

**In This Issue:**

1. Wisconsin Dairy Producer Survey Indicates Optimism in America's Dairyland
2. Team Member Monthly Message: Neville McNaughton
3. Dan Carter to Receive American Cheese Society Annual Lifetime Achievement Award
4. Industry News
5. Beyond Wisconsin
6. Upcoming Important Dates

**1. Wisconsin Dairy Producer Survey Indicates Optimism in America's Dairyland**

According to a new survey from the USDA National Agricultural Statistics Service, 70 percent of all current Wisconsin dairy producers plan to be milking five years from now, with almost half planning to keep the same number of milk cows, and nearly a quarter indicating they will increase their herd size by 2012.

The survey was taken from a random sample of 3,000 Wisconsin dairy farms, stratified by six herd size categories. Surveys were returned by 45 percent of dairy farmers. Based on herd size, data was expanded to account for all dairy operations in the state. Results show Wisconsin dairy operations spent nearly \$1 billion on improving dairy facilities during the past five years – not including investments in cattle or land.



Wisconsin dairy farmers said they plan on increasing investments for new facilities and upgrades over the next five years by spending \$1.07 billion. Investments in dairy cow housing account for more than half of the total for both time periods. The biggest increase in future investments vs. past expenditures is in manure handling/storage facilities at \$222 million, up \$60.6 million. Herds with 100 or more milk cows plan on investing 84 percent of the total dollars in this category.

About 3 percent of dairy operations with less than 100 cows produce organic milk. Another 1 percent, mainly in herds with fewer than 50 cows, plan on switching to organic milk production by 2012.

Employment statistics were another part of the survey project. On average, farms with 500 or more milk cows employed 14 workers, for a state total of 3,130 workers. The smallest farms, those with fewer than 200 milk cows, had an average of less than 1 worker per farm, for a state total of 6,150 workers. Mid-sized farms averaged 5 workers per farm, for a state total of 3,400 workers.

To view the complete report, including sections on wage rates, employment statistics, wiring and energy issues, visit: <http://www.dbicusa.org/resources/dairyproducer2007.pdf>

---

## 2. DBIC Team Member Monthly Message: Neville McNaughton



This month we hear from **Neville McNaughton**, DBIC Technical Analysis Director. He discusses “**Rising Construction Costs and Challenges for New Cheesemakers.**”

Construction costs, contractors and land prices continue to increase -- all putting pressure on the dollars the new cheesemaker has to execute his or her project. Over the last two years, I've watched construction costs continue to rise: stainless steel inflates in value weekly and bids from suppliers are now good for only seven days. Meanwhile, plastics are not escalating as much as stainless steel but are on the move -- being made from oil it is unlikely we are going to see plastic as a source of a lower cost method of construction, but it still has

incredible merit as a construction material. Like stainless steel, plastic will continue to be almost indispensable in future construction and equipment.

That being said, I realize that construction and operating pressures are keeping new industry entrants in the mode of always looking for ways to save money. And, I've discovered the ways new entrants find to save money on construction seem to reach new heights of creativity each day. While it is tough to rain on the parade of the new entrant, low cost construction that fails to meet even the most basic needs of longevity will unfortunately eventually let the cheesemaker down.

I am watching new cheese plants being built in the United States that will be dismantled in 10 years. No doubt they will be worse than some of the old coolers that are dismantled and what is found is water logged rotted panels. The use of OSB board behind any kind of finish attached to wooden studs is poor construction, because water will penetrate. One new plant recently constructed is already reporting the impact of changing weather: the plant was completed going into the winter and required little cooling and some dehumidification, but come spring it heated up and humidities dropped and a humidifier was added. The question remains: what is the R value in those new walls? (R Value is the resistance to heat loss in given materials. A good insulation material has a high R-value). Being an idealist, I have no problem asking for the ideal -- what is the ideal R value for a wall? It depends on where you are in the country. In Wisconsin, with wide range of change over 12 months, R 30 to R 40 should be considered the minimum.

