



TRENDS IN DAIRY: ETHNIC CHEESES

Global ingredients are increasingly important to today's diners. Millennials have the most adventurous palates, with 39% saying they prefer to visit restaurants that offer ethnic foods and beverages, according to Technomic's *2016 Generational Consumer Trend Report*. But Gen Z and Gen X customers are not far behind, with 31% and 29%, respectively, expressing a desire for more global menu items.

Presenting ethnic ingredients in a familiar format is an effective way for operators to introduce global flavors to mainstream menus. Ethnic cheeses adapt well to this strategy. They can easily be swapped in for more conventional choices in grilled cheese sandwiches, cheeseburgers, quesadillas, pizza, salads and other customer favorites.

GLOBAL ORIGINS

Many of the most popular cheeses on menus have ethnic roots. Mozzarella, Parmesan, provolone and ricotta are originally from Italy and feta is from Greece.

TOP CHEESES OVERALL

- | | |
|--------------|-------------------|
| 1 Mozzarella | 6 Cream Cheese |
| 2 Parmesan | 7 Blue Cheese |
| 3 Cheddar | 8 Swiss Cheese |
| 4 Provolone | 9 American Cheese |
| 5 Feta | 10 Ricotta |

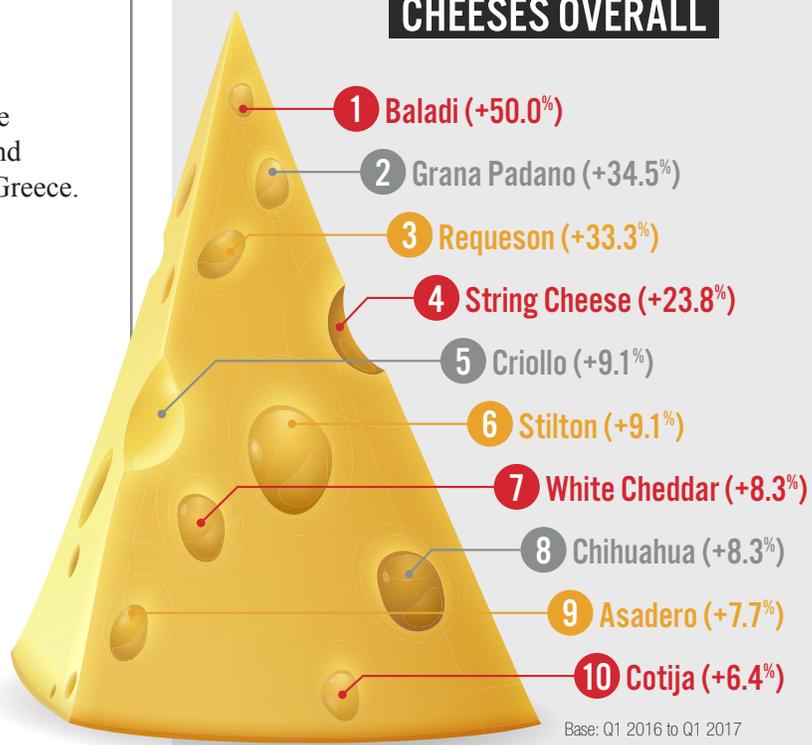
Base: Q1 2017 - 952,126 menu items

ON THE RISE

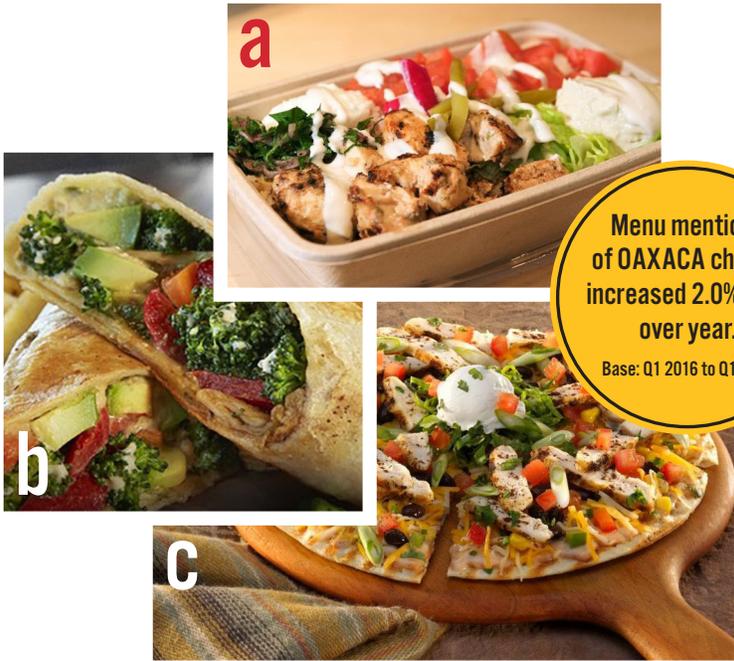
The majority of cheeses showing the most growth year over year have global pedigrees. Asadero, cotija, criollo, requeson and chihuahua are all Hispanic cheeses; grana padano is Italian in origin; and baladi is Middle Eastern. But California now produces many of these varieties. Further, the state is the leading producer of Hispanic cheeses, including varieties like semisweet requeson (a Hispanic version of ricotta used in salads, dips and cooked foods and desserts) and asadero (a mild and firm cheese eaten as is on sandwiches and melted in cooked dishes).

