



Wholly Cow!

THE BRANDING OF RHODY FRESH

(And the creation of a Rhode Island icon)

Horns of a dilemma

In 2003, Rhode Island boasted just 17 dairy farms, and farm finances were desperate. Middlemen were soaking up milk revenues, with farmers retaining just pennies per gallon. Pressures were mounting to sell off farmland for development.

It was a long shot, but by combining production and processing, and developing their own marketing and retail distribution, dairy farmers could retain a larger share of the revenues. Five Rhode Island dairy farms took the plunge, forming the RI Dairy Farms Cooperative.

At stake was the very survival of their farms and the open space they occupied.

Their idea: Proud Cow, a new brand of locally-produced milk. Rhode Island's Economic Development Corporation was sufficiently impressed enough that it loaned the farmers \$125,000 for development. The agency was engaged to build a new brand and successfully differentiate a product about to go head-to-head with major national competition.



Any color you like, as long as it's **white.**



Milk is a commodity product. Freshness, or perceived freshness, registers high on consumers' lists of desirables. Produced locally, of course, Rhody Fresh wins hands down. But price and availability are the main motivators, and price issues were a problem. It was unlikely a small group of dairy farms could long compete with large producers on price alone. **Our strategy:**

Position the new milk as a premium product. The consumer relationship to be established was one of 'home' freshness, quality and approachability. Additionally, the fact that sales of Rhody Fresh helps save farms and green space was a consumer benefit and market multiplier that other brands couldn't tap.

Change the name. The agency recommended replacing 'Proud Cow' with 'Rhody Fresh', to underscore its local origin and provide the basis for product line extensions. A decision was made to sell not milk but Rhody Fresh milk.

Give it a personality. A bright and appealing Rhody Fresh logo, a Holstein milk cow sporting a silhouette of Rhode Island on its side and incorporating visual elements reflecting the state's ocean heritage and environmental quality, was developed and used extensively on packaging, point of sale collateral, and outdoor advertising. 'Rhoda' was selected as the brand's spokesperson, to be featured prominently on radio advertising and at special events.

Make every dollar count. Marketing dollars were tight. Print and broadcast publicity would be employed to launch and position the product, and advertising to drive sales. Cooperative advertising with local radio and television outlets was aggressively pursued, and nearly \$75,000 in advertising was negotiated, at no cost to the coop, trading advertising space on Rhody Fresh cartons for radio airtime.

“According to a Rhody Fresh spokescow...”



Rhody Fresh was launched in July 2004 at the Dutra Farm in Jamestown, attracting more than 150 state officials, agriculture representatives and conservationists.

Rhoda the spokescow was the centerpiece of the introduction, and was highly sought after by members of the news media for her perspective and commentary on the initiative.

News coverage was widespread and continued as the story was told and re-told in multiple ways to provide news interest.

“Rhody Fresh: top shelf treatment at Stop & Shop.” *Providence Journal*

“Rhody Fresh milk gets approval from consumers.” *Jamestown Press*

“Dairy farmers trying to meet demand for Rhody Fresh milk.” *Providence Journal*

“Moo-ving off the shelf.” *Providence Journal*

Dairy farmers to tap local market

A group of five Rhode Island dairy farmers have banded together to market their milk locally.

BY PAUL GRIMALDI
JOURNAL STAFF WRITER

Five Rhode Island dairy farms

The farms, all part of the Rhode Island Dairy Farms Cooperative, will now ship their milk to a Connecticut processing plant where it will be packaged in cartons that tell the cooperative's story, and sold back to the group. The group is marketing the milk to Rhode Island super-

markets, and it will be available in thinner margins every day,” said Jim Hines, executive director of the Rhode Island Dairy Farms Cooperative, in a written statement. “We’re hopeful that Rhode Islanders will buy a local, fresh product that in turn will preserve some of the most valuable open space in our state.” There are 18 dairy farms left in

“Tell ‘em you want

Rhody Fresh
milk!”



