reduce handling, processing, and cycle times to optimize logistics and provide you with the lowest overall cost of goods sold.

The US Regional Consolidation Centers connect to provide an uninterrupted national distribution network. We can accommodate loads requiring a variety of temperatures, carrying different products, and going to different markets in many different configurations. Whatever complex

transportation puzzle you have, we have logistics experts and transportation solutions to get you there.

Americold provides service to every major city in the lower 48 states at least once a week, with more frequent service to some cities. As a practice, we don't cross-dock in transit — so product is delivered more efficiently, with limited handling and less risk.

Americold has a range of consolidation options to optimize logistics no matter where your product is coming from or where it needs to go. Americold has a program to get you there on-time and in-full. We can consolidate multiple vendors, products, and temperatures into a single shipment or take on your underweight truck loads to consolidate with our volumes to save you up to 30%.

Consolidation options include:



National Consolidation

Network-wide shuttles support national order fulfillment from Americold facilities in Atlanta, GA, Carthage, MO, Allentown, PA, Clearfield, UT, and Rochelle, IL.



Regional Consolidation

Americold's Regional Consolidation Centers offer scheduled shipments within a service area.



Multi-Vendor Consolidation

Retailers have us consolidate orders to reduce truck volumes to their facilities, in turn saving you the cost of LTL shipments to your customers while improving your on-time, in-full performance.



Truckload Consolidation

With truckload consolidation, you can save up to 30% on your truckload spend. We incorporate your underweight truckloads into our program and consolidate with other products to fully utilize available capacity — you only pay for the space you use.



Americold's Dedicated Fleet

Americold offers a temperature-controlled transportation fleet that provides solutions for drayage, and dedicated local, regional, and national truckload transportation. Our focus is on safety, service, and value.

Other benefits of Americold's comprehensive transportation solutions are:

- Drayage support
- Integrated heavyweight corridors at port facilities (with no permit required)
- Port Support: USDA inspections, customs, and international documentation support
- Processing in close proximity to port facilities or transport for availability to another location - to be closer to end destination

Bottom Line Benefits

- ▶ Lower transport costs
- ▶ Improved on-time service
- ▶ Increased Order Fill Rates
- ▶ Consistent weekly service
- ▶ No minimum order quantities
- ▶ Increased delivery frequency
- ▶ Shorter lead times
- ▶ Reduced carbon footprint

GLOBAL CHEESE CONSUMPTION BY COUNTRY⁴

[pounds per capita]

1. France	57.9	6. Finland	49.5
2. Germany	53.2	7. Italy	48.0
3. Luxembourg	53.2	8. Switzerland	48.0
4. Iceland	53.2	9. Estonia	45.8
5. Greece	51.5	10. Netherlands	42.7



The United States is further down the list for consumption, but produces 34.1 pounds of cheese per capita annually. The U.S. exports more than \$1.6 billion in cheese sales annually, supporting the largest cheese consumers to enjoy their favorite selections. Americold has US port facilities on both coasts and in the Gulf as well as Europe, Australia, and New Zealand.

Americold Ports:

USA:

- 📍 Long Beach
- 📍 Seattle
- 📍 Houston
- 📍 Tampa
- 📍 Savannah
- 📍 NJ/Philly (Newark)

EUROPE:

- 📍 Netherlands: Amsterdam, Rotterdam, Maasvlakte, Gravenzande (Westland), Flevoland
- 📍 Portugal: Lisbon, Porto
- 📍 Spain: Algeciras, Valencia, Barcelona

AUSTRALIA/NEW ZEALAND

- 📍 Brisbane
- 📍 Sydney
- 📍 Melbourne
- 📍 Perth
- 📍 Auckland, NZ

⁴ <https://worldpopulationreview.com/country-rankings/cheese-consumption-by-country>



Optimized Logistics to Streamline the Supply Chain

Americold combines in-house operational expertise with the best vendors, systems, and technology. The results are comprehensive, cutting-edge solutions designed to optimize supply chain logistics and maximize your competitive advantages.

