Women of the Farm Event Save the Date Saturday, January 19, 2019

Ladies, it's been nearly 5 years since we first gathered at Ellsworth Cooperative Creamery for our Women of the Farm Luncheon. Each year we welcome a few more women and have a little more fun!

We've set the date for our 5th annual luncheon! More details and your official invitation will be coming your way soon (watch your December milk checks). However, for now, reserve Saturday, January 19, 2019 on your calendar!

We look forward to bringing you another opportunity for learning, relaxation, fun, and socializing.



Here we are at last year's event. The room was filled to capacity, but that didn't keep us from having a great time together—we might need to find a larger space for our picture, though!

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Ellsworth Curds Could Be Headed for QVC

It's the stuff movies are made of—A chance meeting opens doors for a new product leading to instant fame and glory! This fairy tale is becoming reality... well, sort of... for one of our newest products!

Just like in the movies, a connection made at the Winter Fancy Food Show earlier this year has led to an amazing opportunity for one of our newest products. Unlike what is portrayed in the movies, there's a lot more work that goes into making dreams like this a reality than one might think.

Mark Anderson, Regional Sales Manager, and Allen Hendricks, Director of Foodservice, met some reps from QVC while launching our new line of frozen breaded and battered curds at the Fancy Food Show. QVC was intrigued by our product and were curious about how their customers might like to have them available in their own freezers.

We knew once they tasted the product, they would be in love. However, before we could even get to that point, a seemingly never-ending round of meetings took place between QVC's online sales broker, the folks at QVC, and our team. They reviewed the specs, considered the applications of the product, their customers' tastes and preferences, the online and onair appeal, etc. Pricing was also a consideration—there are a number of additional costs to consider for a unique opportunity like this, from brokers' fees to fulfilment cost. Agreeing on price required a lengthy negotiation to make the deal a win-win for all.

After many months of work, it was finally time to submit samples to QVC's quality team. They recognize the value of the product—and the taste! We hope to hear the good word soon and move the project even closer to becoming a reality.

Additional hurdles to overcome—How do we safely and efficiently get a frozen product from our facility to customers across the country? How does our shipping

ellsworth cooperative creamery

staff manage, package, and ship within hours hundreds of small orders that would likely be generated through QVC in a matter of minutes? We knew we didn't have the capabilities. After some research Mark and Allen found Neesvig's.

Neesvig's, Inc. specializes in frozen food order fulfilment. Orders would be accepted by QVC and forwarded to Neesvig's for processing, packaging, and shipping from their frozen food warehouse. As a bonus, Neesvig's has partnerships with other specialty online retailers. They can make our product available for sale by these online companies fulfilling their orders, too. This relationship will also allow us to make our frozen line of products available for purchase through our own online store, not only allowing us to reach the single order consumer but small restaurants who wish to offer our products but are unable to commit to the minimum quantity that is currently required.

So how does the story end? This project is looking very promising. While there's not a definite commitment, air dates are being discussed. If all goes as planned in a matter of weeks you'll see our full line of frozen breaded and battered curds offered on our online store with orders being fulfilled by Neesvig's. This will allow us to test the order and fulfilment process.

QVC is currently considering a pre-Super Bowl promotion for our Frozen Beer Battered Cheese Curds. The product would be sold as two 2½ pound bags (5 pounds total). Last month a Michigan chocolate maker sold 6,700 cases of mini caramel bites in 6 minutes. Are deep fried cheese curds as appealing as fine chocolate? Can we expect that number of orders from our promotion? Stay tuned... It sure would be fun to find out!

We'll be sure to keep you updated as this project progresses!

News Bites...

SAVE THE DATE: Annual Meeting

Please mark your calendar and plan to attend Ellsworth **Cooperative Creamery's Annual** Meeting on Tuesday, March 26, 2019. Watch for Board of Director self-nomination forms and more details to come your way soon!

Ellsworth Cooperative **Creamery Annual Meeting** Tuesday, March 26, 2019 Lunch: 11:30am Meeting: 12:30pm **CrossRoad Community Church** W7562 US Highway 10, Ellsworth

New: Gift Boxes for Holiday 2018

We're so excited to roll out a new gift box catalog with new designs for the holiday season. Featuring all our most popular products, and several box options, they are sure to be a hot gift idea!

Plus, a new limited edition box we know you're going to love. The **Ellsworth Valley Crate features** our entire Ellsworth Valley collection of cheeses in a handcrafted distressed wooden box stamped with the Ellsworth **Cooperative Creamery logo! View** the catalog online at EllsworthCheese.com, or request a copy by calling 715-273-4311 ext. 225. Hopefully, we just made your gift-giving easier!

Updated Cheese List

We recently updated our retail store Cheese List to include all our most current offerings. You should have received a copy with your last milk check. To request additional copies, or to place an order, call 715-273-4311, ext. 225.

A Look on the Bright Side

By Paul Bauer, CEO, Manager paulb@ellsworthcreamery.net

This year has been tough on dairy farmers. However, instead of focusing on what is wrong with the markets, I've decided to end the year by focusing on what is going right for our cooperative. Listed in no particular order, here are some of our organization's success stories from 2018...

