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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization

Dairy Management Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address)

Room/suite

10255 W Higgins Road

City or town, state or country, and ZIP + 4

Rosemont, IL 60018

F Name and address of principal officer

Thomas Gallagher

10255 W Higgins Road Ste 900

Rosemont, IL 60018

H(a) Is this a group return for affiliates?

☐ Yes ☒ No

H(b) Are all affiliates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number

E Employer identification number

36-3992031

E Telephone number

(847) 803-2000

G Gross receipts \$

136,147,555

I Tax-exempt status

☒ 501(c) (6) ☐ (Insert no) ☐ 4947(a)(1) or ☐ 527

J Website:

www.dairyinfo.com

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation

1986

M State of legal domicile

DC

Part I

Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities TO INVEST DAIRY PRODUCER CHECKOFF FUNDS IN STRATEGIC, COORDINATED MARKETING PROGRAMS DESIGNED TO INCREASE CONSUMPTION OF US DAIRY PRODUCTS BOTH DOMESTICALLY AND INTERNATIONALLY		
	2	Check this box <input checked="" type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	76
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	76
	5	Total number of employees (Part V, line 2a)	5	212
Revenue	6	Total number of volunteers (estimate if necessary)	6	0
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0
	b	Net unrelated business taxable income from Form 990-T, line 34	7b	0
	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	0	0
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	134,973,056	136,147,555
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0	0
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	134,973,056	136,147,555
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	19,055,813	24,729,394
	b	Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0	0	0
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	0	0
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	115,917,243	111,418,161
	19	Revenue less expenses Subtract line 18 from line 12	134,973,056	136,147,555
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	0	0
	21	Total liabilities (Part X, line 26)	26,755,518	21,256,966
	22	Net assets or fund balances Subtract line 21 from line 20	26,755,518	21,256,966
				0

Part II

Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Signature of officer

2010-11-12

ROGER C ALBERT SVP FINANCE

Type or print name and title

Preparer's signature

Date

Check if self-employed ☐

Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4

ERNST & YOUNG US LLP

111 MONUMENT CIRCLE SUITE 2600

INDIANAPOLIS, IN 46204

EIN

Phone no (317) 681-7000

May the IRS discuss this return with the preparer shown above? (see instructions)

☐ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2009)

Part III

Statement of Program Service Accomplishments

1

Briefly describe the organization's mission

DAIRY MANAGEMENT INC (DMI) WAS FORMED IN 1995 BY THE NATIONAL DAIRY PROMOTION AND RESEARCH BOARD (NDB) AND THE UNITED DAIRY INDUSTRY ASSOCIATION (UDIA) DMI IS A MANAGEMENT ORGANIZATION THAT INVESTS DAIRY PRODUCER CHECKOFF FUNDS IN STRATEGIC, COORDINATED MARKETING PROGRAMS DESIGNED TO INCREASE CONSUMPTION OF US DAIRY PRODUCTS BOTH DOMESTICALLY AND INTERNATIONALLY THE FORMATION OF DMI HAS CREATED EFFICIENCIES, GAINED THROUGH THE ELIMINATION OF REDUNDANCIES AND THE POWER OF JOINT PLANNING

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

☒

No

If "Yes," describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes

☒

No

If "Yes," describe these changes on Schedule O

4

Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code) (Expenses \$ including grants of \$) (Revenue \$)

CHILD NUTRITION AND FITNESS INITIATIVE SEE SCHEDULE O MISSION AND ACTIVITIES DESCRIPTION, HEALTH AND WELLNESS SECTION

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

NUTRITION AFFAIRS SEE SCHEDULE O MISSION AND ACTIVITIES DESCRIPTION, HEALTH AND WELLNESS SECTION

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

EXPORT ACTIVITIES SEE SCHEDULE O MISSION AND ACTIVITIES DESCRIPTION, INTERNATIONAL MARKETING SECTION

4d

Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses

\$

Form 990 (2009)

Part IV Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	No
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	No
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	No
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.	11	Yes
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.		
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.		
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.		
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.		
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.		
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.		
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12	Yes
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	12A	No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
14b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III	16	No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	No

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No	
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	277		
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b		0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	212		
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)				2b
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			3a	No
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a	No
b If "Yes," enter the name of the foreign country: <input type="text"/> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b	No	
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?			6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7 Organizations that may receive deductible contributions under section 170(c).					
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a		
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		
d If "Yes," indicate the number of Forms 8282 filed during the year			7d		
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9 Sponsoring organizations maintaining donor advised funds.					
a Did the organization make any taxable distributions under section 4966?			9a		
b Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10 Section 501(c)(7) organizations. Enter					
a Initiation fees and capital contributions included on Part VIII, line 12			10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			10b		
11 Section 501(c)(12) organizations. Enter					
a Gross income from members or shareholders			11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year			12b		

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . .	1a	76	
b	Enter the number of voting members that are independent . . .	1b	76	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . .	5		No
6	Does the organization have members or stockholders?	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies

(This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11		No
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ Roger Albert 10255 W Higgins Road Suite 900 Rosemont, IL 600185616 (847) 803-2000

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

☐ Check this box if the organization did not compensate any current or former officer, director, trustee or key employee

Form **990** (2009)

1b	Total	3,035,860	17,500	1,523,347
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2

Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization▶71

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		No

Section B. Independent Contractors

1

Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
Daniel J Edelman 200 E Randolph 63rd Floor CHICAGO, IL 60601	Agency Services	7,260,510
Foodminds LLC One Tower Lane Suite 2610 OAK BROOK TERRACE, IL 60181	Agency Services	5,247,304
MMS Education 105 Terry Drive Suite 120 NEWTOWN, PA 18940	Agency Services	2,394,864
Blu Skye 706 Healdsburg Avenue HEALDSBURG, CA 95448	Agency Services	2,951,885
Bader Rutter and Associates 13845 Bishops Drive BROOKFIELD, WI 53005	Agency Services	2,518,665

2

Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶64

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f			0		
Program Service Revenue	2a	PROGRAM FUNDING REVENUE	Business Code	900,099	100,160,541	100,160,541	
	b	CORE FUNDING REVENUE		900,099	33,710,150	33,710,150	
	c	US WHEY RESEARCH CONSORTIUM REVENUE		900,099	6,350	6,350	
	d	CONTRACT SERVICE REVENUE		900,099	2,270,514	2,270,514	
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f			136,147,555		
	Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			0	
4		Income from investment of tax-exempt bond proceeds			0		
5		Royalties			0		
6a		Gross Rents	(i) Real (ii) Personal				
b		Less rental expenses					
c		Rental income or (loss)					
d		Net rental income or (loss)					
7a		Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
b		Less cost or other basis and sales expenses					
c		Gain or (loss)					
d		Net gain or (loss)			0		
8a		Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less direct expenses	b				
c		Net income or (loss) from fundraising events			0		
9a		Gross income from gaming activities See Part IV, line 19	a				
b		Less direct expenses	b				
c		Net income or (loss) from gaming activities			0		
10a		Gross sales of inventory, less returns and allowances	a				
b		Less cost of goods sold	b				
c		Net income or (loss) from sales of inventory			0		
		Miscellaneous Revenue	Business Code				
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d			0			
12	Total revenue. See Instructions			136,147,555	136,147,555	0	0

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0			
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	2,045,310			
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	16,940,274			
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,106,564			
9	Other employee benefits	1,593,176			
10	Payroll taxes	1,044,070			
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	723,154			
c	Accounting	87,725			
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	2,703,943			
12	Advertising and promotion	54,065			
13	Office expenses	919,630			
14	Information technology	1,418,507			
15	Royalties	0			
16	Occupancy	1,842,687			
17	Travel	2,041,062			
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	2,176,110			
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	545,766			
23	Insurance	102,436			
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	DOMESTIC MARKETING PROGRAM	90,425,735			
b	COMMUNICATIONS/MEMBER RELATION	4,565,660			
c	PLACEMENT & SHARED STAFF	-744,792			
d	OUTSIDE HELP	1,770,976			
e	STAFF RELATIONS	78,850			
f	All other expenses	2,706,647			
25	Total functional expenses. Add lines 1 through 24f	136,147,555			
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			306,513	1	317,313
	2	Savings and temporary cash investments				2	
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			3,814,039	4	2,291,628
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			466,052	9	510,277
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	7,906,685	1,719,508	10c	1,712,769
	b	Less accumulated depreciation	10b	6,193,916			
	11	Investments—publicly traded securities				11	
	12	Investments—other securities See Part IV, line 11				12	
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			20,449,406	15	16,424,979
16	Total assets. Add lines 1 through 15 (must equal line 34)			26,755,518	16	21,256,966	
Liabilities	17	Accounts payable and accrued expenses			26,755,518	17	20,933,779
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities Complete Part X of Schedule D			0	25	323,187
	26	Total liabilities. Add lines 17 through 25			26,755,518	26	21,256,966
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets				27	
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			0	33	0
	34	Total liabilities and net assets/fund balances			26,755,518	34	21,256,966

Part XI **Financial Statements and Reporting**

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		No
b Were the organization's financial statements audited by an independent accountant?	Yes	
c If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . .		

SCHEDULE D
(Form 990)

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
Dairy Management Inc

Employer identification number
36-3992031

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4

Number of states where property subject to conservation easement is located ▶ _____

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____

7

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization’s financial statements that describes the organization’s accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a

If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a

Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b

Assets included in Form 990, Part X ▶ \$ _____

For Privacy Act and Paperwork Reduction Act Notice, see the Intructions for Form 990

Cat No 52283D

Schedule D (Form 990) 2009

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
1c	
1d	
1e	
1f	

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ %

b

Permanent endowment ▶ %

c

Term endowment ▶ %

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i)

unrelated organizations

3a(i)

☐

☐

(ii)

related organizations

3a(ii)

