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Snacking occasion presents opportunity for cheese, dairy

By Rena Archwamety

MADISON, Wis. — Snacking is on the rise as consumers with busier lifestyles, health-conscious goals and evolving eating habits shift from the traditional three meals a day to smaller portions and more frequent, on-the-go eating occasions. Dairy products are benefitting from this trend, and there is more potential for sales growth as snacking continues to grow, experts say.

“Snacking already is a large and growing behavior, so it only makes sense for dairy to capitalize on it,” says Rebecca MacKay, vice president, strategy insights and planning, Innovation Center for U.S. Dairy.

MacKay says people are moving toward mini-meals and snacking more frequently, with 30 percent eating mini-meals rather than the traditional three meals a day.

The Innovation Center for U.S. Dairy includes snacking among 20 opportunity areas for industry innovation in a new research study, “The Future of Dairy,” which will be available at the end of November. The executive summary currently is available at www.usdairy.com.

The “Grazing on Dairy” area of the study says there is an opportunity to make dairy the “healthy, fun and satiating snack of choice” as people move from the three-meals-a-day norm to more snacking. Snacking is a \$90 billion category, and in-home snacking is projected to grow 18 percent by 2020, the report adds. It also notes 87 percent of people snack between meals, and kids snack twice as often as adults.

Consumers are snacking much more frequently now than they were two years ago, according to “The Snacking Occasion Consumer Trend Report,” published earlier this year by food and foodservice research and consulting firm Technomic and available at www.technomic.com. Almost half of consum-

ers polled by Technomic say they snack at least twice a day, compared to just a quarter of respondents surveyed in 2010. Two out of five consumers surveyed say they usually eat a few snacks each day in addition to three full meals, and more than a third say they typically either skip one meal a day or replace one meal a day with a snack.

Darren Tristano, executive vice president of Technomic, says as consumers become much more conscious of the number of calories they are consuming — due to legislation and brands like McDonald’s and Panera that are posting calorie counts on their menus — brands also will look at lowering calories, just as foodservice operators are looking at lower calories on menu items.

“As this happens, consumers are taking in less calories, less fuel, and they need more,” Tristano says. “Consumers will be dining more frequently, having smaller meals. They will be snacking on off-peak occasions.”

Another part of the snacking trend is the social aspect, Tristano says. This could be during mid-morning, mid-afternoon and late night occasions where consumers don’t want a whole meal but will maybe order a specialty beverage and light

meal. Or a mother might take a break after dropping her kids off at school and go to have a snack at a cafe.

“The trend the last few years has been tapas and small plates,” he says. “It’s not only less calories and portion-controlled, but it’s less expensive, holds less risk and more opportunity to sample and share. It’s what the younger millennial generation is looking at — more affordable, what they can control. If they’re part of a party, they can go out and have a good time without thinking they can’t afford to have a meal.”

From focus groups the Innovation Center has held, MacKay says, many people who have spoken with nutritionists have been told it’s better form a calorie, energy sustainability and weight management standpoint to have smaller meals throughout the day. People also tend to consume smaller, more frequent meals as a result of advice in media and on television shows, to manage health conditions, in response to peer influence, or because they are busy with children and other tasks.

“All of those things are coming together, and retailers are responding,” MacKay says. “It’s a new behavior from shoppers, Turn to *SNACKING*, page 15 ⇨

INSIDE

◆ **Guest column: ‘Ireland: Gearing up for growth.’**

For details, see page 4.

◆ **Oregon State University sells cows, launches new Beaver Classic cheese.**

For details, see page 5.

◆ **Retail WATCH Exclusive: Nasonville Dairy innovates, works with customers to meet their needs.**

For details, see page 7.

◆ **Sustainability award nominees sought.**

For details, see page 14.

Tritent International acquires former Swiss Valley facility

By Rena Archwamety

PLATTEVILLE, Wis. — Tritent International Agriculture Inc., headquartered in Chicago, has purchased the Swiss Valley cheese manufacturing facility in Platteville, Wis. The sale was effective last month, and details of the transaction are not being publicly disclosed.

The Platteville plant has not produced cheese since Swiss Valley Farms transferred production of its Baby Swiss wheels, loaves and no-salt-added Swiss blocks from this site to White Hill Cheese Co. LLC in Shullsburg, Wis., in October 2011.

Tritent International is an investor-driven company that plans to enter the dairy market with its trademarked Union Milk brand of dairy products, including baby formula and whole milk powder.

Earlier this year Tritent International acquired a plant site in Cascade, Iowa, and announced plans to build a 20,000-square-foot infant formula plant. The company has been in talks with Swiss Valley to supply the milk, and it has been looking at China as a target market for its products.

“We selected Cascade, Iowa, for our plant site because it lies at the center of Midwest dairy country and its food supply and processing industries,” says Nathaniel Hsieh, president of Tritent International.

Now with the acquisition of the Platteville cheese facility, which is less than 50 miles from the Cascade site, Hsieh says the company will devote the Cascade plant to blending and packaging and do both powder and cheese processing in Platteville. The company plans to make Swiss, Baby Swiss, Colby and cream cheese at the facility.

“Wisconsin cheese is the best in the world,” Hsieh says, adding that the company could sell the cheese in China as well as in the United States.

“For the Platteville facility, not only are we going to resurrect cheese production there, but also install a dryer there,” Hsieh says. “So the idea is to process the powder needed for our Cascade plant, and also

Turn to *TRITENT*, page 16 ⇨

Dairy products face recalls; wrongful death suit is filed

WASHINGTON — Recalls continue for several ice cream and cheese products across the United States. Several peanut butter-flavored ice creams now are being recalled in connection with a recent Salmonella outbreak that has been linked to nut butters produced by Sunland Inc., Portales, N.M. Sunland has recalled a total of 240 of its products as a result of an ongoing recall that initially was linked to Trader Joe’s Valencia Creamy Salted Peanut Butter. The Centers for Disease Control and Prevention (CDC) report a total of 35 people from 19 states infected with the outbreak strain of *Salmonella Bredeney*. Eight people have been hospitalized, and no deaths have been reported. Last Friday FDA announced that environmental samples taken in the Sunland Inc. nut butter production facility show the presence of *Salmonella*.

Companies that have recalled peanut butter-flavored ice Turn to *RECALLS*, page 6 ⇨

Industry responds to video showing cruelty to animals

WENDELL, Idaho — Dairy organizations and companies are condemning acts of animal cruelty that recently surfaced with a video taken at an Idaho dairy farm by an undercover investigator for the animal rights group Mercy for Animals.

According to Mercy for Animals, which released the video this week, the investigator documented Turn to *CRUELTY*, page 12 ⇨



MARKET INDICATORS

Chicago Mercantile Exchange

Cash prices for the week ended October 12, 2012

	Monday Oct. 8	Tuesday Oct. 9	Wednesday Oct. 10	Thursday Oct. 11	Friday Oct. 12
Cheese Barrels					
Price	\$2.0600	\$2.0600	\$2.0600	\$2.0600	\$2.0600
Change	NC	NC	NC	NC	NC
Cheese 40-lb. block					
Price	\$2.1000	\$2.1000	\$2.1000	\$2.1000	\$2.1000
Change	NC	NC	NC	NC	NC

Weekly average (Oct. 8-12): Barrels: \$2.0600(+.0120); 40-lb. Blocks: \$2.1000(+.0060).

Weekly ave. one year ago (Oct. 10-14, 2011): Barrels: \$1.7210; 40-lb. Blocks: \$1.7030.

	Monday Oct. 8	Tuesday Oct. 9	Wednesday Oct. 10	Thursday Oct. 11	Friday Oct. 12
Extra Grade NDM					
Price	\$1.6350	\$1.6350	\$1.6350	\$1.6350	\$1.6350
Change	NC	NC	NC	NC	NC
Grade A NDM					
Price	\$1.6600	\$1.6600	\$1.6600	\$1.6300	\$1.6000
Change	NC	NC	NC	-3	-3

Weekly average (Oct. 8-12): Extra Grade: \$1.6350(NC); Grade A: \$1.6420(-.0180).

	Monday Oct. 8	Tuesday Oct. 9	Wednesday Oct. 10	Thursday Oct. 11	Friday Oct. 12
Grade AA Butter					
Price	\$1.9250	\$1.9400	\$1.9300	\$1.9300	\$1.9300
Change	+6 1/2	+1 1/2	-1	NC	NC

Weekly average (Oct. 8-12): Grade AA: \$1.9310(-.0015).

Class II Cream (Major Northeast Cities): \$2.4736(-.0096)–\$2.5509(-.0293).

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Weekly Cold Storage Holdings October 8, 2012

	On hand Monday	Week Change	Change since Oct. 1 Pounds	Percent	Last Year Pounds	Change
Butter	10,933	-35	-35	NC	7,209	+3,724
Cheese	119,237	-657	-657	-1	131,234	-11,997

(These data, which includes government stocks and is reported in thousands of pounds, are based on reports from a limited sample of cold storage centers across the country. This chart is designed to help the dairy industry see the trends in cold storage between the release of the National Agricultural Statistics Service's monthly cold storage reports.)