Menu Stat
Menu mentions of BURRATA—a cheese that's trending in upscale salads and appetizers—increased 5.4% year over year.
Base: Q1 2016 to Q1 2017

FASTEST-GROWING CHEESES OVERALL



Base: Q1 2016 to Q1 2017



Menu mentions of OAXACA cheese increased 2.0% year over year.
Base: Q1 2016 to Q1 2017

HISPANIC CHEESES ON THE MENU

Like many Italian cheeses have been doing for years, Hispanic cheeses are now moving beyond solely Hispanic recipes. Some examples:

b **Bar Louie's Grilled Veggie Wrap** with sauteed carrots, red pepper, broccoli, spinach, avocado, queso fresco, hummus and pesto mayo

Bobby's Burger Palace's Super Kale Salad with Peppadew peppers, cotija cheese, crunchy pita, scallions and Meyer lemon vinaigrette

Baumhower's Restaurant's Bob's Gooey Burger with Conecuh bacon and queso blanco sauce on a bun

As a plus, offering Hispanic cheeses in menu items is a smart way to attract the growing number of Hispanic customers, according to Technomic's 2017 Hispanic Consumer Trend Report. Hispanics now comprise over 17% of the U.S. population. These diners are seeking out a greater variety of authentic Mexican ingredients in non-Mexican restaurants.

BALADI mentions are up 50% year over year.
Base: Q1 2016 to Q1 2017

FETA mentions are up 30% in kids menu items year over year.
Base: Q1 2016 to Q1 2017

FOR MORE INFORMATION AND TO SOURCE CALIFORNIA DAIRY PRODUCTS, PLEASE CONTACT :

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TRENDING MIDDLE EASTERN CHEESES

Feta cheese, a key ingredient in Greek and Middle Eastern dishes, is prevalent in salads, wraps, seafood dishes and other mainstream items in American fast-casual and full-service restaurants. But lesser-known Middle Eastern cheeses are now emerging on menus.

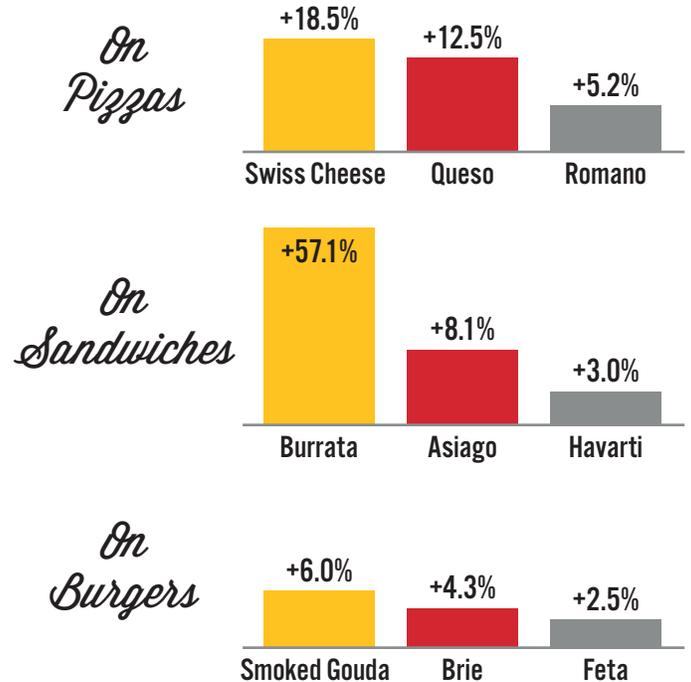
LABNEH—Vadouvan Roasted Carrots with pickled date puree and labneh (Dirty Habit in San Francisco)

a **ACKAWI**—Half & Half Manooch with za'atar and ackawi cheese (Naya Express)

BALADI—Baladi Salad (concessions at the Magic Kingdom at Walt Disney World)

FOOD FAVORITES WITH ETHNIC DAIRY ACCENTS

As noted, operators are varying up many traditional favorites with global cheese varieties to appeal to both adventurous and conventional diners alike. Here are some fast-growing global cheeses on perennial favorites.



Some examples:

c **Cafe Carolina and Bakery's Chicken Fiesta Flatbread** with a spicy queso and cheddar jack cheeses

Starbucks' Burrata & Basil Pesto Cold Sandwich

Mimi's Cafe's Mushroom Brie Burger