☐

☐

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

☐

☐

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		871,968	194,125	677,843
d Equipment		3,733,540	2,859,531	874,008
e Other		3,301,178	3,140,260	160,918
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				1,712,769

Part XI

Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	136,147,555
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	136,147,555
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	136,147,555
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	136,147,555
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	136,147,555

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	136,147,555
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	136,147,555
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	136,147,555

Part XIV

Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
FIN 48	SCHEDULE D, PART X	EFFECTIVE JANUARY 1, 2009, DMI ADOPTED GUIDANCE PROVIDED BY THE RECOGNITION SUBSECTION OF THE INCOME TAXES TOPIC OF THE ASC. THIS SUBTOPIC PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. ADOPTION OF THIS GUIDANCE DID NOT HAVE ANY IMPACT ON DMI'S FINANCIAL STATEMENTS.

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization Dairy Management Inc	Employer identification number 36-3992031
--	--

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	<input checked="" type="checkbox"/> First-class or charter travel		
	<input type="checkbox"/> Travel for companions		
	<input checked="" type="checkbox"/> Tax idemnification and gross-up payments		
	<input type="checkbox"/> Discretionary spending account		
	<input type="checkbox"/> Housing allowance or residence for personal use		
	<input type="checkbox"/> Payments for business use of personal residence		
	<input checked="" type="checkbox"/> Health or social club dues or initiation fees		
	<input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<input checked="" type="checkbox"/> Compensation committee		
	<input checked="" type="checkbox"/> Independent compensation consultant		
	<input type="checkbox"/> Form 990 of other organizations		
	<input checked="" type="checkbox"/> Written employment contract		
	<input checked="" type="checkbox"/> Compensation survey or study		
	<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	
b	Any related organization?	5b	
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	
b	Any related organization?	6b	
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
Thomas Gallagher	(i)	410,000	35,000	193,079	52,675	11,901	702,655	0
	(ii)	0	0	0	0	0	0	0
Daniel Chavka	(i)	277,186	8,000	7,013	103,419	23,986	419,604	0
	(ii)	0	0	0	0	0	0	0
Julian Toney	(i)	316,011	89,892	416	504,401	12,331	923,051	0
	(ii)	0	0	0	0	0	0	0
Thomas Suber	(i)	310,655	72,536	-10,714	259,524	28,169	660,170	0
	(ii)	0	0	0	0	0	0	0
Jean Ragalie	(i)	269,100	68,142	17,460	129,149	16,467	500,318	0
	(ii)	0	0	0	0	0	0	0
Jeanette Temple	(i)	289,800	66,667	14,864	107,718	2,064	481,113	0
	(ii)	0	0	0	0	0	0	0
Gregory Miller	(i)	224,957	67,922	2,698	136,062	21,325	452,964	0
	(ii)	0	0	0	0	0	0	0
Mark Leitner	(i)	230,805	68,479	5,892	93,324	20,832	419,332	0
	(ii)	0	0	0	0	0	0	0
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III

Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
SCHEDULE J, PART I, LINE 1A		First class travel is only available to the CEO as authorized by the board of directors. The travel is not taxable since it is part of an accountable plan. Tax indemnification is available to the CEO only and is included in taxable wages. The officers, key employees and highest compensated employees have the option of receiving health club benefits under the executive flexible benefits account.
Schedule J, Part I, LINE 4B		The following Officer participates in a supplemental nonqualified retirement program and was paid an actuarially determined supplemental retirement program benefit in 2009: Thomas Gallagher \$73,891. Schedule J, Part II, Column C "Retirement and Other Deferred Compensation" is primarily comprised of noncash benefits. The following Officer, Key Employee and Highest Compensated Employees participate in a supplemental nonqualified retirement program for which the actuarially determined noncash benefit is included in Schedule J, Part II, Column C "Retirement and Other Deferred Compensation." During 2009, there were no payments made to any of the individuals listed below. The supplemental retirement program benefit is unfunded and subject to change in future years in part due to actuarial factors: Daniel Chavka, Julian Toney, Thomas Suber, Jean Ragalie, Jeanette Temple, Gregory Miller, Mark Leitner.