CLASS III PRICE

(Dollars per hundredweight, 3.5% butterfat test)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2006	13.39	12.20	11.11	10.93	10.83	11.29	10.92	11.06	12.29	12.32	12.84	13.47
2007	13.56	14.18	15.09	16.09	17.60	20.17	21.38	19.83	20.07	18.70	19.22	20.60
2008	19.32	17.03	18.00	16.76	18.18	20.25	18.24	17.32	16.28	17.06	15.51	15.28
2009	10.78	9.31	10.44	10.78	9.84	9.97	11.20	12.11	12.82	14.08	14.98	
2010	14.50	14.28	12.78	12.92	13.38	13.62	13.74	15.18	16.26	16.94	15.44	13.83
2011	13.48	17.00	19.40	16.87	16.52	19.11	21.39	21.67	19.07	18.03	19.07	18.77
2012	17.05	16.06	15.72	15.72	15.23	15.63	16.68	17.73	19.00			

STAFF

Susan Quarne, Publisher
(PH 608/831-6002; FAX 608/831-1004)
e-mail: squarne@cheesemarketnews.com

Kate Sander, Editorial Director
(PH 509/962-4026; FAX 509/962-4027)
e-mail: ksander@cheesemarketnews.com

Alyssa Sowerwine, Senior Editor
(PH 608/288-9090; FAX 608/288-9093)
e-mail: asowerwine@cheesemarketnews.com

Rena Archwamety, News/Web Editor
(PH 608/288-9090; FAX 608/288-9093)
e-mail: rena@cheesemarketnews.com

Aaron Martin, News Editor
(PH 608/288-9090; FAX 608/288-9093)
e-mail: amartin@cheesemarketnews.com

REGULAR CONTRIBUTORS

John Umhoefer, Downes-O'Neill LLC, International Dairy Foods Association, National Milk Producers Federation

SUBSCRIPTIONS & BUSINESS STAFF

Subscription/advertising rates available upon request
Contact: Susan Quarne - Publisher
P.O. Box 628254, Middleton, WI 53562
PHONE 608/831-6002 • FAX 608/831-1004

WEBSITE: www.cheesemarketnews.com

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CHEESE FUTURES for the week ended October 11, 2012

(Listings for each day by month, settling price and open interest)

	Fri., Oct. 5	Mon., Oct. 8	Tues., Oct. 9	Wed., Oct. 10	Thurs., Oct. 11
OCT12	2.045 1,253	2.057 1,253	2.057 1,260	2.060 1,259	2.070 1,260
NOV12	2.055 1,169	2.055 1,169	2.042 1,170	2.020 1,168	2.040 1,169
DEC12	1.972 1,247	2.000 1,247	2.005 1,246	1.990 1,252	2.010 1,252
JAN13	1.904 275	1.920 275	1.920 275	1.931 273	1.936 273
FEB13	1.866 164	1.870 164	1.890 164	1.890 164	1.895 164
MAR13	1.825 136	1.836 136	1.860 136	1.865 138	1.865 139
APR13	1.813 120	1.813 120	1.813 120	1.814 120	1.822 120
MAY13	1.813 118	1.813 118	1.813 118	1.814 118	1.822 119
JUN 13	1.815 96	1.815 96	1.815 96	1.818 102	1.822 107
JUL 13	1.829 8	1.829 8	1.829 8	1.829 8	1.829 8
AUG 13	1.839 3	1.839 3	1.839 3	1.839 3	1.831 3
DEC 13	1.820 2	1.820 2	1.820 2	1.820 2	1.820 2
Total Contracts Traded/ Open Interest	59/4,591	15/4,591	28/4,598	52/4,607	51/4,616

Daily market prices are available by visiting CME's online statistics sites at <http://www.cmegroup.com>.

DRY WHEY FUTURES for the week ended October 11, 2012

(Listings for each day by month, settling price and open interest)

	Fri., Oct. 5	Mon., Oct. 8	Tues., Oct. 9	Wed., Oct. 10	Thurs., Oct. 11
OCT12	62.00 283	62.00 283	62.00 288	62.00 286	62.00 287
NOV12	63.50 222	62.98 222	62.50 222	62.50 216	62.80 217
DEC12	63.00 296	63.00 296	63.03 296	63.03 299	63.20 300
JAN13	60.50 60	60.00 63	60.25 73	60.23 73	60.23 78
FEB13	59.00 54	59.00 56	60.00 63	59.00 62	59.75 65
MAR13	59.00 55	59.00 56	60.00 65	60.00 65	59.98 68
APR13	58.65 47	58.65 47	60.00 54	59.50 54	59.50 54
MAY13	58.50 41	58.50 41	60.00 51	60.00 51	60.00 51
JUN 13	59.00 38	59.00 38	60.00 46	59.50 46	59.50 46
JUL 13	58.00 45	58.00 45	58.50 45	58.50 47	58.50 47
AUG 13	56.50 42	56.50 42	57.50 42	57.50 42	57.50 42
SEP 13	54.00 40	54.00 40	54.53 40	54.53 40	54.53 40
OCT 13	52.50 37	52.50 37	52.75 37	52.75 37	52.75 37
NOV 13	52.25 37	52.25 37	52.50 37	52.50 37	52.50 37
DEC 13	51.25 36	51.50 36	52.00 36	52.00 36	52.00 36
Total Contracts Traded/ Open Interest	15/1,333	8/1,339	64/1,395	17/1,391	24/1,405

Daily market prices are available by visiting CME's online statistics sites at <http://www.cmegroup.com>.

Dry Products*

October 12, 2012

NONFAT DRY MILK

Central & East: low/medium heat \$1.5100(+4 3/4)-\$1.6300(-6); mostly \$1.5100(+4 1/2)-\$1.6000.

West: high heat \$1.5600(+4 3/4)-\$1.7900. low/medium heat \$1.4000(+2)-\$1.6000(-5); mostly \$1.4400(+2)-\$1.5500(-5).

Calif. manufacturing plants: extra grade/grade A weighted ave. \$1.3974(+.0310) based on 6,705,234 lbs. Sales to CCC: 0 lbs.

WHOLE MILK POWDER (National): \$1.6000-\$1.7550(+2 1/2).

EDIBLE LACTOSE

(FOB) Central and West: \$.6800-\$.9000; mostly \$.7500-\$.8200.

DRY WHEY

Central: nonhygroscopic \$.5650(+1)-\$.6350(+1); mostly \$.5800(+1)-\$.6150(+1 1/2).

West: nonhygroscopic \$.5900(+1)-\$.6350(+1/2); mostly \$.6000(+1)-\$.6250(+1/4).

(FOB) Northeast: extra grade/grade A \$.6250-\$.6500(+1 1/4).

ANIMAL FEED (Central): Whey spray milk replacer \$.4350-\$.5850.

WHEY PROTEIN CONCENTRATE (34 percent): \$1.2000-\$1.3425; mostly \$1.2100-\$1.2525.

DRY BUTTERMILK

(FOB) Central & East: \$1.4500-\$1.6300.

(FOB) West: \$1.4000(+8)-\$1.5400(-6); mostly \$1.4200(+2)-\$1.4800.

CASEIN: Rennet \$3.7000-\$4.4000; Acid \$4.4500(+10)-\$4.7500.

*Source: USDA's Dairy Market News



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NEWS/BUSINESS



Government seeks natural American cheese

KANSAS CITY, Mo. — USDA's Kansas City Commodity Office (KCCO) last Friday issued an invitation seeking offers to sell the government up to 92.1 million pounds of natural American cheese for delivery during calendar year 2013.

The government is seeking 54.3 million pounds of 500-pound natural American cheese barrels, 15.9 million pounds of 6/5-pound reduced-fat shredded Cheddar bags, 1.2 million pounds of 4/10-pound reduced-fat Cheddar cuts, 3.3 million pounds of 40-pound

Cheddar blocks, 2.3 million pounds of 4/10-pound Cheddar cuts; and 15.2 million pounds of 6/5-pound bagged shredded Cheddar.

A pre-bid conference was held this Oct. 11 via live meeting and conference call. Offers are due by 9 a.m. Central time Oct. 23, 2012.

For more information, contact Shirley Clayton, 816-926-6715, e-mail: shirley.clayton@kcc.usda.gov, or visit <https://portal.wbscm.usda.gov/publicprocurement>. **CMN**

Arla foods receives approval for two mergers

AARHUS, Denmark — Arla Foods recently confirmed that European authorities have approved its mergers with United Kingdom-based Milk Link and German-based Milkch-Union Hocheifel (MUH).

The European Commission's approval allowed for the Oct. 1 completion of a merger between Arla and Milk Link, which results in the formation of the largest UK dairy company. The approval has been given on the condition that Arla addresses the commission's concerns over the reduction of competition in the UK extended shelf life milk market. In order to restore competition, Arla has committed to

divest Milk Link's milk drinks business in Crediton, England, which produces all of Milk Link's extended shelf life milk and cream, flavored dairy drinks and fresh bulk cream.

The merger between Arla Foods and MUH also took effect Oct. 1, and MUH cooperative owners from Germany, Belgium and Luxembourg now will join Arla. MUH is Germany's eighth-largest dairy company and specializes in production of extended shelf life milk and fresh fluid milk. The merger between MUH and Arla creates the third-largest dairy company in Germany, which will be called Arla Foods Deutschland. **CMN**

MARKET INDICATORS



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CME FUTURES for the week ended October 11, 2012

Class III Milk#

	Fri., Oct. 5		Mon., Oct. 8		Tues., Oct. 9		Wed., Oct. 10		Thurs., Oct. 11	
OCT12	20.90	5,318	21.05	5,411	21.01	5,561	21.05	5,505	21.12	5,493
NOV12	20.99	5,250	21.09	5,216	20.95	5,250	20.71	5,246	20.90	5,208
DEC12	20.32	4,240	20.64	4,312	20.60	4,333	20.37	4,360	20.65	4,442
JAN13	19.57	1,572	19.82	1,599	19.79	1,633	19.66	1,622	19.82	1,646
FEB13	19.11	1,357	19.28	1,368	19.28	1,377	19.24	1,379	19.32	1,391
MAR13	18.83	1,210	18.98	1,221	19.02	1,206	18.99	1,209	19.05	1,222
APR13	18.57	1,065	18.69	1,066	18.74	1,064	18.68	1,072	18.70	1,076
MAY13	18.43	930	18.50	932	18.51	937	18.48	940	18.45	949
JUN13	18.37	851	18.47	854	18.52	860	18.47	863	18.40	870
JUL13	18.60	636	18.69	638	18.67	638	18.59	638	18.57	646
AUG13	18.55	652	18.55	654	18.53	658	18.50	659	18.47	666
SEP13	18.45	522	18.47	524	18.47	525	18.42	525	18.36	533
OCT13	18.17	434	18.18	436	18.22	440	18.22	447	18.10	460
NOV13	18.02	387	18.03	387	18.06	387	18.06	391	18.01	395
DEC13	17.90	376	17.91	376	17.95	376	17.95	375	17.90	379
JAN14	17.62	3	17.62	3	17.62	3	17.62	3	17.62	3
Total Contracts Traded/										
Open Interest	1,537/24,803		1,002/24,997		761/25,248		934/25,234		788/25,379	

Class IV Milk

	Fri., Oct. 5		Mon., Oct. 8		Tues., Oct. 9		Wed., Oct. 10		Thurs., Oct. 11	
OCT12	19.10	86	19.10	86	19.10	86	19.10	86	19.10	86
NOV12	19.25	75	19.25	75	19.15	74	19.15	74	19.15	74
DEC12	18.95	83	18.95	83	18.95	83	19.00	88	19.00	95
JAN13	19.05	58	19.05	58	19.05	58	19.05	58	19.05	58
FEB13	19.00	56	19.00	56	19.00	56	19.00	56	19.00	56
MAR13	19.00	57	19.00	57	19.00	57	19.00	57	19.00	57
APR13	18.25	7	18.25	7	18.25	7	18.25	7	18.25	7
MAY13	18.00	7	18.00	7	18.00	7	18.00	7	18.00	7
JUN13	18.00	2	18.00	2	18.00	2	18.00	2	18.00	2
Total Contracts Traded/										
Open Interest	1/431		0/431		1/430		10/435		7/442	