New cheesemakers are changing and the one thing that stands out is the number of people with resources -- that resource being money. Across the U.S., I see new entrants not being farmers who want to save the farm, but successful farmers who want to add value to their farms. These entrepreneurs see cheese as an opportunity, but the one resource they don't have is cheesemaking skills. Opportunities for experienced cheesemakers look good, with many small operations now being set up and looking for cheesemakers. Getting new cheesemakers up to speed quickly is important, as making good cheese on day one is vital. I see many new cheesemakers seeking out cheese knowledge after the fact. This is not ideal, but more educational opportunities are coming online every day and this is absolutely necessary.

Finally, a word of warning. Increasingly, local contractors let themselves and their customers down on a regular basis. I hear horror stories of contractors who walk out of meetings and rush off to find out about what was just discussed in the meeting where they said “sure no problem, we can do that”. If you live in a rural area, don't be afraid to get a demonstration of proof of competency. Almost no discipline is free from this: construction of production space, the installation of new coolers, electrical, etc. Your contractor will be walking a new path on your project -- you need to hold his hand and have performance clauses built into your contracts.

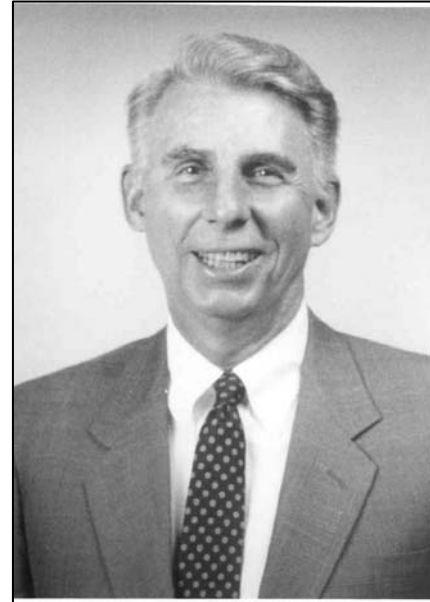
---

---

### **3. Dan Carter to Receive American Cheese Society Annual Lifetime Achievement Award**

Specialty cheese marketing pioneer Dan Carter, Mayville, Wis., has been named the 2007 recipient of the American Cheese Society Annual Lifetime Achievement Award. Carter was nominated for the award by his fellow team members at the Dairy Business Innovation Center, a group he founded after retiring from his own specialty cheese marketing business in 2003. Carter has served as a staunch advocate of the American cheese business community for more than 50 years.

“Dan Carter is a dedicated educator, communicator and innovator for marketing and promoting American specialty cheeses,” said ACS Board President Allison Hooper. “Without his help, many small and medium-sized American farmstead and artisan creameries would not be where they are today.”



Recognized today as a premier national and international specialty cheese marketer, Carter was raised in Peshtigo, Wis. He graduated from the University of Wisconsin-Madison with a B.S. in political science, followed by two years of law school and then transferred to Georgetown University, where he graduated with a B.S. from the School of Foreign Services.

However, his passion for American cheese did not begin until he married Jane Royer Carter, whose family was a pioneer in the creation of specialty cheesemaking in Wisconsin. Carter joined Purity Cheese Company as Eastern Sales Representative in 1958. The Carters, with son Brad and daughter Susan, returned to Wisconsin in 1965 when Dan was named the National Marketing Director for the Mayville, Wis., producer of bulk and consumer sized Gouda, Edam, Noekkelost, Kuminost, pineapple shaped Aged Cheddar, and other specialty cheeses.

In 1975, in a move that would further their dedication to U.S. cheesemakers, Dan and Jane formed Dan Carter, Inc., a unique marketing business that championed small to medium-sized cheese factories in Wisconsin. Over the next 25 years, the Carters went on to create and build a company that has been recognized as a chief innovator in the U.S. Specialty cheese industry.

Carter retired in 2003, but in typical style, immediately went to Washington, D.C. where he championed, with Laurie Greenberg, an idea by which Senator Herb Kohl and Congressman Dave Obey could direct USDA funding to perpetuate rural dairy production and milk processing excellence in Wisconsin and the nation.