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Dairy Management Inc

Employer identification number
36-3992031

Identifier	Return Reference	Explanation
DAIRY MANAGEMENT, INC 'S ACTIVITIES FOR 2009	FORM 990, PART III	<p>When the National Dairy Promotion and Research Board (NDB) was formed in 1983, its mission was to increase demand for US dairy products on behalf of U S dairy farmers This farmer led and farmer-funded initiative shared a mission with another farmer led and farmer-funded initiative, the United Dairy Industry Association (UDIA), created in 1971 to unite several local dairy promotion entities Through their efforts, per capita dairy consumption has increased more than 14% since 1983 As non-profit entities, these organizations are grassroots created and grassroots led with a single, unified mission In 1995, the dairy farmer leadership realized that they could have a bigger impact on dairy demand if the NDB and UDIA combined efforts so they created Dairy Management Inc (DMI) By combining forces, farmer-funded promotion programs have maximized the impact of their promotions dollars through a coordinated and unified marketing plan that use national and local resources in an efficient and effective manner Dairy Management Inc DMI is a non-profit management organization that leads the farmer-funded dairy promotion programs nationwide DMI manages national and local organizations and ensures that the principle of grassroots created, grassroots led, remains the cornerstone of the company DMI manages - American Dairy Association - National Dairy Council - Innovation Center for U S Dairy - U S Dairy Export Council - Dairy Research Institute As it was back in 1971, 1983 and 1995, the mission of DMI remains to increase sales and demand of U S dairy products on behalf of U S dairy producers The DMI board is comprised of dairy producers from around the country who authorize the activities of the unified marketing plan Funding for the plan comes from a 15 cent per hundredweight assessment Governance of DMI is structured to maximize national and local representation on behalf of the nation's dairy producers Competitive Talent DMI staff comes from a variety of backgrounds including a high percentage from for profit consumer product goods companies (CPGs), advertising and public relations agencies and marketing firms DMI retains staff that can effectively and efficiently work with a number of business partners which include Domino's Pizza, McDonald's, Kraft Foods, Deans Foods, LALA and Leprino Foods The talent pool DMI recruits from are typically for profit companies as described above CPGs and agencies have a competitive advantage as they can offer stock options and other compensation benefits to their recruits Despite that, DMI recruits and retains high performing talent because of the culture and opportunities that exist and because of the success that DMI has had in working with the industry to increase dairy sales DMI offers a strong professional growth and development program and offers competitive compensation and benefits wherever possible Unmet Demand DMI and its affiliate organizations are focused on increasing dairy sales by meeting unmet consumer demand Unmet demand is the difference between existing sales and potential sales and can be captured by offering the products consumers want, when and where they want them Unmet demand exists in many areas</p>

Identifier	Return Reference	Explanation
DAIRY MANAGEMENT, INC 'S ACTIVITIES FOR 2009 (CONT)	FORM 990, PART III (CONT)	<p>Fluid Milk Milk is a nutrient rich product and essential to a healthy diet Recognizing that per capita consumption of fluid milk had slowly yet steadily declined over the past twenty years, DMI conducted a study that showed unmet consumer demand for milk existed Each day, 31 million school children participate in the national school lunch program-yet milk consumption decreased by 120 gallons from the mid-1990's to the mid-2000's because students were unhappy with the product offered This study showed that students drank more milk if they were offered it in a single-serve, re-sealable, contemporary package DMI took this research to the quick serve industry and in 2004, two of the nation's top chains began offering an improved product McDonald's increased their sales six fold, and five years later, they remain at that level Their success bred more success Today, over 70,000 quick serve restaurants plus 11,000 schools offer milk in an improved package and in more flavors This research and the efforts of DMI to encourage adoption by schools and the quick serve industry means two very important things - In 2006 per capita consumption of fluid milk rose for the first time in over two - Today, 1.3 billion times a year, consumers get the product they want, when and where they want it which equates to over 250 million incremental pounds of milk sold each year - And total milk servings in quick serve restaurants have continued to grow - a 20% increase between 2004 and 2009 The nation's largest restaurant chain, McDonald's, continues to be a "dairy destination" for millions of Americans as part of a multi-year partnership with DMI - McCafe specialty coffees contain up to 80% milk and have been available nationwide for more than a year These products alone use an additional 300 million pounds of milk annually The line will continue to be updated with new varieties and flavors and continues to represent a true growth opportunity for dairy - Frappes, consisting of approximately 50 percent milk, are now in all of McDonald's 14,000 restaurants The products, offered in mocha and caramel flavors, will use an additional 100 million pounds of milk annually Sales are far exceeding McDonald's highest forecasts - Real Fruit Smoothies, available in strawberry and wild berry flavors, launched nationwide in July 2010 and use low-fat yogurt The smoothies will require an additional 23 million pounds of milk annually The smoothies have been credited with McDonald's having one of the most successful summer sales seasons ever - New Snack-Size McFlurries launched in the second quarter 2010, resulting in a 124 percent lift in McFlurry business in test markets This smaller-size dessert is expected to attract new consumers who want a snack size option There's more to come The chain has welcomed two DMI employees to work onsite at McDonald's Menu Development Center in Oak Brook, Illinois These employees, who have an extensive dairy food science background, work side-by-side with the McDonald's team every day on a wide range of dairy-friendly beverages, sandwiches and dessert ideas which will help grow dairy sales over the next few years All these efforts are meeting unmet consumer demand DMI is also partnering with HP Hood and its Lactaid brand - the category leader with more than 80 percent of all lactose-free dairy sales - to help grow fluid milk sales If we can recapture the 53 million U S adult consumers who currently restrict or avoid dairy consumption due to real or perceived lactose intolerance, it represents a tremendous opportunity to grow milk sales If we can bring them back to dairy and get them to 3 servings daily of milk, cheese and yogurt, estimated dairy consumption could grow by approximately 2 billion pounds of milk annually To help meet this unmet demand, Lactaid recently introduced a 12-ounce single-serve lactose-free milk and 32-ounce half-and-half Additional efforts focus on health professional and consumer health and wellness education Cheese Per capita consumption of cheese steadily rose in the 80's, 90's and early 2000's More recently, consumption was flat and, in one area, down pizza cheese 25% of all cheese used in the US is served on pizza To help revitalize this category, dairy farmer leaders directed DMI to work with the leading pizza chains to reverse the trend and grow cheese sales - In 2009 DMI worked with Domino's to roll out the American Legends line of six specialty pizzas that use 40% more cheese than their traditional pizzas Additionally, DMI supported their carryout specials, which featured Extra Cheese pizzas at an aggressive price to drive traffic to the stores Domino's partnership with dairy farmers inspired them to add 50% more cheese to their cheese only pizzas in late 2009, simultaneous to the launch of their inspired, new pizza - featuring improved crust, sauce and cheese For the first half of 2010, Domino's pizza servings increased 22 percent, and their cheese sales were 27 percent higher than one year ago - DMI is also working with Pizza Hut to grow sales Throughout the summer, the chain continued its "\$10 Any Pizza" promotion, which helped drive sales and increase consumer traffic Recently the chain launched a new premium "Big Italy" pizza that uses 50 percent more cheese than an average 16" round pizza DMI continues to work with Pizza Hut to fill the pizza pipeline with other cheese friendly pizza innovations that will grow sales for the balance of this year and next - These actions caught the interest of the rest of the category, from regional chains to independents Many redirected their focus to pizza (vs wings or pasta) - in advertising/promotional dollars as well as new product innovation As a result of this catalytic effect, cheese sales trends for the entire category were up 10 percent between January and May 2010, compared to one year ago DMI continues to work with industry leaders to develop cheese friendly menu items, including pizza and appetizer options When it comes to school, pizza remains the number one entrée DMI is working with the pizza category leaders to reformulate their school pizza to meet tighter nutrition standards Ensuring pizza is seen as a nutrient-rich food is essential as over 25% of all school meals include pizza Cheeseburgers represent about 5% of all cheese use and DMI works with McDonald's and others on cheese focused menu items In 2009 McDonald's launched their Angus burgers which use two slices of cheese per burger They performed so well that they are now a permanent menu offering, requiring an additional 60 million pounds of milk annually Angus Snack Wraps, which were introduced in three varieties in the summer of 2010, use one slice of cheese for customers who want a snack-sized option and will contribute an additional \$3 million pounds of milk annually</p>