Cash-Settled NDM

	Fri., Oct. 5		Mon., Oct. 8		Tues., Oct. 9		Wed., Oct. 10		Thurs., Oct. 11	
OCT12	150.50	302	150.50	302	150.50	302	150.50	302	150.50	304
NOV12	155.00	252	155.00	252	154.98	252	155.00	254	155.00	243
DEC12	156.00	195	156.00	195	155.98	195	156.00	197	156.00	197
JAN13	155.00	14	155.00	14	155.00	14	155.00	14	155.00	15
Total Contracts Traded/										
Open Interest	10/763		0/763		0/763		4/767		29/759	

Cash-Settled Butter

	Fri., Oct. 5		Mon., Oct. 8		Tues., Oct. 9		Wed., Oct. 10		Thurs., Oct. 11	
OCT12	191.00	774	191.00	781	191.00	781	191.00	781	191.00	781
NOV12	187.75	761	189.00	762	190.00	763	188.50	764	189.50	765
DEC12	177.00	643	177.00	643	177.00	643	177.00	643	177.00	644
JAN13	175.53	126	175.25	133	175.25	129	174.25	146	174.75	155
FEB13	174.00	163	174.25	167	174.50	163	174.15	163	174.15	163
MAR13	178.00	77	177.75	83	177.75	78	177.20	78	177.10	78
APR13	179.00	53	179.00	58	179.00	54	179.00	54	178.75	54
MAY13	180.50	48	180.00	53	180.00	49	179.25	49	179.25	49
JUN13	182.00	58	181.50	63	181.50	59	181.75	59	181.75	59
JUL13	182.75	45	182.75	45	182.75	46	182.75	46	182.75	46
AUG13	181.25	12	181.25	12	181.50	12	181.50	12	181.50	12
SEP13	182.25	4	182.25	4	182.50	4	182.50	5	182.50	5
OCT13	177.00	2	177.00	2	179.00	2	179.50	2	179.50	2
NOV13	177.00	2	177.00	2	179.00	2	179.50	2	179.50	2
DEC13	177.00	2	177.00	2	179.00	2	179.50	2	179.50	2
Total Contracts Traded/										
Open Interest	41/2,770		35/2,810		49/2,787		23/2,806		14/2,817	

Daily market prices are available by visiting CME's online statistics sites at <http://www.cmegroup.com>.
#The total contracts traded for Class III milk includes electronically-traded contract volumes.

International Dairy Markets

Oct. 12, 2012

Western and Eastern Europe

Butter: 82 percent butterfat \$3,900(-50)-\$4,200;
99 percent butterfat \$4,550-\$4,900.

Skim Milk Powder: 1.25 percent butterfat \$3,350(-25)-\$3,600.

Whole Milk Powder: 26 percent butterfat \$3,725(-50)-\$3,900(-50).

Whey Powder: Nonhygroscopic \$1,225(-50)-\$1,400.

Oceania

Butter: 82 percent butterfat \$3,000-\$3,500.

Cheddar Cheese: 39 percent maximum moisture \$3,700(+100)-\$4,100(+100).

Skim Milk Powder: 1.25 percent butterfat \$3,200-\$3,600.

Whole Milk Powder: 26 percent butterfat \$3,100(+25)-\$3,500(+100).

*Source: Dairy Market News. Prices reported in U.S. dollars per metric ton, F.O.B. port. To convert to price per pound: divide price by 2,204.6 pounds.

National Dairy Products Sales Report

For the week ended: 10/6/12 9/29/12 9/22/12 9/15/12

Cheese 40-lb. Blocks:

Average price¹ \$1.9586 \$1.8907 \$1.8484 \$1.8515
Sales volume² 11,755,783 11,811,904 12,507,227 11,657,162

Cheese 500-lb. Barrels:

Average price¹ 2.0915 *\$2.0033 \$1.9198 *\$1.9164
Adj. price to 38% moisture 1.9963 *\$1.9060 \$1.8277 *\$1.8192
Sales volume² 10,223,900 *9,603,727 10,019,099 10,595,790
Moisture content 35.04 34.84 34.88 34.69

Butter:

Average price¹ \$1.9070 *\$1.8785 \$1.8436 \$1.8579
Sales volume² 4,160,355 *3,746,743 4,960,947 2,877,134

Nonfat Dry Milk:

Average price¹ \$1.4409 \$1.4395 \$1.3941 \$1.3806
Sales volume² 12,118,976 *9,894,620 13,579,361 12,820,302

Dry Whey:

Average price¹ \$0.6110 *\$0.6068 \$0.5932 \$0.5852
Sales volume² 6,590,899 *9,940,767 \$8,034,011 8,101,017

¹/Revised. ²/Prices weighted by volumes reported. ³/Sales as reported by participating manufacturers. Reported in pounds. More information is available by calling AMS at 202-720-4392.

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WCMA UPDATE



Perspective: WCMA

John Umhoefer is executive director of the Wisconsin Cheese Makers Association. He contributes this column monthly for *Cheese Market News*®.

Ireland: Gearing up for growth

As America contemplates a Farm Bill that includes a “stabilization” plan to curb milk production, Ireland and the European Union have something entirely different in mind: explosive growth when milk quotas in Europe are eliminated in 2015.

Beginning Sept. 28, a study group of Wisconsin cheesemakers, butter-makers and cheese processors toured Ireland’s cheese industry for nine days and found an industry gearing up for growth.

Ireland’s cheese industry revolves around four major dairy cooperatives: Glanbia, Dairygold, Carbery and Kerry. Two of these giants, Glanbia and Dairygold, have announced plans for massive new milk drying plants in the face of anticipated milk growth.

Tim Purcell, cheese plant manager at Glanbia’s Ballyragget cheese and powders operation, noted “for the first time in 30 years, we’re expecting significant growth in milk volumes” when quotas end in 2015. The cheddar plant at Ballyragget takes in more

than 3 million pounds of milk per day. Between this site in Kilkenny County and another to the north, Glanbia Food Ingredients produces 31 percent of all cheese in Ireland.

Glanbia plans to meet milk expansion of 40 to 50 percent by 2020 with a new \$250 million milk drying plant in Belview, Ireland, capable of processing more than 2 billion pounds of milk per year.

Glanbia is known in the United States for its Idaho cheese facilities and its joint venture, the American-styles mega-plant operated with the Greater Southwest Agency in Clovis, N.M.

The Irish Dairy Board, the export marketing arm of Ireland’s dairy industry, confirms Glanbia’s projections for milk growth. The board projects that 50 percent more milk from Ireland’s farms by 2020 translates to 50 percent more cheese production (up to 500 million pounds); 63 percent more butter (reaching 540 million pounds) and whole milk powder doubling to 260 million pounds of production.

Ireland’s target markets for these new dairy products? The United Kingdom and continental Europe, according to Joe Collins, managing director, dairy trading and ingredients division, Irish Dairy Board. Today, 66 percent of Irish cheese is sold in the UK.

Lower milk prices and a record cool, wet summer in Ireland may have dampened farmer’s expansion fever, according to a survey by Ireland’s *Farming Independent*. A survey of 212 Irish dairymen in September found 62 percent planned to expand their farms, and half of those expected growth of 20 percent. Among other ‘expanders,’ 40 percent plan to build 50 percent more milk and the final 10 percent plan to grow more than 50 percent.

Ireland’s 18,000 dairy farms are small on average, about 70 cows, and take advantage of Ireland’s healthy supply of rainfall to graze cows on pasture. It’s a low-cost, low-input system most closely comparable to New Zealand, and dairy production is built on commodity products built to travel in world markets.

While a perfect estimate for future growth is uncertain after the EU abolishes milk production quotas, Dairygold Food Ingredients, too, has announced a \$150 million expansion to add two new milk dryers to its Mallow dairy plant in County Cork.

The WCMA tour group visited Dairygold’s cheese plant in Mitchelstown, billed as the largest cheese factory in Ireland, with milk intake of 3.8 million pounds per day. Plant manager Eugene O’Connor was pleased to display the gold medal the plant earned for aged cheddar at the 2010 World Championship Cheese Contest.

Dairygold, like the other major co-ops, has built a cheese production model around cheddar, and like styles, produced in 44-lb. (20 kg.) blocks for

retail and industrial markets. Grazed milk imbues Ireland’s aged cheddars with a rich, clean bite.

Aside from the cheddar giants, Ireland has a growing number of artisan cheesemakers burnishing the image of Ireland’s dairy industry. Our 43 tourists squeezed into Mary Burn’s small cheese make room in County Cork. Mary’s Ardrahan cheese, a washed rind original, is made at the family farmstead. The cheese ripens quickly and is ideal between 6 to 12 weeks. Ardrahan can be found in Whole Foods and other U.S. cheese retailers.

Two years ago, with the help of government grants, Beechmount Farm in Tipperary expanded its farmstead operation making Cashel Blue cheese. Louis Grubb and son-in-law Sergio Furno proudly showed the tour group a gleaming commercial facility for production of the creamy blue wheels.

Government assistance is a common thread in expansion projects detailed at Glanbia, Dairygold, Beechmount, and Carbery. State grants of 40-50 percent of project costs were noted in recent plant upgrades and future expansion plans. Dairy and meat are Ireland’s top two strategic export markets, according to the Irish Dairy Board, and financial assistance backs up the strategic objective.

Ireland’s grass-based, cheddar-centric dairy business model is difficult to compare to the U.S. dairy industry. But it was heartening to see a nation gearing up for growth, and embracing dairy as a crucial, modern industry. Dairying in the United States, ever-growing in a flat economy, deserves the same attention. **CMN**

The views expressed by CMN’s guest columnists are their own opinions and do not necessarily reflect those of Cheese Market News®.

NEWS/BUSINESS



UW-River Falls to collaborate with China Agricultural University in dairy science programs

MADISON, Wis. — The University of Wisconsin-River Falls (UWRF) recently announced a collaboration with China Agricultural University (CAU), located in Beijing, bringing together two institutions recognized in their respective countries for their strong dairy science programs.

Representatives from UWRF and CAU

were joined by Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) Deputy Secretary Jeff Lyon, a River Falls alumna, and Stan Gruszynski, USDA Rural Development Director for Wisconsin, for a document signing event at the Wisconsin State Capitol Oct. 5.

The new partnership is an outgrowth

of meetings held in China in June as part of a DATCP visit to promote Wisconsin’s dairy industry and related resources. Business and industry leaders from this visit welcomed more than 40 delegates from China who traveled with CAU to Madison for the signing and to attend last week’s World Dairy Expo.