As a result, in 2004, the Dairy Business Innovation Center – a non-profit Wisconsin organization dedicated to assisting with the start-up and expansion of specialty dairy plants – was created. With the help of Carter's leadership, the DBIC team and its industry partners have assisted 23 new artisan and specialty Wisconsin dairy plants to open in the past four years, and assisted 27 others in expanding operations. Today, 55 artisan and farmstead dairy plants dot the Wisconsin landscape, with 77 of the state's total 115 cheese plants producing at least one type of specialty cheese.

“From sales and marketing, to assisting artisan and specialty Wisconsin dairy plants to open, Dan Carter has had a hand in helping move Wisconsin's – as well as the entire country's – cheese industry forward,” said Senator Herb Kohl, D-Wis. “He truly has been a moving force.”

Specialty food marketer Steve Ehlers agrees. “Dan’s passionate involvement in all facets of America’s dairy industry has gained him respect from a varied and large scope of supporters nationally and internationally.” Ehlers owns Larry’s Market of Brown Deer, Wis., and serves on both the ACS and DBIC Boards of Directors.

Each year, the ACS honors individuals for the significant contributions he or she has made in supporting and promoting American cheese. The Board of Directors reviews nominations and selects a member to receive the award and celebrate that individual’s lifetime of accomplishments.

Carter will accept the ACS Lifetime Achievement Award during the American Cheese Society’s 24th annual conference in Burlington, Vermont, Aug. 1-4. For more information about the ACS, visit <http://www.cheesesociety.org>

---

## 4. Industry News

- ❖ **Montchevré Debuts Authentic Bucheron:** The cheesemakers at Montchevré in Belmont, Wisconsin have launched a new Bucheron, a soft-ripened chevré in a log shape. Bucheron is a specialty of the Poitou region in central France, and although there are versions made in the U.S. and elsewhere, until now none had authorization to use the name. Montchevré is the first American company licensed to use the name Bucheron. The cheese’s name refers to a “lumberjack” in French, with the root word meaning “log.” About 4 inches in diameter, a downy-white mold covers the entire surface of the log, while the inside paste is creamy and flaky. <http://www.montchevre.com/>
- ❖ **New Opportunity for Goat Farmers:** If you are interested in raising dairy goats, getting started just got easier. In response to growing interest in dairy goat farming, the Wisconsin School for Beginning Dairy and Livestock Farmers at the University of Wisconsin-Madison will be including for the first time business planning and management skills for goat farmers in its curriculum in the fall. Primary topics of instruction include starting a farm business and developing a business plan, as well as other farm management and production topics. Students can choose to take classes at the UW-Madison campus, or at facilitated distance learning sites in Wausau and Reedsburg, and soon to be named locations in Washburn and Price counties. In addition to the 15 weeks of classroom instruction running from November through March, students may choose to complete an internship. To register or for more information, visit [www.cias.wisc.edu/dairysch.html](http://www.cias.wisc.edu/dairysch.html) or call 608-265-6437.
- ❖ **Artisan Cheese Shop to Open on Downtown Capital Square:** The owner of a new artisan cheese shop has announced he will feature Wisconsin artisan cheeses and their perfect companions in a market opening on the downtown Wisconsin capital square this fall. Ken Monteleone, a Madison resident and avid connoisseur of fine food and artisan and farmhouse cheeses, signed a store lease last week on a 1,600 sq. ft. space at 12 South Carroll St. in Madison. The shop, titled Fromagination, will celebrate cut-to-order Wisconsin artisan cheesemakers and fine artisan cheeses from around the United States and world. The shop will also showcase a wide array of accompaniments paired specifically with each individual cheese, including select wines, beers, meats, olives, breads, herbs and other foods.