DAIRY MANAGEMENT, INC 'S ACTIVITIES FOR 2009 (CONT) FORM 990, PART III (CONT) Ingredients A few decades ago, whey was a by-product of cheese making that was spread on fields to help feed the crops Today, it is a highly sought after protein source, used in everything from energy bars to smoothies Dairy farmers, through their checkoff program, support Dairy Research Centers at Universities across the nation These centers conduct nutrition and product research and work with the industry to uncover new uses for dairy ingredients DMI partners with more than 40 companies on an annual basis to support industry development of products that consumers want which include dairy ingredients These products provide an important sales opportunity, utilizing billions of pounds of milk each year And, by doing so, DMI has played an important role in supporting the phenomenal growth in value-added whey ingredient production - assisting in nearly doubling the market between 2003 and 2009 to over 200,000 lbs of whey protein concentrates and isolates each year The yogurt category has seen tremendous growth - nearly 10% in the key grocery channels between 2005 and 2009 -- thanks to new product introductions that addressed unmet consumer demand Through its science, consumer insights, and industry outreach, DMI has assisted industry with product development and uncovering new consumer insights and trends that have assisted in fueling this growth In addition, with the assistance of DMI, today yogurt is a mainstay menu item at quick serve restaurants, where just five years ago very few offered this product This is further evidence that DMI, through partnerships with the quick serve industry, works to extend the places and times of day that yogurt is offered International Marketing In 1995, when dairy farmers created DMI, they also saw the potential for dairy sales internationally and founded the U S Dairy Export Council (USDEC), a non-profit, independent, membership organization that represents the export trade interests of U S farmers, processors and manufacturers With over 100 member organizations, USDEC works to build global demand for U S dairy products and assist the industry in increasing the volume and value of exports They accomplish these goals through market development programs that seek to build overseas demand for U S dairy products, resolve market access barriers and advance the industry's trade policy goals Dairy exports have steadily grown in the past fifteen years and, in 2008 represented more than 11% of total milk production Over the past year, exports have rebounded following a global market crash at the end of 2008 U S export volume represented 9.3 percent of U S milk production in 2009, retaining more of its sales than expected That percentage has continued to increase in 2010 Such resilience has been due in part to USDEC programming that provides professional export marketing support from USDEC headquarters staff and international offices For more information on USDEC, visit their web site www.usdec.org

