

Women of the Farm Luncheon

On Saturday, January 20, our patron farm women gathered at Ellsworth Cooperative Creamery for our fourth annual "Women of the Farm" luncheon. Nearly 60 attendees packed the third floor of the Creamery to enjoy a day of tours, chair yoga, pampering, tastings, and delicious food.

Sheila Harsdorf, Wisconsin Secretary of Agriculture, joined us as our special guest and speaker. She shared about how her background in farming and a passion for ag advocacy, led to an unexpected and long career in the political arena.

An inspirational message proving that with drive and focus it's never too late to make a significant impact or start on a new career path in agriculture.



Next year we might need a bigger room! Thank you to all who took time away from the farm to share the day with us. We couldn't think of a better way to spend a January day than making new friends and sharing laughs together! We look forward to seeing everyone again next year.

Super Opportunities: Continued from page 1...

Sadly, it was not to be as the Eagles took the championship by a spread of 31 points. The Vikings were off their game... literally. Was it nerves... a curse... too many cheese curds? We'll never know.

The journey to a Super Bowl win continues for the Vikings. And while they didn't make it to the U.S. Bank Stadium, our cheese curds did! The fine folks at Curds & Cakes transformed our white squeaky curds into Blue Moon Bacon Cheese Curds and took second place in the Top Foods at Super Bowl LII. The competition was fierce as 35 creative dishes, including dogs, sweet treats, mac and cheese, and this single cheese curd entry, duked it out. In the end, only 8 made the top food list, with the curds making a proud showing. They were a top-selling food item at the Super Bowl game; the dish sold for \$19 an order!

Back at our retail stores, Super Recipe Sunday on our Facebook page kicked off a week of Super Bowl mania. Over 150,000 Facebook users saw our recipes, videos, and game-day entertaining tips go across their news feeds. Prize giveaways added to the excitement!

Throughout the week, curd sales were brisk leading up to game day. In addition, Take n' Bake pizzas featuring our own cheeses and cheese curd crumbles blew off the shelves!

The exact economic impact hosting the Super Bowl had on Minneapolis, St. Paul, and nearby Twin Cities' suburbs is still being calculated; however, we can say the ripple effect was felt all the way to Ellsworth Cooperative Creamery.

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February 2018

The Super Bowl Means Super Opportunities



While our Green Bay Packers didn't make it to the big game this year, the Super Bowl still offered some super opportunities for Ellsworth Cooperative Creamery.

When the Minnesota Vikings made it to the NFC Championship game, we knew we had to support our Minnesota patron farm families and customers. We also knew we might take a beating from our Wisconsin ones.

The purple food coloring had been on the shelf and at the ready for years (wink, wink), we couldn't chicken out now. We tested the waters on Facebook the day of the divisional playoff game against the Saints. If the Vikings made it to the NFC Championship game we would make our first ever purple and gold cheese curds, we promised.

And they did it! Maybe it was the thought of those fresh and squeaky cheese curds—or maybe it was some other force—in a last-second miracle play the Vikings beat the Saints 29-24 and proceeded to the NFC Championships against the Eagles.

We made a modest 200 pounds of purple and gold curds in support. However, we knew we were in for a crazy ride when shortly after making the announcement we started to go viral on Facebook.

Our social media team and CEO, Paul Bauer, watched the Facebook post "reach" climb throughout the afternoon and evening. 25,000... 45,000... 75,000... Engagements, comments, and shares quickly spread the word to over 100,000 Facebook users!

Not everyone was happy about a Wisconsin creamery supporting the rival team. Our loyal fans came to the rescue with supportive comments, and our social media team explained our position: When Minnesota farm families are among your cooperative owners, and a good percentage of the quality milk that goes into your product is produced in Minnesota, you've got to show them some love when their team makes it this far in the season.

Seeing how quickly the news spread, our staff knew they better kick it into overdrive. It was confirmed they made the right decision when lines were forming in advance of the 12:00pm sale kick-off. Those original 200 pounds of curds sold out in 35 minutes! Thankfully, it wasn't long before we were fully stocked again.

Television and radio stations from the Twin Cities and Rochester shared the story of the Wisconsin Creamery's support for their Minnesota customers' beloved team, resulting in thousands of dollars of free advertising and publicity!

2,500 pounds of purple and gold, and many smiling faces later, we ended the weekend with only a few pounds left just as the game was about to start.

If the Vikings made it to Super Bowl LII, how many pounds would we have to make then, we wondered.

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ECC Annual Meeting

Please mark your calendar and plan to attend Ellsworth Cooperative Creamery's Annual Meeting on Tuesday, March 27, 2018.

In addition to board member elections, attendees will leave this meeting with an update on Ellsworth Cooperative Creamery's performance over the past year, current trends and challenges faced by our industry, as well as our goals and plans for the coming year.

Special guest, Jim Mulhern, President, and CEO of the National Milk Producers Federation (NMPF), will be our special guest speaker.

Jim will share about the efforts of the organization and their work on behalf of NMPF members, which includes creating positive outcomes on policies that impact dairy farmers. Their focus also includes policies not yet written, and the interpretation of policies by people outside the dairy industry, many of whom have no understanding of the impact the outcome of these policies have on the livelihood of dairy farmers.

The NMPF also strives to steer the dairy farm programs to have positive effects for dairy farmers in the budget constrained Congress.