“Because of the high quality of both our universities, and the strength we both have in agriculture programs, including dairy science, this agreement holds great promise for our students and faculty, the State of Wisconsin, China and the global agriculture industry,” says UWRF Chancellor Dean Van Galen. **CMN**

Glanbia signs proposal with majority shareholder for Dairy Ingredients Ireland joint venture

KILKENNY, Ireland — Global nutritional solutions and cheese group Glanbia plc recently announced that a non-binding memorandum of understanding has been signed with its majority shareholder, Glanbia Co-operative Society Ltd., subject to contract and approvals, to enter into a joint venture with respect to Dairy Ingredients Ireland.

The proposed joint venture incorporates the business and assets of Dairy Ingredients Ireland (DII), a business

unit of the Dairy Ireland division of Glanbia, including its 45 percent share of the Corman Miloko Ireland joint venture and its 23-percent shareholding in the Irish Dairy Board. Under the proposed transaction, the new joint venture, to be known as Glanbia Ingredients Ireland (GII), will be 60 percent owned by the Society and 40 percent owned by Glanbia.

The creation of the joint venture is strategically advantageous for both parties, Glanbia says, as it facilitates

the expansion of dairy processing in Ireland in advance of the European Union milk quota abolition in 2015 while also ensuring that Glanbia’s financial resources are directed toward business segments that deliver the highest returns on capital for all shareholders. It is expected that GII will seek to increase existing peak dairy processing capacity by up to 60 percent.

Separately, but related to the joint venture, the Society also has announced

that it intends to seek Society member approval to reduce its shareholding in Glanbia to below 51 percent. Subject to approval, the Society will dispose of shares equal to 3 percent of the issued share capital of Glanbia (in addition to the 3 percent disposal relating to the joint venture) and distribute a further 7 percent of the share capital to Society members. This will result in a reduction in the Society’s shareholding in Glanbia from 51.4 percent to 41.4 percent. **CMN**

NEWS/BUSINESS



Oregon State dairy sells milking herd during construction, offers new Beaver Classic cheese

By Rena Archwamety

CORVALIS, Ore. — Oregon State University's (OSU) Dairy Research Center recently sold its 120-head milking herd to help fund a project that will modernize its dairy facility. The construction project follows the repair of a mechanical failure at the facility in April that resulted in manure leaking

into a local creek.

"It was a tough decision, but it will be worth it," says Lisbeth Goddik, dairy processing extension specialist and food science professor at OSU. "To fix (the leak) was so expensive, but they can do it at a lower cost if they have less cows, and use all the money they got from selling the cows. They now have a good manure treatment system."

The Dairy Center still has some heifers that are due to start milking again in June, and it will resume milking in the spring with a smaller herd of about 60 Jersey cows rather than the mixed herd it had before.

"What they want to do is start up the dairy again in the spring with a smaller but more up-to-date dairy facility," Goddik says.

She adds that one reason OSU will switch to all-Jersey cows is because their milk is preferred for the new Beaver Classic cheese that OSU students developed and have been producing this past year. OSU had a functioning

commercial plant 40 years ago, Goddik says, and the university recently has revived the cheesemaking tradition.

Beaver Classic, an alpine-style washed rind cheese, made its debut at the Sept. 8 OSU football game against University of Wisconsin, and it will be sold prior to all home football games. Goddik says the cheese soon will be available online as well at http://oregonstate.edu/dept/foodsci/announce_osu_cheese.htm.

Currently the cheese is being made with milk from a local dairy processor who has stepped forward to help until the farm is able to resume milking. **CMN**

USDA bumps up its milk price projections

WASHINGTON — The 2012 milk production forecast was reduced by 300 million pounds to 199.6 billion pounds in this month's "World Agricultural Supply and Demand Estimates" report released Thursday, because slower growth in milk per cow is more than offsetting a slower expected decline in cow numbers.

However, higher forecast milk prices in late 2012 and into 2013 are expected to slow the rate of decline in cow numbers and help support higher growth in milk per cow in 2013, leading USDA to increase its 2013 milk production projection to 199.7 billion pounds, up from 198.9 billion pounds in last month's report.

Dairy imports are forecast higher for both 2012 and 2013. Fat-basis exports for 2012 are lowered by 200 million pounds to 9.6 billion pounds, but skim-solids exports are forecast 100 million pounds higher to 33.5 billion pounds in 2012.

Exports for 2013 are unchanged from last month. Fat-basis exports are forecast at 8.9 billion pounds, and skim-solids basis exports are forecast at 32.5 billion pounds.

Product prices are forecast higher for 2012 and 2013 because recent

strength in dairy product demand is expected to carry into 2013.

The 2012 cheese price now is forecast to average in the \$1.725-\$1.735 per pound range, up from \$1.650-\$1.670 in last month's report. The 2012 butter price is forecast to average \$1.615-\$1.645, up from \$1.565-\$1.605 in last month's report. The 2012 nonfat dry milk (NDM) price forecast is increased to \$1.310-\$1.330 from \$1.275-\$1.295 in last month's report, and the dry whey forecast is \$0.585-\$0.595, up from \$0.565-\$0.585.

The 2013 cheese price forecast has been increased to \$1.735-\$1.825, up from \$1.640-\$1.740 in last month's report. The 2013 butter price forecast is up to \$1.625-\$1.745 from \$1.510-\$1.640; the NDM forecast is up to \$1.390-\$1.460 from \$1.350-\$1.420; and the dry whey forecast is up to \$0.585-\$0.615 from \$0.570-\$0.600.

With the increases in product price forecasts, milk price forecasts also are up. The all-milk price is forecast at \$18.50-\$18.60 per hundredweight for 2012, up from \$17.80-\$18.00 forecast in last month's report. The 2013 all-milk price is forecast at \$19.00-\$19.90, up from \$17.85-\$18.85 last month. **CMN**

NCI seeks nominees for Laureate Award

WASHINGTON — The National Cheese Institute (NCI) is now accepting nominations for its NCI Laureate Award. The award winner will be recognized at a ceremony during the International Dairy Food Association's (IDFA) Dairy Forum 2013, which will be held Jan. 27-30 in Orlando, Fla.

Nominations must be submitted by Nov. 2, and there is no fee to enter. Candidates should be business or academic leaders who have made significant, prolonged contributions to the development and growth of the cheese industry. The award recipient is chosen by a panel of industry professionals based on a nominee's overall career achievements.

"The U.S. cheese industry continues to experience exceptional growth, which is a testament to the dedicated professionals who are driven to make high-quality products and meet consumer demand with inspired innovation," says Connie Tipton, NCI president and CEO. "We look forward to celebrating this success with the

presentation of the 2013 award."

Award winners have ranged from cheese company founders and marketers to dairy microbiologists. Previous winners of the NCI Laureate Award include Lou Gentine, Emanuele (Lino) Saputo, Mark Johnson, Jerome Schuman, Larry Ferguson, John Jeter, Mark Davis, Wes Allen, Elmer Marth, Max Gonzenbach, Rudy Nef, Betsy Holden, Don Menzner, Don Storhoff, Lester Kielsmeier, Hans Epprecht, Norm Olson, Vince Zehren, Jack Budahn, Leonard Gentine Sr., Raymond Goldbach, Harold Steinke, John Nelson and Dave Nusbaum.

This year's winner will receive free registration, airfare and hotel accommodations to IDFA's Dairy Forum, January 27-30, 2013, at the JW Marriott Orlando Grande Lakes, Orlando, Fla., to attend the awards ceremony.

For more information or a nomination form, contact Tracy Boyle, IDFA director of boards and employee relations, at tboyle@idfa.org or visit www.idfa.org. **CMN**

Fonterra announces 2012 financial results

AUCKLAND, New Zealand — Fonterra Cooperative Group recently announced normalized earnings of NZ\$1.03 billion for the 2012 year, up 2 percent from the previous year. Profit before tax was up 9 percent and net profit after tax was down 19 percent, largely due to tax credits in the previous year not repeated in the current year. Excluding these credits, Fonterra's net profit after tax improved by 10 percent.

Fonterra saw record milk production in New Zealand, up 11 percent in the current season, and an 11 percent increase in export volumes. Sales volumes increased 2 percent, and revenue was flat at NZ\$19.8 billion

Fonterra announced a payout of NZ\$6.40 for a fully shared up farmer for the 2012 year, down 19 percent from the previous year.

"All around the world, we saw record dairy production which was mirrored back here in New Zealand," say Fonterra Chairman Henry van der Heyden. "Global dairy demand held up reasonably well but this ocean of milk obviously impacted global commodity

prices, with the Global Dairy Trade index reaching its lowest value in 34 months in May."

For Fonterra's business units, NZ Milk Products saw a 23 percent increase in normalized earnings and a 1 percent increase in revenue for the year. The integrated Australia New Zealand business had a 20 percent decline in normalized earnings. Normalized earnings in Asia/Africa, Middle East increased 1 percent, or 8 percent adjusting for constant currency terms. Latin America normalized earnings increased by 16 percent on a constant currency basis.

During the year, Fonterra completed a review of its business strategy and reorganized the business to align with its "Strategy Refresh." The Strategy Refresh now is being deployed to approximately 90 projects, each aimed to deliver higher volumes and value for the cooperative. Fonterra has a target to reduce operating expenses by NZ\$90 million and is aiming to deliver NZ\$60 million of this amount in the 2013 financial year. **CMN**

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NEWS/BUSINESS



USDA releases annual data for milk cows, production by state and region from 2007-2011

WASHINGTON — USDA's Economic Research Service (ERS) recently published its annual data for "Milk cows and production by state and region, 2007-2011." The data include preliminary numbers for 2011.

The largest percentage of milk production in 2011, 25.55 percent, came from the Pacific region, which includes Washington, Oregon, California, Alaska and Hawaii. California contributed 41.46 billion pounds or 21.13 percent of the 2011 total U.S. milk production. This region gained in percentage of milk production in both 2010 and 2011. Milk per cow in the Pacific region also has increased both years and averaged 23,297 pounds in 2011, according to the ERS data. Milk cows in the Pacific region

totalled 2.2 million in 2011, up from 2010 and the same as 2008 and 2009.

The Lake States — Michigan, Wisconsin and Minnesota — accounted for 22.16 percent of U.S. milk production in 2011, or 43.49 billion pounds of milk. The amount of milk and milk per cow produced in this region has increased every year since 2007, but the 2011 percentage decreased from 2010's 22.45 percent share of U.S. production. Wisconsin, at 26.12 billion pounds, contributed to 13.31 percent of U.S. milk production in 2011.