Identifier	Return Reference	Explanation
DAIRY MANAGEMENT, INC 'S ACTIVITIES FOR 2009 (CONT)	FORM 990, PART III (CONT)	<p>Success through Partnerships DMI's impact on dairy sales in the U.S. and abroad is amplified by successful partnerships The leadership at DMI, along with the farmer leadership, realized early on that promotion funding was finite but its impact could be infinite By working with the dairy industry, the quick serve industry, consumer product companies, health professional organizations, universities and others, DMI has extended the impact of the promotion dollars Over the past 12 months, DMI partnerships with industry leaders have resulted in more than one billion additional pounds of milk sold This approach has been successful because DMI is - Working with companies whose strategies are aligned with dairy producers - Working with category leader companies that can affect sales across the entire category, not just for a specific brand - Using industry investments to build on producer investments to help grow sales In the fluid milk and cheese examples discussed earlier, for every \$1 that dairy producers contribute, our partners invested more than \$6 This includes equipment at restaurants to accommodate new specialty beverages, marketing and advertising campaigns, and dedicated dairy-specific menu development and innovation Partnerships extend the impact of the farmer's promotion dollars which means more opportunities exist to meet unmet demand DMI formed the Innovation Center for U.S. Dairy in 2008 to further amplify this business model by providing a forum for the dairy industry to pre-competitively address common barriers and opportunities for growth Innovation Center priorities are dairy farmer priorities Health and Wellness, Research and Insights, Globalization, Sustainability, and Consumer Confidence The Innovation Center boasts participation from over 200 companies and more than 500 individuals, all volunteering time and resources to support industry growth and extending the impact of promotion dollars For more information, visit www.usdairy.com Most recently, DMI founded the Dairy Research Institute to strengthen U.S. dairy's access to and the industry's investment in technical research to drive innovation and grow sales in the United States and around the world The Institute supports the nutrition, product and sustainability research needs of the industry on behalf of the National Dairy Council and the Innovation Center for U.S. Dairy In 2010, nearly \$3.5 million in non-checkoff resources from government and non-government sources, including direct dollars, in-kind services and volunteer manpower hours by industry and technical experts have been raised to support projects that improve efficiency, lower costs, add business value, and contribute to the sustainability of U.S. dairy Health & Wellness Since 1915, the National Dairy Council (NDC) has funded research and provided education ensuring that dairy's naturally nutrient-rich package is protected and promoted as a critical part of a healthy lifestyle Most recently this research was used to inform the 2010 Dietary Guidelines for Americans (DGA) process The DGAs shape the nutritional guidelines for governmental feeding programs (including at schools), and are represented in the USDA Food Guide Pyramid The results of this effort served as support for the role and value of 3 servings of low-fat and fat-free dairy foods each day, which was reinforced in the recent scientific report from the Dietary Guidelines Science Advisory Committee There's a library worth of science proving dairy's health benefits and consumer desire for dairy Dairy health and wellness is coming to life through the Child Nutrition and Fitness Initiative, a unique program which empowers students to improve their own health through good nutrition and physical activity Through a partnership with the National Football League (NFL), DMI and the NFL are inspiring kids to fuel up with nutrient-rich dairy foods and get up and play 60 minutes of physical activity every day This initiative stands apart from other obesity fighting efforts because the students lead the program evaluating their school's overall "wellness" and help choose the food and physical activities they want to do Fuel Up to Play 60 (FUTP60) is now being implemented in two-thirds of our nation's schools (more than 66,000), reaching 36 million students Kids represent 100 percent of our future consumers FUTP60 helps protect dairy's place in schools and helps grow sales by introducing dairy in breakfast and after-school snack offerings and in new packages and formulations Other partners include the U.S. Department of Agriculture, which signed a memorandum of understanding with DMI to bring more awareness and support for this program, health and nutrition organizations, including the American Academy of Pediatrics, the American Dietetic Association and the School Nutrition Association In addition, the business community supports these efforts, including Domino's Pizza, Kraft Foods, LALA and Leprino Foods Unique Local and National Resources Across the country there are more than 350 individuals working each day to promote and protect dairy These people are experts in communications, school programs, nutrition affairs and marketing They have decades-long relationships with school systems, health professional organizations and universities Their efforts are coordinated into an annual unified marketing plan to ensure efficient and effective use of farmer resources Partners are attracted to DMI and its local affiliates because of this unique and valuable resource that exists across the country At its heart, dairy promotion is grassroots created and grassroots led Over the years, the farmer leadership has encouraged DMI to grow sales, look for unmet demand opportunities and protect and promote dairy's place in a healthy diet Per capita consumption of dairy products is up, from 522 pounds in 1983 to nearly 600 pounds today Dairy farmers benefit from the partnerships, nutrition research and product development efforts that they fund as the dairy checkoff and DMI help create new sales opportunities for dairy products, here and abroad For more information on DMI and the dairy checkoff please visit www.dairyinfo.com</p>