---

## 5. Beyond Wisconsin


A look at what's happening in the artisan & specialty cheese world:

- ❖ **Chicago:** Pastoral Artisan Cheese Bread & Wine has yet to celebrate its third birthday, but is gaining local and national attention for an array of specialties – including an impressive array of fine Wisconsin artisan cheeses. Since opening in August 2004, Greg O'Neill, co-owner, and business partner Ken Miller have focused on creating a customer experience that is approachable and fun. Pastoral was one of six winners of the National Association for Specialty Food Trade (NASFT) Outstanding Specialty Food Retailers of 2007. Pastoral has announced plans to open a second store at 53 East Lake St. in Chicago, close to Millennium Park. More details: [www.pastoralartisan.com](http://www.pastoralartisan.com)
  
- ❖ **Tokyo:** The Food Export Association of the Midwest and the Wisconsin Dept. of Agriculture, Trade and Consumer Protection are organizing a trade mission to Tokyo, Japan, Sept. 10-14, 2007. Cost is \$475 for regional companies and includes the cost of sample shipments and in-country ground transportation to mission events. The mission will feature:
  - *Showcase and tasting of your products*
  - *Cooking Demonstration with the Grand Chef of the Intercontinental Hotel*
  - *One-on-one meetings with importers, distributors, retailers, HRI operators*
  - *Presentation to Japanese buyers by National Association for the Specialty Food Trade, Inc., on Specialty Food Trends*
  - *Retail tours & Market Briefing*

Companies will be responsible for flights, hotel and meals. These expenses may qualify to receive 50% Branded Program reimbursement for qualified participants. Register by July 16. For more information, contact Lisa Stout, DATCP, 608-224-5126 or email: [lisa.stout@wisconsin.gov](mailto:lisa.stout@wisconsin.gov).

---

## 6. Upcoming Important Dates

- **July 14: Food Artisans in Residence. Washington Island, Wis.**  
Indulge your taste for all things food-related at The Washington Hotel Culinary School this summer when Food-Artisans-in-Residence share their food passions with visitors. Savor their creations and leave equipped with new cooking techniques and recipes to try at home. Anne Topham and Judy Borree of Fantôme Farm, Farmstead Goat Cheese, Ridgeway, Wisconsin, will be featured on Monday, July 16, 2 - 4 p.m. Fee is \$55 & includes wine pairings. A six-course dinner featuring Fantôme Farm goat cheeses previews the class on Saturday, July 14 – cost is \$65. To reserve your spot, call The Washington Hotel at 920-847-2169. For a full schedule of summer classes taught by Wisconsin food artisans, visit [www.thewashingtonhotel.com](http://www.thewashingtonhotel.com).
- 
- **August 1-4: The American Cheese Society Annual Conference. Burlington, Vermont**  
Considered one of the world's most influential and prestigious competitions in recognizing the art of artisanal and specialty cheesemaking, the American Cheese Society's annual judging competition is held in conjunction with the American Cheese Society's 24th Annual Conference - held this year in beautiful Burlington, Vermont. More info: <http://cheesesociety.org/index.cfm>

- **August 21-22: Affinage - The Aging of Cheese Short Course. Madison, Wis.**  
This course, offered by the Wisconsin Center for Dairy Research, will cover the art and science of aging cheeses to develop the texture, flavor and aroma of each unique finished cheese. This short course is intended for all cheesemakers interested in production of unique aged cheeses and for cheese affineurs that finish artisan or specialty cheeses. It is also of value to brokers and distributors handling artisan or specialty cheeses. Learn more by visit: <http://www.cdr.wisc.edu/courses/affinage07.html> or call Bill Wendorff at 608-263-2015.
- **November 13-15: Turning Chaos Into Control - Continental Style Cheeses. River Falls, Wis.**  
This three-day conference is for cheesemakers who want to make artisanal cheeses. While Continental Style Cheese has many connotations to many people, it may mean a typical Edam or Gouda from the Netherlands, Saint-Paulin from France, or any other number of European style cheeses. In any case, the manufacturing technology is basically the same. Attendees will examine the most important steps in the cheese making process. Making small manipulations at critical times in the process can result in a unique cheese. Join Neville McNaughton - Consultant Cheesemaker and Ranee May - University Wisconsin-River Falls, Dairy Specialist as conference coordinators for an enlightening technology session that can put you in control of your cheese making. More information: <http://www.uwrf.edu/food-science/institutes/artisanalCheese.html> or call 715-425-3704.

---

*The Dairy Business Innovation Center offers technical assistance to dairy producers and processors in developing value-added dairy products, business planning and market development. For more information, visit [www.dbicusa.org](http://www.dbicusa.org) or contact Jeanne Carpenter, 608-358-7837.*