Supply Chain Technology

With one of the largest and most experienced IT teams in the temperature-controlled 3PL industry, Americold has an unmatched bandwidth to deploy a combination of people, processes, and technology.

Some examples of [integrated technologies](#) include:

Americold's i-3PL Supply Chain Control System

Real-time inventory tracking, and visibility across the Americold network, are all available from your handheld smart device.

Electronic Data Interchange (EDI)

Our EDI enterprise dashboard gives you complete visibility and control of data transactions. EDI provides a single-window experience to manage all your supply chain orders.

Data Protection

Dedicated to preserving your data as well as your products. Americold has developed controls aligned with ISO 27002/2. We have implemented a comprehensive System Security Plan, monitoring processes, controls identification, implementation, and maintenance, as well as continuous improvement of security controls and risk management.

We innovate to develop the next generation of supply-chain tools, empowering you to make informed decisions based on real-time information and analytics.

The opportunity dairy producers is a streamlined, efficient, optimized dairy supply chain from start to finish.

Value-Added Support Services

Next-level efficiency also includes saving time and money while your product is in storage. Americold's value-added services take advantage of traditional downtime, especially for aging products like cheese. Product customization, kitting, repacking, labeling - it's all possible in a temperature-controlled environment.

This is a way to optimize the supply chain and minimize both moves and touches, while also reducing waste.

Explore our [list of value-added services](#) across Americold's vast facility network including:

- Efficient & Convenient Port Support- Customs, Inspections, Paperwork
- Wrapping/Cartonizing/Bagging
- Labeling & Repacking
- Date Coding
- Retail Display Prep



Looking Ahead: Future Expansion and Growth Potential

We understand the landscape of the dairy industry is changing.

We are constantly anticipating industry changes, adding locations and support services to create an efficient point-to-point cold chain for safety and delivery-in-full.

Here are a few future-forward activities we do so that you can stay focused on dairy production:

- Monitor & adapt to changing compliance and regulatory requirements
- Track global food and beverage supply chain trends to proactively predict needs
- Build automation into existing operations as well as new specialized facilities
- Expand into locations convenient to where industry expansion is happening

Timely Expansion and Growth Potential

Some of Americold's Future Plans include:

- Building another location in the East – Boston area and Philly area to serve Eastern port customers.
- Upgrading or expanding the facilities and support services network around existing operations.
- Building additional port facilities, including Houston, to serve Central & South America and Africa.



A Global Leader

Americold is the global leader in cold storage and supply chain logistics.

Cheese, yogurt, and other dairy foods are essential nutrition for the food supply chain around the globe. With 240+ facilities and an expanding network of dairy-specific support services, Americold is the top choice to partner with for operational success. We are here to provide you with reliable cold storage and optimized logistic solutions, including transportation.

Ready to Streamline in Partnership with Dairy's Leading Supply Chain Provider?

Don't wait—capacity challenges are already an issue, and volatility continues without any end in sight. Securing a reliable long-term partnership to support and optimize your operation must be a high priority. Our experts are standing by with solutions and support.

Speak to a dairy supply chain specialist to secure your current and future cold storage needs along with integrated transportation and logistical support.

CONNECT WITH A



DAIRY COLD
CHAIN EXPERT

AMERICOLD'S



COLD STORAGE
FACILITIES

MEET WITH AN EXPERT ▶

FIND A FACILITY ▶

bit.ly/3PJQhgZ

bit.ly/4afPpJ6



About Americold

Americold offers comprehensive warehousing, transportation, and logistics solutions for the food and beverage supply chain worldwide. We are dedicated to maintaining the integrity of the cold food supply chain and providing best-in-class service to our customers.

With experience, reliability, integration and innovation, we help our customers feed the world.

Connect with Americold

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