Describe the Process used by Management &/or Governing Body to Review 990 FORM 990, PART VI, LINE 11A FORM 990 INFORMATION WAS DISCUSSED WITH THE OFFICERS OF THE BOARD OF DIRECTORS AND MANAGEMENT REVIEWS THE 990 DETAILS FOR COMPLIANCE WITH THE ORGANIZATION'S TAX SPECIALISTS FROM ITS AUDIT AND TAX FIRM Description of Process to Monitor Transactions for Conflicts of Interest FORM 990, PART VI, LINE 12C POLICY REVIEWED IN DETAIL WITH THE BOARD OF DIRECTORS ANNUALLY BY THE ORGANIZATION'S CORPORATE ATTORNEYS, AND THERE ARE PERIODIC COMPLIANCE DISCUSSIONS BETWEEN THE OFFICERS OF THE BOARD OF DIRECTORS AND MANAGEMENT DURING THE YEAR Offices & Positions for Which Process was Used, & Year Process was Begun FORM 990, PART VI, LINE 15A AND 15B Compensation of the CEO is determined by involvement of the personnel committee of the board of directors and of other employees of the organization, through the use of surveys, salary guides and other contemporaneous information Avail of Gov Docs, Conflict of Interest Policy, & Fin Stmt to Gen Public FORM 990, PART VI, LINE 19 GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST

For Paperwork Reduction Act Notice, see the Instructions for Form 990

Cat No 51056K

Schedule O (Form 990) 2009

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
Dairy Management Inc

Employer identification number

36-3992031

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a)
Name, address, and EIN of disregarded entity

(b)
Primary activity

(c)
Legal domicile (state
or foreign country)

(d)
Total income

(e)
End-of-year assets

(f)
Direct controlling
entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a)
Name, address, and EIN of related organization

(b)
Primary activity

(c)
Legal domicile (state
or foreign country)

(d)
Exempt Code section

(e)
Public charity status
(if section 501(c)(3))

(f)
Direct controlling
entity

UNITED DAIRY INDUSTRY ASSOCIATION INC

10255 W HIGGINS RD SUITE 900

PROMOTION

IL

501(C)(6)

N/A

NA

ROSEMONT, IL 600185616
36-2702849

Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
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Part V

Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III or IV

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

No

Yes

No

Yes

No

No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1)	UNITED DAIRY INDUSTRY ASSOCIATION	N	544,539
(2)	UNITED DAIRY INDUSTRY ASSOCIATION	P	26,410,429
(3)			
(4)			
(5)			
(6)			

Schedule R (Form 990) 2009

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?	(e) Share of end-of-year assets	(f) Disproportionate allocations?	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?
			Yes No		Yes No		Yes No

