

NEWS/BUSINESS



Irish Dairy Board celebrates completion of state-of-the-art \$12 million facility expansion

By Alyssa Mitchell

HILBERT, Wis. — The Irish Dairy Board (IDB) on Wednesday celebrated the grand opening of a new \$12 million expansion at Thiel Cheese & Ingredients.

The new facility is part of an \$80 million expansion investment made by IDB in their U.S. food ingredients business. The investment expands the production capability of the business by more than 40 percent and continues to support the 135 jobs that exist in the business, 110 of them at the Thiel facility, says Neil Cox, president of IDB's U.S. Food Ingredients.

"Thiel Cheese is a well-established, well-performing business with a lot of know-how in the existing management team, which has largely remained in place," Cox says.

"We are excited to open this state-of-the-art facility at Thiel Cheese & Ingredients in Wisconsin," Cox said at the ribbon cutting ceremony held Wednesday. "Wisconsin, like Ireland, has a proud tradition of producing some of the best dairy products in the world and has developed into a hub of innovation for cheese production. This new facility enhances our ability to create innovative food solutions that meet the evolving needs of our U.S. customer base and their brands."

IDB is Ireland's largest exporter of dairy products including its Kerrygold and Dubliner brands. It entered the U.S. food ingredients market in 2008 with the formation of Meadow Ingredients in Byron, Minn., before acquiring the Thiel business in 2011. Since then, the Thiel business, which supplies cheese and cheese-based ingredients to some of America's largest food companies, has grown strongly with sales rising to \$80 million in 2013, up 13 percent, Cox notes. (*See "Irish Dairy Board purchases Thiel Cheese & Ingredients from FCF Partners LP fund" in the Nov. 4, 2011, issue of Cheese Market News.*)

Simon Coveney, Irish Minister for Agriculture, Food and the Marine, says the new facility will further strengthen the positioning of Ireland and Irish agribusiness expertise in the United States as well as support the economic prospects of Irish dairy farmers.

"We are entering an exciting time for the Irish dairy sector as EU milk quotas will be abolished next April, and today's opening represents the kind of investment which will help the sector realize its true potential," he says.

"We are creating, year by year, ingredient by ingredient, a global footprint for the Irish dairy industry," he adds.

"This facility is good news for our board members," says Kevin Lane, CEO, IDB. "We're happy so many of our customers are here today and want to continue to delight you with products

made at this facility."

Aaron Forde, chairman of the board, IDB, adds that "at IDB, we see Wisconsin as the Silicon Valley of the cheese business.

"Generations of families have worked here," he says. "Today's opening is strategic and important for IDB and provides us with greater scale in the cheese ingredient business here in the U.S. for our customers. This opening wouldn't be possible without the hard work of a lot of people in Ireland and the U.S."

The new Thiel development includes a Customer Innovation Center created to develop new products and functional dairy solutions for Thiel's U.S. food ingredients and foodservice customers, keeping the company at the forefront of the food ingredients business in the United States, Cox says.

The Thiel facility boasts some of the most advanced cheese processing equipment in the U.S. dairy industry, notes Gary Kerrigan, president and chief operating officer, Thiel Cheese.

"We can manipulate flavor and melt and are formulating products at a more competitive price point to meet customers' needs," Kerrigan says.

To innovate in a cooked application, processed cheese is easier to use vs. natural, he adds.

Michael J. Scheller, senior director of research and development for Thiel Cheese, notes that the technological advancements at the new facility allow the company to develop new concepts to bring to its customers.

"They send us samples, and we work to replicate those at a more competitive price point," he says. "We often make a better product as well."

Scheller notes the R&D department's slogan is "If you can imagine it, we can create it."

Bayland Building Inc., Green Bay, Wis., facilitated construction of the new Thiel facility, which took approximately 10 months, says Lance VanDen Heuvel, sales representative who attended Wednesday's event.

"It's state-of-the-art — the kitchen facilities, training area, everything. They did not hold back; everything is the best of the best," he says.

Cox says the Thiel facility's focus on R&D and innovation makes a statement to the company's capabilities and customer approach.

"We want to build on relationships with customers with a very technical staff," he says.

Scheller and Kerrigan note that while there is market volatility in pure products such as milk, cheese and butter, formulating products with dairy ingredients allows the company to take some of the volatility out of the products to offer customers more fixed pricing.

"We're able to match competitors' products and deliver a certain level of quality," Scheller says.



Photo by Alyssa Mitchell/Cheese Market News

INVESTING IN INNOVATION — The Irish Dairy Board (IDB) on Wednesday celebrated the grand opening of a new state-of-the-art dairy ingredients facility expansion at Thiel Cheese & Ingredients in Hilbert, Wis. The new \$12 million facility is part of an \$80 million expansion investment made by IDB in their U.S. food ingredients business. Pictured at the ribbon cutting, from left, are Aaron Forde, chairman, IDB; Neil Cox, president, food ingredients, North America, IDB; Simon Coveney, Irish Minister for Agriculture, Food and the Marine; and Kevin Lane, CEO, IDB.

Cox notes that Thiel is a young business in relative terms but that the new facility is a platform for growth.

"I think we absolutely will ex-

pand here or at our other U.S. facility as we have capacity that is not fully utilized today and could expand further," he says. CMN

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With more than 70 years of experience in custom formulation, Thiel Cheese & Ingredients LLC offers a complete line of processed cheese ingredient solutions to America's Fortune 100 food manufacturers and foodservice providers. Our sister company, Meadow Ingredients LLC, offers a variety of cheese blends, cheese substitute and imitation solutions from its Byron, Minnesota facility.

Our team of R&D professionals collaborate with a variety of business partners to deliver sustainable commercial solutions through an open and innovative approach.

We take pride in our industry-leading quality and food safety programs, audited by our most important assets, our customers. Your products are crafted at BRC approved manufacturing facilities, which are also USDA, WDA and FDA approved.



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