The share of U.S. milk produced in the Mountain states has increased each year since 2007, and this region ranks third among the regions with 31.77 billion pounds produced in 2011, contributing to 16.19 percent of the U.S. milk produc-

tion for that year. This region includes Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah and Nevada.

The other regions and their percentages of total U.S. milk production in 2011 include: Northeast (14.60 percent); Corn Belt (8.31 percent); Southern

Plains (5.36 percent); Northern Plains (3.05 percent); Appalachian (2.38 percent); Southeast (2.11 percent) and Delta States (0.29 percent).

For the full data set, visit www.ers.usda.gov/data-products/dairy-data.aspx. **CMN**

CWT assists with exports of cheese, AMF

ARLINGTON, Va. — Cooperatives Working Together (CWT) has accepted five requests for export assistance from Dairy Farmers of America and Darigold to sell 1.06 million pounds (479 metric tons) of Cheddar and Monterey Jack and 4,409 pounds (2 metric tons) of anhydrous milk fat (AMF) to customers in Asia and Central America. The product will be delivered October 2012 through April 2013.

In 2012, CWT has assisted member cooperatives in making export sales of Cheddar, Monterey Jack and Gouda totaling 96.9 million pounds, butter totaling 58.3 million pounds, and AMF totaling 127,868 pounds.

CWT pays export bonuses to the bidders when delivery of the product is verified by the submission of required documentation. **CMN**

RECALL

Continued from page 1

creams and other frozen desserts include Belfonte Ice Cream and Dairy Foods Co., Clemmy's Ice Cream, Oregon Ice Cream Co., Smith Dairy Products Co., BGC Manufacturing, Talenti Gelato and Rich Products Corp.

In other recent recalls, Kraft Foods Group Inc. this week announced it is voluntarily recalling the Jalapeño variety of Kraft String Cheese with the "best when used by" date of Nov. 23, 2012, as a precaution due to the possibility that a thin layer of plastic film from the package may remain adhered to the product. If the film sticks to the cheese and is not removed, it could potentially cause a choking hazard. The recall includes 12-ounce bags with 12 individual 1-ounce cheese snacks. No other varieties of Kraft String Cheese or other Kraft Foods products are being recalled. There has been one consumer complaint.

Kenny's Farmhouse Cheese, Austin, Ky., also is voluntarily recalling its Kentucky Rose, Kentucky Bleu, Awe-Brie and Tomme de Nena cheeses due to possible *Listeria monocytogenes* contamination. These cheeses were sold to farmers' markets, restaurants, distributors and retail stores in Florida, Indiana, Illinois, Kentucky, Ohio, Tennessee and Virginia between Aug. 22 and Sept. 25, 2012.

Whole Foods Market also announced a recall of "Kenny's Farmhouse Cheese KY BL" and "Blue Kentucky Rose Kenny's" cheese sold in its Louisville, Ky., store. No illnesses have been reported to date in relation to Kenny's Farmhouse cheeses.

In the ongoing legal actions surrounding imported Ricotta Salata cheese from Italy that has been linked to a deadly *Listeria* outbreak that has sickened at least 18 people, a wrongful death lawsuit now has been filed against Forever Cheese Inc., The Aniata Cheese Co., and Cookbook Los Angeles. Seattle-based law firm Marler Clark first announced the lawsuit last week (*see "Illness count up, new lawsuit filed over premature birth linked to Listeria cheese outbreak" in last week's issue of Cheese Market News*). This week Marler Clark announced that it is a wrongful death lawsuit, as an infant, born prematurely after his mother became ill with a *Listeria* infection, died Oct. 4.

"Pregnant women are told to avoid eating unpasteurized dairy products to prevent exactly this type of situation," says William Marler, attorney for the plaintiffs, Joanna Valentine and Laurie Sorenson. "Joanna should have been able to trust that the pasteurized cheese product she purchased was safe to eat."

The lawsuit asks the court to award the plaintiffs damages for wage loss, medical expenses and other general damages, as well as punitive damages. **CMN**

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Retail WATCH

NEWS & MARKETING IDEAS TO HELP SELL MORE CHEESE



Nasonville Dairy innovates, works with customers to meet their needs

By Kate Sander

MARSHFIELD, Wis. — Nasonville Dairy has been in the cheesemaking business for more than 125 years, with the Heiman family operating it for the last 47. Ken Heiman, who manages the company along with his brothers Kim and Kelvin, says it's one of the few plants in the state to have gone back and forth between private and co-op ownership throughout its storied history.

Today, the Nasonville Dairy plant just outside of Marshfield in Central Wisconsin produces in excess of 45 million pounds of cheese annually, offering more than 30 varieties ranging from Cheddar and Jack to Blue and Feta. The company also has its own dairy farm and small milk bottling operation in the Marshfield area, Weber's Farm Store in Marshfield and a smaller plant and store in Abbotsford, Wis., known as Nasonville North.

In a state known for both mass-produced Cheddar and a wide array of specialty boutique cheeses, one might wonder if a medium-sized company like Nasonville might get lost in the mix.

But Ken Heiman says Nasonville has many qualities that give it a sound position in the market.

“One strength is that we have a lot of diversity. We can get to our target quicker.”

Ken Heiman
NASONVILLE DAIRY

“One strength is that we have a lot of diversity,” Heiman says. “We can get to our target quicker.”

The target might be a relatively short turnaround time of 7-10 days, or it might be working closely with customers to provide them with the cheese solution they are seeking. Either way, being large enough to provide significant quantities of numerous cheeses but small enough to be nimble and

work directly with customers allows Nasonville Dairy to provide a level of service that not every company can.

“We are very fortunate in selling to a lot of distributors — more than 400 throughout the country,” Heiman says.

“We are very fortunate in selling to a lot of distributors — more than 400 throughout the country.”

Ken Heiman
NASONVILLE DAIRY

Many of Nasonville's customers are in the foodservice business and are looking for products with specific qualities for certain foodservice applications. Heiman says whether it's coming up with an Asiago that slices just right for a beef sandwich or a cheese that has just the right melting point, the company likes being a problem solver. As his family's multifaceted business has grown, he says new product development has been critical.

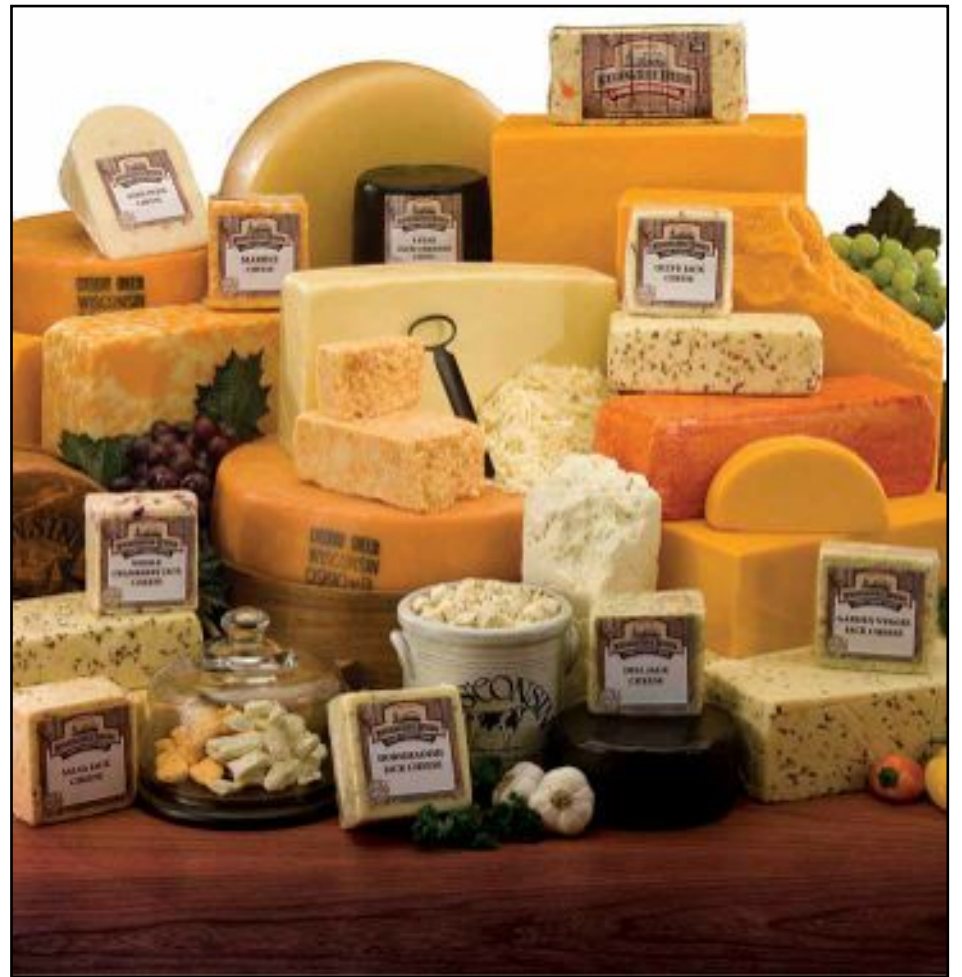
“I love creating new products. I like trying something new. Let's go solve the problems of the world,” says Heiman, who usually finds himself starting his day in the plant somewhere between 3:30 and 5:30 in the morning because that's when planning can happen, before his day of cheesemaking begins.

Sometimes, Heiman says, the new items that are developed are ideas that come from within the company. Other times, it's a customer coming to Nasonville needing a solution.

“It's a two-way street,” he says. “We don't mind being our customers' problem solvers.”

Among Heiman's most recent creations are its Blue Marble cheeses: Blue Marble Jack and Blue Marble Cheddar-Blue. The natural flavors, texture and body of Blue Marble cheeses offer convenient, easy-to-use cheese with ideal melting qualities for recipes, Heiman says.

Heiman is a Wisconsin Master Cheesemaker, having completed the rigorous three-year course of study administered



WIDE VARIETY — Nasonville Dairy, owned and operated by the Heiman family, offers more than 30 varieties of cheese.

by the Wisconsin Center for Dairy Research at the University of Wisconsin-Madison. Heiman became certified as a Master Cheesemaker in Feta and Monterey Jack in 2011. He currently is working on additional certifications in Cheddar and Asiago.

“I love creating new products. I like trying something new. Let's go solve the problems of the world.”

Ken Heiman
NASONVILLE DAIRY

Making so many kinds of cheeses can be tricky, Heiman admits, and requires a lot of planning. For example, the pepper cheeses usually are made on one day.