Additional Data

Software ID:
Software Version:
EIN: 36-3992031
Name: Dairy Management Inc

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
VICTOR BISSELL DIRECTOR	1 0	X						0	0	0
PAUL BROERING DIRECTOR	1 0	X						0	0	0
MARK L CHRISTENSON DIRECTOR	1 0	X						0	0	0
BOBBY COMBS DIRECTOR	1 0	X						0	0	0
TOM CRONER DIRECTOR	1 0	X						0	0	0
BRYAN DAVIS DIRECTOR	1 0	X						0	0	0
TOM DORSEY DIRECTOR	1 0	X						0	0	0
MICHAEL FERGUSON DIRECTOR	1 0	X						0	0	0
GERALD FIESER DIRECTOR	1 0	X						0	0	0
STEVE P FRISCHKNECHT DIRECTOR	1 0	X						0	0	0
JOE L GONZALEZ DIRECTOR	1 0	X						0	0	0
STEVE GRAYBEAL DIRECTOR	1 0	X						0	0	0
DAN GRUNHOVD DIRECTOR	1 0	X						0	0	0
DONALD GURTNER DIRECTOR	1 0	X						0	0	0
LESTER E HARDESTY DIRECTOR	1 0	X						0	0	0
DAVID SKIP HARDIE DIRECTOR	1 0	X						0	0	0
LOUIS HAWLEY DIRECTOR	1 0	X						0	0	0
JERREL HEATWOLE DIRECTOR	1 0	X						0	0	0
NEIL A HOFF DIRECTOR	1 0	X						0	0	0
EARL HORNING DIRECTOR	1 0	X						0	0	0
VERNON HORST DIRECTOR	1 0	X						0	0	0
JOHN HOWERTON DIRECTOR	1 0	X						0	0	0
ROBERT KRAN DIRECTOR	1 0	X						0	0	0
ROBERT LETTER DIRECTOR	1 0	X						0	0	0
ALLEN MERRILL DIRECTOR	1 0	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
JERRY G MESSER DIRECTOR	1 0	X						0	0	0
KEN NOBIS DIRECTOR	1 0	X						0	0	0
LYNN RAMSEY DIRECTOR	1 0	X						0	0	0
CHUCK RAUP DIRECTOR	1 0	X						0	0	0
DAN RICE DIRECTOR	1 0	X						0	0	0
PAUL E ROVEY DIRECTOR	1 0	X						0	0	0
WILLIAM B SIEBENBORN DIRECTOR	1 0	X						0	17,500	0
ROBERT SMIT DIRECTOR	1 0	X						0	0	0
JOAN D SMITH DIRECTOR	1 0	X						0	0	0
JAY STAUFFACHER DIRECTOR	1 0	X						0	0	0
EARL STITZLEIN DIRECTOR	1 0	X						0	0	0
ROBERT STRASSER DIRECTOR	1 0	X						0	0	0
BILLY E TRAVIS DIRECTOR	1 0	X						0	0	0
JOHN TRAWEEK DIRECTOR	1 0	X						0	0	0
CARROLL WADE DIRECTOR	1 0	X						0	0	0
TOM A WOODS DIRECTOR	1 0	X						0	0	0
DAVE VEENHOUWER DIRECTOR	1 0	X						0	0	0
SUZANNE VOLD DIRECTOR	1 0	X						0	0	0
JAMES L AHLEM DIRECTOR	1 0	X						0	0	0
ELIZABETH I LIZ ANDERSON DIRECTOR	1 0	X						0	0	0
W RYAN ANGLIN DIRECTOR	1 0	X						0	0	0
CORINNE M BANKER DIRECTOR	1 0	X						0	0	0
MARY E CAMERON DIRECTOR	1 0	X						0	0	0
KIMBERLY K CLAUSS DIRECTOR	1 0	X						0	0	0
JOHN B FISCALINI DIRECTOR	1 0	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
LAWRENCE A HANCOCK DIRECTOR	1 0	X						0	0	0
WILLIAM J HERR DIRECTOR	1 0	X						0	0	0
KENTON W HOLLE DIRECTOR	1 0	X						0	0	0
LARRY B JAGGERS DIRECTOR	1 0	X						0	0	0
PETER J KAPPELMAN DIRECTOR	1 0	X						0	0	0
RITA P KENNEDY DIRECTOR	1 0	X						0	0	0
PAUL L KENT DIRECTOR	1 0	X						0	0	0
RONALD L KOETSIER DIRECTOR	1 0	X						0	0	0
GRANT B KOHLER DIRECTOR	1 0	X						0	0	0
JOHN M LARSON DIRECTOR	1 0	X						0	0	0
SHARON K LAUBSCHER DIRECTOR	1 0	X						0	0	0
BYRON A LEHMAN DIRECTOR	1 0	X						0	0	0
STEPHEN D MADDOX DIRECTOR	1 0	X						0	0	0
PAULA A MEABON DIRECTOR	1 0	X						0	0	0
DOUGLAS D NUTTELMAN DIRECTOR	1 0	X						0	0	0
ELLEN H PARADEE DIRECTOR	1 0	X						0	0	0
LARRY PURDOM DIRECTOR	1 0	X						0	0	0
RANDY G ROECKER DIRECTOR	1 0	X						0	0	0
CARL A SCHMITZ DIRECTOR	1 0	X						0	0	0
BRAD SCOTT DIRECTOR	1 0	X						0	0	0
RONALD E SHELTON DIRECTOR	1 0	X						0	0	0
SANFORD STAUFFER DIRECTOR	1 0	X						0	0	0
WILLIAM C STOUDER DIRECTOR	1 0	X						0	0	0
PAULINE TJAARDA DIRECTOR	1 0	X						0	0	0
CARL F VANDEN AVOND DIRECTOR	1 0	X						0	0	0

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
HAROLD ANDY WICK DIRECTOR	1 0	X						0	0	0
PAUL DOTON DIRECTOR	1 0	X						0	0	0
DAVID WEITZER DIRECTOR	1 0	X						0	0	0
TOM MOTLEY DIRECTOR	1 0	X						0	0	0
EUGENE BLACKWELL DIRECTOR	1 0	X						0	0	0
BETTY HERRON DIRECTOR	1 0	X						0	0	0
JOHN CRAWFORD DIRECTOR	1 0	X						0	0	0
DENNIS MARSH DIRECTOR	1 0	X						0	0	0
NORBERT SCHMIDT DIRECTOR	1 0	X						0	0	0
PAM BOLIN DIRECTOR	1 0	X						0	0	0
GALE MOSER DIRECTOR	1 0	X						0	0	0
JAMES CAMERLO DIRECTOR	1 0	X						0	0	0
Thomas Gallagher CEO	40 0			X				638,079	0	64,576
Daniel Chavka CFO	40 0			X				292,199	0	127,405
Julian Toney COO	40 0				X			406,319	0	516,732
Thomas Suber Executive VP	40 0					X		372,477	0	287,693
Jean Ragalie Executive VP	40 0					X		354,702	0	145,616
Jeanette Temple Executive VP	40 0					X		371,331	0	109,782
Gregory Miller Executive VP	40 0					X		295,577	0	157,387
Mark Leitner Executive VP	40 0					X		305,176	0	114,156

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
DOMESTIC MARKETING PROGRAM	90,425,735			
COMMUNICATIONS/MEMBER RELATION	4,565,660			
PLACEMENT & SHARED STAFF	-744,792			
OUTSIDE HELP	1,770,976			
STAFF RELATIONS	78,850			