- The WI Association of Dairy Plant Field Representatives' Conference was held in River Falls. It was organized by Dean Hines and with the help of 9 other staff we were able to provide plant tours to 100 field service representatives and state officials from around the state.
- The footprint of our retail store was expanded with a deep fried cheese curd wagon in the parking lot. Generating over \$22,000 in additional revenue, this exceeded our sales target and drove frozen curd sales building demand for this product.
- Our Purple and Gold Cheese Curd promotion in conjunction with the Minnesota Vikings' trip to the Super Bowl was a hit with our Minnesota customers. We sold 21,000lbs of the colored curds and discovered that is it very difficult to secure purple food dye in large quantities.
- We tested the maximum capacity for our retail store customer count and sales volume under the current square footage and configuration during Cheese Curd Festival in 2018. With lines that extended out the doors and into the parking lot, we welcomed a record number of customers over the 1½ day event!
- We experienced increased sales as a result of our purchase of Wohlt Creamery. One customer increased

their business with Ellsworth and we are now doing a branded process cheese at their request. One customer consolidated their business and is giving more sales to Wohlt. We are also quoting new business at Wohlt which is something they have not done for many years. In addition, we are able to capitalize on cheese pounds and price by managing the cheese production at Ells-

• Our Dairy Month partnership with Kwik Trip in June resulted in the sale of 12 semi loads of retail curds with the promise of additional orders coming this fall.

worth with Wohlt production.

- The Minnesota State Fair sold a record 132,000lbs of curds this year. 100% of cheese curds at the Great Minnesota Get Together came from Ellsworth this year!
- A new bulk curd customer is gearing up for a fall promotion. In September and October they purchased 600,000 additional pounds of bulk curds. We'll be on the lookout for a retail cheese curd promotion in the fourth guarter!
- Our Frozen Beer Battered Cheese Curds will be featured on a new menu being rolled out by national restaurant chain, Famous Dave's! Our cooperative's name will be highlighted on the menu.
- Our breaded frozen curds became the official breaded cheese curd of the St. Paul Saints baseball stadium. They were a big hit and have received invaluable exposure!
- Ellsworth added a redistributor called Dot, which sells less than

continued on page 3...

We Experience Audits & Inspections, Too...

Audits and inspections can be stressful, as you know if you've had an inspector at your farm. What you may not realize is that at our cooperative we experience a number of inspections each year, too.

To give you an idea of the number of audits we experience, we're sharing this list (to the right) of regular audits at our cooperative.

Each of these inspections consists of a walk-through of the plant to observe employee practices pertaining to GMPs and food safety. All of our plant policies and procedures are also reviewed, as well as a review of completed documents. Needless to say, each audit requires an extensive amount of time by a variety of our staff people.

Yes, inspections are an inevitable part of the routine on the dairy farm and in our dairy plant. While we may not enjoy the process, they are a vehicle by which we can continue to improve and assure our customers and consumers maintain a high level of confidence in the quality of our products.

Bright Side (continued)...

truckload quantities to other distributors to sell. This allows our refrigerated and frozen product to have a national reach with lower transportation costs.

• One of our private label cut cheese customers accepted a new packaging style, offering consumers an easy-open package which requires less labor and material on the production side. This new easyopen packaging will roll out to other cuts of cheese, as well.

In addition to being great news for our cooperative, these wins also helped our patrons' paychecks. Year to date through September, value added profits contributed \$1.13 per cwt to your check! Put another way, had we not made the decision to transition to a greater share of value-added products 10 years ago, our patrons would have received \$1.13 less per cwt for the entire year. This further supports that our continued investment and expansion into the valueadded marketplace is critical to our profitability and viability into the future.

LIST OF AUDITS/ INSPECTIONS

USDA –

- Label
- Intake
- Plant
- Pallets
- AMS
- Export
- Price discovery barrels and whey

IMS-

- Farms
- Intake
- Spot
- WDATCP -
- Intake
- Retail
- Labels
- Lab
- Bulk tank
- Samplers
- Milk Haulers
- Antibiotic sampling
- Pasteurizer
- FDA -

Plant

Animal feed

OSHA ·

Dept. of Administration -

- Elevator
- Boiler
- Unemployment
- FMMO –
- Payroll components
- Payment accuracy

Private Companies -

- Insurance
- Property
- Safety programs
- Quality programs
- Food programs
- Food Safety -

SQF

 Company audits New supplier

FARM -Fire –

DNR –

- Land spreading
- Waste Water Treatment
- Ground surface

Big Cheese Wins!

The National Milk Producers Federation (NMPF) held its 2018 Annual Meeting last month in Phoenix, Arizona. A highlights of the event is the Championship Cheese **Competition. Once again Ells**worth Cooperative Creamery brought home several 1st place wins, with two awards going to processed cheeses produced at our new Wohlt Cheese plant! Our **Swiss American Processed Cheese** took 1st place in the Processed **American Plain Category and our** Jalapeno Pepper American took 1st in the Flavored Category!

And proving that there's no better cheese snack anywhere, it was our Cajun Cheese Curds that took **1st in the Natural Cheese Snack** Category. Take that cheese sticks!

From our cheese making staff, to our patron farmers; it's your hard work and an ongoing dedication to quality that makes our products award winning and our brand one we can be proud of.

Congratulations ECC Patron Farms!

We wish to extend a big thank you to every patron for your hard work and preparations in advance of the Federal Surveys! Thanks to your efforts, we passed in both Wisconsin and Minnesota. We would like to give special recognition to the patrons below for their exemplary survey ratings:

Wisconsin: AJ Anderson Acres, LLC (Amanda Anderson) = 100Michael & Bonnie Stafne = 98

Minnesota:

Kevin Pieper = 100 Dean Kamps = 100 Adam & Sarah Mellgren = 100 Tony & Matt Berktold = 97 Jon & Wendy Meyer = 97 Jim & Debbie Wallerich = 97

dairy proud for over 100 years.