Other significant planning goes into segregating the company's milk and its finished cheeses in order to benefit

from certain markets. Not only does the company make some of the more typically known cheeses—for example it has cheeses certified by different kosher certifying agencies—it also is currently working on making a cheese with 9 times the omega-3 that cheeses typically have.

This specialty cheese, Heiman says, is achieved not with added fish oils, but through a patented feeding program used on the Heiman family's own dairy herd as well as a handful of others that supply milk directly to Nasonville Dairy.

“We know we're on the right track,” Heiman says of the program. “The omega-3s carry through to the meat of the animal and the cows are twice as healthy as before.”

With growing demand for its products, Nasonville Dairy has focused on maintaining food safety and is SQF Level 2 certified. It also has added mechanization in recent years and gone to six days of production. This gives the company the ability to increase production by 20 percent or more. At this point, Heiman says he is reticent to increase production to seven days a week as that changes a lot about the culture of the company.

Turn to NASONVILLE, page 9 ⇨

Also in Retail WATCH:

Walmart to carry Idaho cheese ... Page 8

Couples contest promotes Sargento blends ... Page 10

Wisconsin Cheese Originals launches Cheese Party in a Box

MADISON, Wis. — In honor of American Cheese Month this October, Wisconsin Cheese Originals has launched Cheese Party in a Box to give people across the country the opportunity to host their own at-home Wisconsin artisan cheese party.

Jeanne Carpenter, executive director of Wisconsin Cheese Originals, has selected four Wisconsin artisan cheeses: a quarter pound of LaClare Farms Evalon goat's milk cheese; a quarter pound of Wisconsin Sheep Dairy Co-op Dante sheep's milk cheese; a half pound of Edelweiss

Creamery Havarti cow's milk cheese; and a quarter pound of Roelli's Dunbarton Blue, an American Original Cheddar Blue cheese. Also in the "ready to party" box are a 5-ounce package of Potter's Toasted Sesame Crackers, a 6-ounce jar of Pear with Honey & Ginger preserves from Quince & Apple, a re-usable nylon six-pack cooler with the Wisconsin Cheese Originals logo, and a tasting notes glossy card with pairing and serving suggestions.

"You add the wine, six to eight guests, and voila — instant cheese party,"

Carpenter says.

The promotion is part of the American Cheese Society's American Cheese Month and aims to recognize and raise awareness of the quality and diversity of American cheeses. Ten percent of all Cheese Party in a Box proceeds go to the American Cheese Education Foundation.

The cost of the Cheese Party in a Box is \$55 plus shipping. To order, visit www.wicheese-box.com. For more information, contact Carpenter at 608-358-7837 or e-mail Jeanne@wisconsincheeseoriginals.com. CMN

Sartori will support Make-A-Wish during NFL season

GREEN BAY, Wis. — Sartori Co. has announced that it is again partnering with Mason Crosby and the Green Bay Packers Radio Network to support Make-A-Wish during the 2012 NFL season. Sartori has pledged to donate \$1,000 to Make-A-Wish for every field goal Crosby makes during the season.

CEO Jim Sartori says Make-A-Wish falls right in line with the company's core values.

"We are grateful to have the opportunity to contribute to such a meaningful, worthwhile charity," he says. "It is our great wish that the joy this charity provides these youths and their families gives them strength, courage and hope."

Last season Crosby converted 24 of 28 regular season field goal attempts, a personal best 85 percent completion rate. Including pre- and post-season kicks, Crosby made a grand total of 32 field goals during the 2011 season.

"Mason is an outstanding athlete and member of our community," Sartori says. "Our team members at Sartori were thrilled with his success last season and we were all proud to be able to donate \$32,000 to Make-A-Wish. I hope we're able to continue to build our relationship with Make-A-Wish, Mason and the Packers Radio Network moving into the future." CMN

Idaho branded cheese to appear in Walmart stores by year's end

BOISE, Idaho — Idaho branded cheese will soon appear in Walmart stores across southern Idaho.

Idaho is the third largest cheese producer in the nation; however, most cheese made there is packaged and distributed nationwide with no reference to where the cheese was produced, according to Idaho Preferred, a program of the Idaho State Department of Agriculture dedicated to identifying and promoting Idaho food.

"This project has been in the works for a long time" says Leah Clark, manager of the Idaho Preferred program. "Walmart has been a strong supporter of local products and the Idaho Preferred program. They were very persistent in their efforts to encourage Idaho cheese companies to find a way to

identify local cheese in their stores."

The Idaho cheese varieties—including mild and medium Cheddars, Monterey Jack, Colby Jack, Pepper Jack and Mozzarella—will be provided by Nelson-Ricks Creamery, a family-owned cheese company located near Rexburg.

"Since 1907, every one of our hand-crafted cheeses has been made with Idaho milk from our loyal, local suppliers including Loveland Dairy Inc., Callister Dairy LLP and Darwin Bischoff Dairy Farm, using the same traditional techniques our forefathers taught us. That means fresh, natural ingredients, and nothing else. In our opinion, that's just how it should be. We are very grateful for the opportunity to supply the Idaho Preferred Cheese to local Walmart stores,"

says Virginia Morrison, sales manager for Nelson-Ricks Creamery Company.

Nelson-Ricks Creamery will produce some of the varieties in its plant and buy other varieties from other Idaho cheese plants, including the Glanbia plant in Twin Falls.

"Walmart is committed to supporting local suppliers, which reflects our ever-important goal to provide our Idaho customers with quality, affordable, home-grown selections," says Tory Nichols, Walmart market manager.

Plans call for distribution to be extended to northern Idaho stores later this year. It will be marked with a label containing the state of Idaho and a blue-and-gold Idaho Preferred logo. CMN

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NASONVILLE

Continued from page 7

In fact, another strength of the company is its culture and experienced team of employees. In addition to Heiman, the company boasts another Master Cheesemaker, Tom Torkelson, who is certified in Brick and Muenster. And then there are the family

ties. Himself a licensed cheesemaker since the age of 16, Heiman says he and his siblings grew up in the business purchased by their parents Arnie and Rena in 1965. Truly a family affair, Arnie and Rena are still involved in the business as are their three sons, a son-in-law and now several of their grandchildren. Ken makes cheese, Kelvin manages the milk hauling and works with dairy producers (the com-

pany owns its trucks and has about 180 producer patrons), and Kim manages the cheese plant. All told, there are 18 immediate family members currently working in the business. Heiman says the family also is actively involved in the community.

The company's cheeses have won numerous awards over the years, including first place for its Feta in brine at the World Dairy Expo Championship

Dairy Product Contest sponsored by the Wisconsin Dairy Products Association in August. The company's Feta also placed third in its class at the World Championship Cheese Contest sponsored by the Wisconsin Cheese Makers Association in March.

"We value perfection and win awards, but our passion also means we never stop learning and creating the best cheeses," Heiman says. **CMN**

MilkPEP joins Peanuts gang to promote chocolate milk during Halloween season

WASHINGTON — The Milk Processor Education Program (MilkPEP) is teaming up with the Peanuts characters again this year to help increase milk sales with the "Chocolate Milk: The Official Drink of Halloween" promotion. MilkPEP says the 2012 promotion reminds moms that lowfat chocolate milk is a tasty and healthy Halloween treat while providing retailers with an easy way to enjoy an incremental lift in sales.

Now in its seventh year, the Official Drink of Halloween promotion has

generated positive results for retailers, with some reporting an increase in flavored milk sales of as much as 5-15 percent during the promotional period.

"Halloween provides an additional occasion for consumers to drink milk, allowing retailers to increase sales of chocolate milk," says Julie Buric, vice president of marketing, MilkPEP.

The promotion will run nationwide in stores through Oct. 31. For more information, visit www.milkpep.org. **CMN**

Redwood Hill Farm announces 'Vote Goat' campaign, introduces new lids for yogurt

SEBASTOPOL, Calif. — Redwood Hill Farm & Creamery, producer of goat milk cheeses, yogurts and kefir, recently announced its "Vote Goat" campaign. Through Election Day Nov. 6, Redwood Hill Farm will be rewarding fans who vote goat on the yogurt aisle with the chance to win a year's supply of goat dairy products, including its line of artisan goat cheeses, along with other daily and weekly prizes.

"A vote for the goat dairy my parents founded in 1968 is a vote for sustainability, humane animal care and healthy, natural dairy products of the highest quality," says Jennifer Bice, owner of Redwood Hill Farm & Creamery. "Consumers contact us every day sharing stories of how they enjoy our delicious, easy-to-digest goat dairy products, and we are excited to reward their support and creativity with our 'Vote Goat' campaign."

To cast a vote for goat and enter for a chance to win, fans share either how they enjoy their favorite flavor of Redwood Hill Farm's natural goat milk yogurt, or what new or existing flavor they would most like to try, at the "Vote Goat" contest event page on Facebook, www.facebook.com/pages/Redwood-Hill-Farm-Creamery/77974801817. The vote chosen as the best each day

wins free product coupons, an 8 by 10 glossy "signed" poster of Redwood Hill Farm's star show goat "Zimba," a "Goat Milk?" bumper sticker and six goat postcards. Weekly winners receive all this plus a Redwood Hill Farm T-shirt, gardening gloves and a set of two cheese knives. One grand prize winner, in addition to receiving all the other prizes, will be sent a sample box of Redwood Hill Farm's award-winning artisan goat cheeses and free goat yogurt and kefir coupons each month throughout Redwood Hill Farm's 45th anniversary year in 2013, as well as an insulated, eco-friendly tote bag and a monogrammed cheese serving set. Fans also may claim a digital "Vote Goat" badge to share on Facebook, Twitter and LinkedIn at http://basno.com/s/Vote_Goat.

The Vote Goat campaign coincides with the introduction of eight new lids appearing on 6-ounce cups of Redwood Hill Farm goat yogurts nationwide featuring personal messages from owner Jennifer Bice pictured with her goats. Redwood Hill Farm products are available nationwide at Whole Foods Markets and other natural foods and specialty grocers.

For more information, visit www.redwoodhill.com. **CMN**

Stonyfield expands frozen Greek yogurt line

LONDONDERRY, N.H. — Stonyfield Organic has expanded its Okios frozen Greek yogurt line with new peach mango and superfruit flavor offerings. Each are fat-free and have 100 calories per serving.

"Now people don't have to swap taste for health — with Stonyfield Organic

Frozen Greek Yogurt, everything that's good about ice cream is available in a frozen yogurt. This dessert packs in protein instead of calories," says Mary Kennedy, Stonyfield nutritionist.

For more information visit www.Stonyfield.com or www.facebook.com/StonyfieldFarm. **CMN**



FAMILY AFFAIR — Nasonville Dairy is owned and operated by the Heiman family. Currently, 18 immediate family members work for the business.