We know you'll find Jim's presentation to be informative and engaging. Come learn and visit with your fellow-cooperative members. Lunch will be served.

Ellsworth Cooperative Creamery Annual Meeting
Tuesday, March 27, 2018
Lunch: 11:30am
Meeting: 12:30pm
CrossRoad Community Church

ellsworth cooperative creamery

Milk Prices—They May Get Better

By Paul Bauer, CEO, Manager
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Milk prices stink; yes I know that is obvious. To understand when and if prices will get better we need to understand why they are so low.

Exports: Since we need 1/7 to be shipped overseas to keep supplies in balance, any change here causes an increase/decrease in your milk check. We have a lot of skim milk in the world, particularly Canada and Europe, that is keeping prices low. Until those supplies clear out we have low prices.

Butterfat: This is the main driver in keeping fluid milk moving but at the pain of cheese plants. Butter keeps milk prices \$2.00/cwt higher than normal; however, it costs nonfluid plants and farmers shipping to those plants any premiums in quality and volume or increased hauling to cover those added costs in butterfat. For example, in January barrel cheese had FMMO fat values of \$2.4531 per pound of fat, and we have approximately 53% fat in every pound of cheese. This means we have \$1.30 of fat value in each pound of cheese we sell at \$1.3345. The \$.03 spread is not sufficient to pay for the protein and conversion cost of turning the milk into cheese, so the value must come out of the milk.

Block and Barrels: The value of block cheese compared to barrel cheese was a record-setting \$.077 per pound. In looking back 30 years, the difference has been \$.03 per pound or less. Last year it was \$.023. The difference between last year and this year (\$.053) is equal to \$.555/cwt of value to your check. The current spread is about \$.15 per pound, which will put more pressure on milk prices.

The amount of milk and processing

capacity from last year to this year appears to be in better balance. Some powder plants came online and are taking the surplus milk out of the cheese plants at cheap underclass prices as compared to last year. This means less cheap cheese on the market. However, the domestic consumption still needs to work through the large inventory of cheese on hand.

Is there any good news? Well, we have prices below "world" price of \$1.70 per pound of block cheese, which could lead to cheese products being shipped overseas. We hear of those trades but it will not be reported until months after it has taken place. We see a reduction in milk supply in the upper Midwest--Less milk on the market will shrink supply. I estimate our milk shed will shrink 5.1% for the year. The hard side of this number, unfortunately, means a loss of family farms.

In my opinion, we will see price recovery that hovers at \$17.00 per CWT in the late half of the year. That will be our "cap" for several years to come until Europe is able to increase prices.

What can we do during times like these? Our best strategy is to stay the course on value-added dairy products. Our goal is to get to 40% of cheese sales to be value added--we are currently at 31.5%. In 2017 value added contributed \$.75/cwt to your milk checks. We want to continue to make this larger each year to continually lessen the commodity impacts of barrel cheese. We have worked hard to get new products to the market to further those margins and have some exciting things planned for 2018 that will help us move closer to this goal.

Cheese Curds Beat Out Fries!

Well, at least at A&W they do. And in some locations, they outsell root beer floats, too!

"The popularity in some restaurants is right up there with the root beer float in terms of the number that are ordered," VP of Marketing for A&W Sarah Blasi said. "And over the last five years, we've grown our cheese curd volume over 50%!"

A&W chose the best when introducing cheese curds to their menu. Ellsworth curds are sent to Riverside Foods to be breaded with a special ingredient added for extra flavor!

Shhhh... "They bread them fresh and they actually dust it with just a little bit of garlic," Blasi whispers. "You would never be able to point that out when you eat them, but that's what makes them so savory and delicious."

With the growing success of cheese curds as a menu item, A&W is introducing their first cheese curd menu

extension... ever! For a limited time, Poutine is on the menu. "It's fries and cheese curds topped with gravy, and people love it," said Blasi.

Regardless of whether Poutine becomes a menu staple, deep-fried Wisconsin white cheddar cheese curds from Ellsworth Cooperative Creamery appear to be on the menu to stay! How soon before McDonald's hears the news?



Milk Quality Conference



Ellsworth Cooperative Creamery field representatives, Dean Hines and Shane Bamman, expanded their knowledge and leadership skills at the Milk Quality Conference in Madison, WI earlier this month.

Throughout the two-day conference, Dean and Shane networked with other dairy professionals and attended workshops on topics ranging from leadership and communication skills to dairy inspections, compliance, and milk quality issues, including milk quality troubleshooting, heat-loving bacteria, and antibiotics.

We're excited to see them put their newfound knowledge to work for you.

2018 Scholarship Program

We are currently accepting applications for the 2018 Scholarship Program. The goal of the program is to provide scholarships to members of our cooperative's families that wish to continue their post-high school education in agriculture at a two year technical school or four year university.

Scholarship criteria and application instructions can be found on the application form. Application forms are available from the Ellsworth Cooperative Creamery in Ellsworth and can also be downloaded at EllsworthCheese.com, under the Members page (scroll all the way down to the bottom of the home page). The application deadline is March 31, 2018.



IMPORTANT NOTICE! Federal Survey

We wish to make all our Wisconsin patron farmers aware that WE ARE DUE FOR A SURVEY AT ANY TIME!

Please, take the time now to prepare for this inevitability.

dairy proud for over 100 years.

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