

California Dairies, Inc's Valley Natural Beverages - Media Kit Info Sheet

Innovation & Sustainability Drive California Dairies, Inc. Growth

About California Dairies, Inc.'s Valley Natural Beverages (VNB)

- California Dairies, Inc. (CDI) is expanding its product category by building a state-of-the-art Extended Shelf Life (ESL) and Aseptic Ultra High Temperature (UHT) dairy bottling facility.
- Specializes in producing high-quality, sustainable beverage products.
- Forward-looking investment in manufacturing and distributing UHT and ESL fluid dairy beverages.
- First dairy greenfield build in California since February 2018.
- Sixth facility for California Dairies, Inc. (CDI), the largest milk marketing cooperative in California and the second largest in the United States.

Forward-Thinking Features

- **Advanced Technology:**
 - Utilizes cutting-edge ESL and Aseptic UHT processing to ensure extended shelf life and product freshness, minimizing waste.
 - Operates in a sustainable 200,000-square-foot processing plant situated on 40 acres of land.
 - Implementing a lights-out system has optimized space utilization, reducing the need for additional warehouse expansion and associated costs.
 - Vertically integrated Class 1 facility, the first of its kind in California.
- **Sustainability Focus:**
 - Committed to environmentally responsible practices, including resource efficiency and sustainable packaging.
 - The Bakersfield location eliminates 312,000 ranch to plant miles per year.
 - Employs efficient pumps and equipment to reduce the facility's greenhouse gas (GHG) intensity and minimize water use.
 - Vertical model allows milk to be processed and packaged the same day, reducing the carbon footprint.
 - Aseptic containers allow for shelf-stable products, reducing energy use and cold storage demands.
 - CDI set 2050 Environmental Stewardship Goals, which includes a goal to achieve Green House Gas neutrality by the year 2050.

- Additional sustainability focused projects at the site include solar panels, micro grid technology, and additional technologies that take advantage of our Renewable Natural Gas (RNG) available from the cooperatives' member-owner farms.
- **Strategic Location:**
 - Located in Bakersfield, CA, a key hub for California's dairy industry.
 - The location was selected due to the high volume of CDI milk production in Kern County, as well as the proximity to shipping ports.
 - CDI is proud to be Californian, and to contribute to the impact of the state in a positive way, by investing in the local economy.
- **CDI's Growth:**
 - Plays a crucial role in CDI's expansion into value-added dairy products.
 - CDI is investing in this state-of-the-art greenfield build.
 - The entry into a new market diversifies CDI's product portfolio, providing a value-add product, the most logical step in CDI's journey. VNB gives the cooperative an opportunity to grow outside of their current commodity products.
 - CDI has a history as a U.S. and international leader in butter and milk powder manufacturing.
- **Job Creation & Economic Impact:**
 - Provides significant employment opportunities in the region.
 - Welcomed 90 employees during the start up period, with a full staff of 380, once all three phases are completed.
 - Expands workforce initiatives through local community college partnerships.
- **Co-Manufacturing Capabilities:**
 - Produces various milk-based products including ultra filtered white and flavored milks, dairy and coffee creamers, heavy whipping cream, and lactose-free dairy beverages.
 - Produces products under the Challenge and In Good Hands brands and enables private label beverage creation.
- **Technological Innovation:**
 - Highlights advanced processing and packaging technologies.
- **Dairy Industry Trends:**
 - Responds to consumer demand for aseptic/UHT and ESL beverages.
 - Responds to growth in the long shelf-life dairy category.

- **Production Capacity and Expansion:**

- After all phases are completed, Valley Natural Beverages will feature 10-12 processing lines and fillers.
- Built with expansion in mind.
- At full capacity, the facility will process four to five million pounds of milk daily.

- **Partnerships:**

- Partnership with Tetra Pak for aseptic school milk and single serve packaging.
- Worked with architecture firm E. A. Bonelli + Associates, Inc.
- Worked with JCS Process & Control Systems for processing solutions.
- Worked with contractor Big-D Construction.

- **Milestones:**

- Foundation poured and framing began March 2024.
- First run of packaged milk was in December 2024, and commercial production began in March 2025.

- **Ribbon Cutting Remarks:**

- The Ribbon Cutting will include remarks from Lieutenant Governor Eleni Kounalakis, Secretary of Agriculture Karen Ross, and other officials.

California Dairies, Inc. (CDI) Information:

California Dairies, Inc. is the largest member-owned milk marketing and processing cooperative in California, producing 40 percent of California's milk. Co-owned by nearly 300 dairy producers who ship 17 billion pounds of Real California Milk annually, California Dairies, Inc. is a manufacturer of quality butter, fluid milk products, and milk powders. In addition, California Dairies, Inc. is the home of two leading and well-respected brands of butter – Challenge and Danish Creamery and milk powder brand, DairyAmerica. California Dairies' quality dairy products are available in all 50 United States and in more than 50 foreign countries. For additional information on California Dairies, Inc., visit www.californiadairies.com.

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