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Contest for couples promotes Sargento Natural Blends

PLYMOUTH, Wis. — Sargento recently announced the launch of its Naturally Blended Bliss contest, which promotes Sargento Natural Blends cheese slices and snacks and gives engaged couples a chance to win \$5,000 toward their wedding or honeymoon by sharing what makes them a “natural blend.”

Nominations are open to couples or their friends and family on the Sargento Facebook page, www.facebook.com/SargentoCheese, through Oct. 30. Entrants are required to share a one-word description of the couple, submit a photo of the couple, write a short testimonial that explains why they're the perfect natural blend and share the couple's favorite food to pair or blend with cheese at an engagement party.

Before entering the contest, couples can test their compatibility through a cheese personality quiz on the Sargento Facebook page to determine if they are one-in-the-same like Double Cheddar or a surprising pair like Cheddar-Mozzarella.

“At Sargento, we know that certain cheeses complement each other perfectly,” says Stephanie Meyer, marketing manager of Sargento Foods Inc.

For more information, visit www.sargento.com. **CMN**

Gunn's Hill releases names for its three new Swiss-style cheeses

WOODSTOCK, Ontario — Gunn's Hill Artisan Cheese of Woodstock, Ontario, recently announced names for its Swiss-style cheeses. Although the company started its cheesemaking nearly a year ago, choosing names for the cheeses has been a slow process, owner and cheesemaker Shep Ysselstein says.

“Sometimes you can't rush to make a decision,” he says. “I knew the names had to feel right and had to match my cheeses perfectly. Although it's taken a very long time, I'm really pleased with

the choices we've made as they all tell really important stories about the cheese and where they come from.”

The first cheese, Handegg (formerly Gunn's Hill Firm), comes from the story of how Ysselstein spent months in the tiny Swiss mountain town of Handegg, mastering his craft of cheesemaking. He adopted the techniques and recipes of making Handegg in a similar way that artisan cheesemakers of the Swiss Alps did. The second cheese, Five Brothers (formerly Gunn's Hill Semi-Firm), is

named after the five Ysselstein brothers — Shep, John, Marc, Daniel and David — who grew up on the dairy and with their parents helped build up the farm that produces all the milk used in creating the cheese at Gunn's Hill Artisan Cheese. The last cheese, Oxford's Harvest (formerly Gunn's Hill Soft), is a mild and creamy cheese that celebrates the local harvest that takes place within Oxford County, the “Dairy Capital of Canada.”

For more information, visit <http://gunnshillcheese.ca>. **CMN**

Holland's Family Cheese to release new varieties of raw milk cheese

THORP, Wis. — Holland's Family Cheese is expanding its selection of raw milk cheeses with two new varieties.

A yet-to-be-named soft cheese will be added to the company's “Marieke Collection” by the end of 2012. It will utilize vegetable rennet, making it suitable for vegetarians.

The first test batch will be available Nov. 26 with 35 wheels being released into the marketplace. Each 18-pound wheel is cured and flipped for 60 days on imported Dutch pine planks, a cheesemaking tradition of the Netherlands.

Holland's Family Cheese also recently added Marieke Mustard Mélange Gouda to its selection of raw milk, farmstead Goudas. The new cheese

is flavored with a blend of black and yellow mustard seeds.

Cheesemaker Marieke Penterman uses a traditional Dutch recipe for her Gouda and incorporates ingredients from her native Holland. Her flavored Goudas also include Foenegreek, Onion/Garlic, Honey Clover and Burning Mélange.

Marieke Mustard Mélange Gouda is available in 22-pound wheels, 11-pound half wheels, 6-pound quarter wheels and 7-ounce pie-cut wedges.

For more information, contact Penterman at 715-669-5230, e-mail marieke@hollandfamilycheese.com or visit www.hollandfamilycheese.com. **CMN**

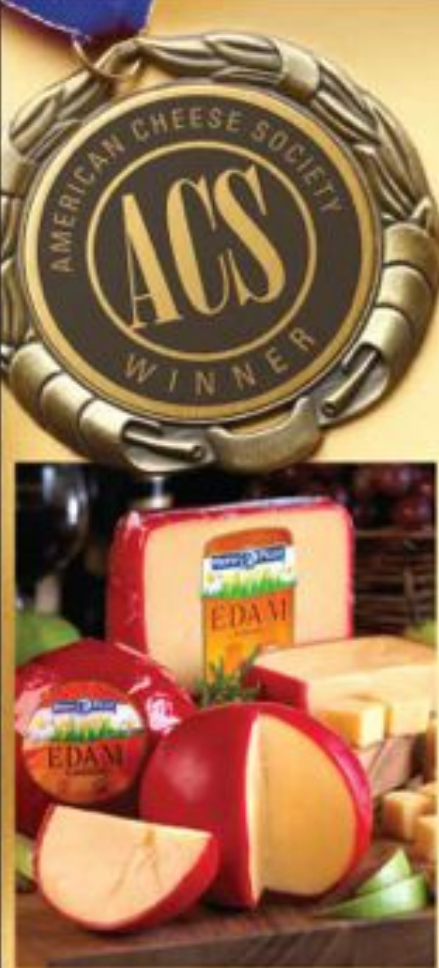
DCI Cheese expands Nikos Feta product line

RICHFIELD, Wis. — DCI Cheese Co. has added two new products to its Nikos Feta line of products, Nikos Crumbled Fat Free Feta and Nikos Feta in Brine.

Nikos Crumbled Fat Free Feta is described as a traditional, full-flavored Feta that targets calorie conscious

consumers. It's available in 6 ounce cups. Nikos Feta in Brine extends the brand's Mediterranean-styled offerings to foodservice customers. It's available in 4-pound pails.

For more information, visit www.dci-cheese.com. **CMN**




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Noble View Creamery releases two new Hispanic-style cheeses under Alqueria brand

UNION GROVE, Wis. — Noble View Creamery, which specializes in Juustoleipa and Hispanic-style cheeses, recently introduced two new products under its Alqueria brand.

Queso Tostado is a toasted Queso Blanco that is best served warm. It can be shredded, sliced or cubed and added to Mexican dishes such as refried beans or tacos, or warmed in a tortilla. Queso Quesadilla is a soft, mild cheese suitable for snacking or

melting in dishes. Its creamy texture is ideal for quesadillas, grilled cheese sandwiches or macaroni and cheese. Both cheeses are available in 7-ounce pieces.

Noble View Creamery is a new company run by Jay Noble, a sixth-generation Wisconsin dairy farmer. For more information, contact Noble at 262-210-8513, e-mail sales@nobleviewcreamery.com or visit www.nobleviewcreamery.com. **CMN**

Yancey's Fancy introduces new Chastinet

CORFU, N.Y. — Yancey's Fancy has introduced its most recent cheese creation, Chastinet (pronounced shasti-nay). The cheese was named in honor of Yancey's master cheesemaker Brian Bailey's original mentor in European cheesemaking.

"Fernand Chastinet was an experienced master cheesemaker and consultant to the French cheese industry," Bailey says. "He was a good friend and a knowledgeable, patient teacher. Much of what he taught me served as the inspiration for this cheese's creation."

Chastinet has a buttery flavor with a touch of nuttiness and a slight bite similar to an aged Parmesan or Provolone. It is made using techniques similar to those used in making Blue cheese and Havarti and incorporates buttermilk cultures from Denmark and cultures used for Swiss cheese, giving it a very broad and diverse European style. Yancey's Fancy will be manufacturing this cheese in wheels and wedges.

For more information, visit www.yanceysfancy.com. **CMN**

Carr Valley Cheese offers Garlic, Jalapeño, Chipotle flavors of Finnish-style Bread Cheese

LA VALLE, Wis. — Carr Valley Cheese recently introduced three new Bread Cheese flavors — Garlic, Jalapeño and Chipotle. Bread Cheese is made in the style of Finnish Juustoleipa and is recommended served warm, prepared on a skillet, in the microwave or on the grill.

Jalapeño Bread Cheese is made with green and red jalapeños for a spicy, toasty flavor and can be served with a dip. Chipotle Bread Cheese has a smoky, subtle heat from the peppers

with a Texas barbecue-like taste and pairs well with fruit or chutney. Garlic Bread Cheese has a mild garlic flavor and can be served with marinara for an easy appetizer.

The Bread Cheese varieties are available in 6-ounce and 10-ounce random weight pieces.

For more information, contact Beth Wytenbach, Carr Valley Cheese, at 608-370-4144, e-mail beth@carrvalleycheese.com or visit www.carrvalleycheese.com. **CMN**

Vermont Farmstead Cheese releases new raw milk cheese made with traditional peg mill

WOODSTOCK, Vt. — Vermont Farmstead Cheese Co. (VFCC) recently released Farmstead Windsordale, its new raw milk cheese made using a recipe from the late 1800s and a traditional peg mill.

The peg mill tears curds rather than cutting them, which provides a more open, friable texture. The result is a firm white cheese with a hint of tart apple, a sweet honeyed aftertaste and firm, flaky texture, the company says.

Pressed in a truckle mold, Wensleydale has a tall, cylindrical shape. The cheese can be cut to order in half-pound increments.

For more information, visit www.vermontfarmstead.com. **CMN**



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NEWS/BUSINESS



CRUELTY

Continued from page 1

the animal abuse this summer at Bettencourt Dairies' Dry Creek Dairy outside Handen, Idaho. The group says the video depicts workers beating, kicking, punching and shocking cows, dragging a downed cow by her neck using a chain attached to a tractor, and unsafe and unsanitary conditions for the cows. The group also notes Bettencourt Dairies is a major Burger King dairy supplier and claims this type of cruelty is "standard practice" for dairy suppliers. In addition to Burger King, Mercy For Animals' communications also implicate other members of

the supply chain, including In-N-Out Burger, Kraft, McDonald's and Wendys, by tracing the dairy products from the farm to the point of sale.

Bettencourt Dairy owners Luis and Sharon Bettencourt have released a statement saying they are appalled at the images depicted on the video, and that animal abuse or misuse has a "zero tolerance policy" and is dealt with as swiftly as possible. The dairy says to date, five employees identified in the video have been terminated. Additionally, the video has been shown to all its dairy employees, and each employee has signed and acknowledged its zero tolerance policy as a condition of employment. The security and monitoring on all of Bettencourt's dairies remains

under review, and recent changes have included video monitoring, on-site security and signage on all dairies, the owners say.

Twin Falls County Prosecutor Grant Loebs told *CMN* that three of the dairy's former workers have been charged with misdemeanor cruelty to animals, which holds a penalty of up to six months in jail and up to a \$5,000 fine. One worker has a court appearance scheduled for Oct. 16, and warrants still are out for the arrests of the other two.