Stop & Shop and Shaw's, the Northeast's dominant national supermarket chains that were both critical to Rhody Fresh's success, were hesitant to commit without a better sense of consumer acceptance.

Focus was on stimulating an avalanche of name-brand requests.

The agency urged a marketing strategy to make Rhody Fresh widely available through local convenience stores and smaller chains, which would focus on stimulating an avalanche of name-brand requests to store managers to push the larger chains to stock the product.

Ten days following the launch, and timed with the arrival of Rhody Fresh milk in stores, a statewide radio advertising schedule broke, supported by transit advertising, heavy use of in-store materials, product samplings, and a wide range of other promotional events in virtually every city and town in Rhode Island.



Sales doubled. Then quadrupled.



On the launch day, Rhody Fresh was available in fewer than 20 stores, but consumers stimulated distribution gains as they went to store managers asking for Rhody Fresh by name. In a matter of weeks, distribution points doubled as consumer demand grew.

Three weeks after the launch, more than 40 stores had committed to carrying the product.

On September 23, 2003, Stop & Shop announced that Rhody Fresh would be available in Stop & Shop stores throughout Rhode Island. Shaw's Supermarkets made a similar announcement a few days later.

Shelf space at Stop & Shop and Shaw's spurred another doubling of Rhody Fresh sales.

In just eight weeks, consumers were demanding the product by name, something that had never before succeeded in dairy marketing anywhere in the U.S. Rhody Fresh had become a household name. It was available in more than 100 grocery and convenience stores, and sales had jumped to more than 20,000 gallons per week.

By the end of 2004, Rhody Fresh was nearing profitability. The dairy farmers' confidence – and their investment – was paying off.



Rhody Fresh: The future of milk?

Sales continued strong as Rhody Fresh's first anniversary approached. Milk in gallon jugs (the largest proportion of milk is sold by the gallon) was now on store shelves. Five-gallon cartons for commercial use became available for institutional food brokers. Plans were in place to introduce quart sales and Rhody Fresh half-and-half in mid-2005. Importantly, non-participating farms were asked to join the coop, further ensuring its ability to grow the Rhody Fresh brand in coming years.

Clearly, success breeds success. It sells more milk, and preserves more green space.

Smart branding and communications helps too.

“The agency worked a small miracle for our group of Rhode Island dairy farmers and I have no doubt the agency can do the same for others who make their living by selling agricultural products of any type.”

Jim Hines
Executive Director
RI Dairy Farms Cooperative

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BUSINESS & CLASSIFIEDS

Rhody Fresh milk has become a cash cow for dairy farmers

Entering its third year on the market, the Rhode Island Dairy Farms Cooperative is selling more than 10,000 cases of Rhody Fresh milk a month, according to Jim Hines, executive director. Last year's sales exceeded \$1 million.

The five farms in the co-op are selling 80 percent of the milk they produce as Rhody Fresh. The remainder goes to Agri-Mark, another co-op based in Lawrence, Mass., that serves farmers throughout the Northeast.

Rhody Fresh milk and half-and-half is processed in New Britain, Conn.

When the brand was first established, less than two dozen independent retailers carried it. Today, milk drinkers can buy it in hundreds of stores, including Stop & Shop, Whole Foods and Shaw's supermarkets.

The wholesale price of milk has become so volatile, Hines said, that some farmers have been forced to sell all or parts of their land to survive.

The income that Rhode Island farmers receive from the stable price of Rhody Fresh helps preserve more than 500 acres of farmland in the state, said Hines. "Nobody is getting rich off it," he said, "but it provides a cushion, protecting our farmers."

— TOM MEADE

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If you would like to leverage the vast experience and skills of the CK Communications team, contact one of our representatives today. We look forward to discussing the challenges you face, and the solutions we can develop that will produce measurable results. After all, measurable results is what we're all about.



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