Loebs says he had the sheriff's office do an extensive investigation of the incident, and there was no evidence that anyone else was involved or that the mistreatment

was sanctioned by the dairy.

"We don't charge based on videos brought to us by activists," he says. "When the owner of the dairy saw the film, he was visibly disturbed and immediately cooperative."

In addition to Bettencourt Dairy, other dairy companies and organizations have voiced their opposition to animal cruelty in response to the incident.

In a statement released this week, Davisco Foods International Inc. says it is aware of the recent footage taken of animal mistreatment at Dry Creek Dairy, which is a milk supplier to Davisco's Jerome, Idaho, cheese factory.

"Animal welfare is a top priority of Davisco Foods International Inc. and we take any claim about the mistreatment of animals seriously. State authorities will be prosecuting the individuals involved, and we fully support legal actions against those involved," says Jon Davis, CEO, Davisco Foods International Inc.

Davis adds that Davisco will continue to hold all of its milk suppliers to the highest of standards in regards to the proper care and humane treatment of animals.

The International Dairy Foods Association (IDFA) issued a statement calling the actions depicted on the video "appalling and completely unacceptable," saying the dairy industry takes claims about animal mistreatment very seriously.

"We commend the Idaho Department of Agriculture and law enforcement in Idaho for taking swift action against the perpetrators of abuse in this video," IDFA says.

The National Milk Producers Federation (NMPF) also released a statement condemning the actions in the video.

"The video released on Oct. 10, 2012, is deeply disturbing and depicts practices by individuals that are absolutely unacceptable," says Jerry Kozak, president and CEO, NMPF. "Idaho's dairy farmers, and those across the rest of the country, do not countenance this type of treatment."

Kozak adds that any evidence of animal abuse should be taken promptly to the appropriate state and local authorities whose job it is to investigate those claims. He says an independent animal care review panel organized by the Center for Food Integrity confirmed that the practices seen in the video were unacceptable and abusive.

"On a national level, many farms have adopted the National Dairy FARM (Farmers Assuring Responsible Management) Program's animal care standards," Kozak says. "Those standards disavow malicious striking or dragging animals. Responsible stewardship is a good thing for people and cows, and the FARM program, developed by NMPF, is designed to promote the best practices in animal care that consumers have come to expect from the dairy sector." **CMN**

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NEWS/BUSINESS



Innovation Center for U.S. Dairy now accepting nominees for dairy sustainability awards

ROSEMONT, ILL. — The Innovation Center for U.S. Dairy is now accepting nominations for the U.S. Dairy Sustainability Awards.

Nominations are open to all segments of the dairy value chain until Nov. 15 in the following categories: outstanding dairy farm sustainability, outstand-

ing dairy processing and manufacturing sustainability, outstanding achievement in renewable energy and outstanding achievement in energy efficiency.

“It is a commitment to continuous improvement and leadership that sustains dairy farms and businesses from one generation to the next, regardless

of unpredictable weather or economic conditions,” says Paul Rovey, owner of Rovey Dairy and chairman of Dairy Management Inc. (DMI). “Through the U.S. Dairy Sustainability Awards, we want to recognize individuals across the dairy supply chain for their successes as a result of innovation, ingenuity and persistence.”

An independent panel of judges will evaluate nominations based on the program’s or project’s results as measured by economic, environmental and social success.

For more information, or to nominate, visit www.usdairy.com/sustainability/awards. CMN

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NEWS/BUSINESS



SNACKING

Continued from page 1

and national retailers want to have merchandising solutions to help answer those needs.”

• Retail ready

To help promote dairy for small meal and snacking occasions at the retail level, the Innovation Center has created a “Fuel Your Day” cooler dedicated to snacking as one of several meal solution merchandising models that can be used by stores to promote and drive sales of dairy products. The model was tested with a regional retailer in the Northeast, which now is rolling out the concept to other stores. MacKay says the model, which features smaller price points, resulted in a high rate of impulse buys.

“The concept is not only to market against consumers’ desire for easy, convenient single-serve products, but also products with higher levels of protein that are more nutrient-dense and offer more satiety,” MacKay says of the “Fuel Your Day” model. “People are very concerned about snacking behavior, avoiding empty calories and adding more calories through snacking. They want snacks with a powerful nutrient punch, like string cheese, yogurt parfaits, something a little denser that stays a little longer.”

Tristano says offering ready-to-grab items and bundles are a great opportunity for retailers and restaurants to take advantage of the increased trend in snacking. One example he gives is a package of cheese, crackers and grapes that the chain Au Bon Pain offers in its

fast case. Airline clubs, too, have been successful offering cheese for snacking, he says, packaging cheese separately or together with vegetables, crackers and/or proteins similar to what convenience stores do all the time.

“I think restaurants are taking a page out of the c-store book,” Tristano says. “The c-store is becoming more competitive with restaurants through its prepared food offerings. Restaurants are going back and saying, ‘We can be convenient, too.’”

Tristano says restaurants also have been able to promote snacks at check-out, such as in a fast case or at the counter when people order. This makes snacks available to take with them to consume on-the-go or back at home or school.

“It creates the best opportunities when they’re built into the visual marketing

effort,” he says. “It leads the consumer back into the restaurant, where they know they can stop in, and can get the quality and freshness level they’re looking for.”

• Healthy routine

Experts say one of the key trends and opportunities in the snacking segment is healthy snacks, which can include both food and drinks.

One success story in this segment is Bel Brands, maker of Laughing Cow and Mini Babybel individually-portioned cheeses.

These cheeses first were imported from France to the United States in the 1950s and 1960s. However, a key turning point took place in 2003 when the 35-calorie Laughing Cow wedges were featured by the South Beach Diet brand and their popularity exploded.

“It provided a sweet spot in our

marketing, being recommended as an ideal snack for people trying to follow the South Beach Diet and a healthy lifestyle,” says Ann Legan, vice president of marketing, Bel Brands. “It really put us on the map in the consumer’s mind as being a healthy snack alternative.”

The foil-wrapped Laughing Cow wedges and bite-sized Mini Babybel wax-coated rounds always have been ideally packaged for snacking. Bel Brands started specifically positioning these cheeses as snack items in the early 2000s and launched its first advertising campaigns for the brands in 2008. These recent efforts, along with the upward swing in snacking trends, have helped catapult growth. Both brands were under \$50 million in sales six years ago, and each

Turn to *HEALTHY*, page 16 ⇨

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NEWS/BUSINESS



HEALTHY

Continued from page 15

has doubled in size since then, Legan says. Bel Brands currently is constructing a new plant in Brookings, S.D., which will allow it to grow to meet demand and produce all of its Mini Babybel cheese in the United States (currently 50 percent is imported from France) by the end of its first phase, which will be completed in mid-2014.

Beverages also have great potential in the healthy snacking segment, Tristano says.

“Certainly beverages are really starting to gain momentum, providing not only energy through carbs, but some add-ins for an energy boost and wellness, which give consumers a more comfortable feeling,”

he says. “There really is a move toward that liquid sustenance, a tremendous opportunity to be healthier.”

The dairy industry is aware of this trend in beverages as well, and the Innovation Center’s Future of Dairy report includes functional and energy drinks in another one of its 20 whitespace opportunities, “Powered by Dairy.” The study notes that in 2008, the energy drink market was worth \$4.8 billion, and functional drinks are estimated to grow to \$19 billion by 2013.

However, the report indicates more consumer education about dairy may be needed to boost this segment, as only 29 percent of consumers strongly agree that they are familiar with protein naturally found in milk, and only 25 percent are familiar with whey protein.

• Future opportunity

Companies must continue to innovate to meet new demands from consumers.

“In snacking, we’re finding what people are wanting is really interesting taste and texture innovations,” Legan says of the Laughing Cow brand. “We introduced Blue Cheese, Chipotle and Sun Dried Tomato-Mozzarella flavors, which were tremendously successful.”

She adds that as much as the brands have grown, there still is room to reach many more households.

“The snacking cheese segment is very large. Close to 50 percent of U.S. households are consuming snack cheese,” Legan says. “Even though we’ve achieved tremendous growth, we still are in under 10 percent of U.S. households.”

MacKay says the Innovation Center

also sees opportunities for innovation in flavor profiles and convenient packaging for snack cheeses.

“String cheeses, cubed cheese and cheese sticks are doing very well in the snacking occasion,” MacKay says. “Most people think of kids, but half those (snacking) occasions are for adults. They have more sophisticated palates and really want strong, bold flavors like Jalapeno and Pepper Jack.”

Manufacturers can add convenience to snacking with packaging innovations, MacKay says, pointing to Sargento Fridge Packs as an example.

“For string cheeses, instead of connected together, they have a box where you can just rip off the top, and it stands up in the fridge,” she explains. “Put it on a lower shelf, and kids can go in and grab one. It’s a healthy snack mom can feel good about, and like (Yoplait) Go-Gurt yogurt tubes, there’s little mess. It’s an innovation consumers are looking for from manufacturers, making snacking healthier, more convenient, more transportable.”

MacKay says dairy products are performing decently in the snacking segment now, with ice cream and frozen novelties among the top 10 most popular snacking categories and milk, cheese and yogurt not too far behind. However, she says there is even more potential for growth, whether it be fusing dairy with other foods to create new products, marketing and positioning, or adding more points of distribution.

“The fact is, dairy provides a unique solution as it relates to snacking — the nutrient package, the great taste, and people’s affinity for dairy,” MacKay says. “The sky is the limit when it comes to snacking for dairy.” CMN



Thank You



A sincere thank you is extended to the winning bidders, participating dairy companies, judges, contest assistants and organizations which helped make the 2012 World Dairy Expo Championship Dairy Product Contest an outstanding success.

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TRITENT

Continued from page 1

to simplify the procedure for state and federal regulations.”

The Platteville plant will undergo renovation to install new equipment, and Hsieh says production is expected to begin March 2013. The blending and infant formula plant in Cascade is set to open in May 2013. Each plant will employ 15 people.

Additionally, Hsieh says, Clarence Jenny, the owner of the cheese factory before it was acquired by Swiss Valley, is coming on as honorary chairman of the board to help advise the company on the Platteville cheese facility.

Tritent International still is in talks with Swiss Valley about procuring milk from its cooperative members for the cheese and powder processing plant, though an agreement has not been finalized.

“There’s even more of a reason to do that now,” Hsieh says of a possible partnership with the Swiss Valley cooperative. “We bought the plant from them, the supply is readily available, and we have a good relationship with them.” CMN