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1. DBIC Highlights Importance of Branding & Labels at ICTE Seminar

For many cheesemakers, product labels may be their only form of direct communication with consumers. For this reason and others, effective branding and labeling of products is paramount, presenters and panelists said at a recent session hosted by the Dairy Business Innovation Center during the International Cheese Technology Expo in Madison.

The half day session, "Why Your Label Matters: A Branding Session with the DBIC," provided attendees with an in-depth look at marketing through cheese labels, labeling terms and retail branding. Panelists discussed how cheesemakers' product labels can best express their company's branding message and what consumers are seeking when making purchases in the dairy case.

"The label is often the first time a consumer 'meets' you and your company," said Jim Gage, DBIC grant writer and business strategist. "It reflects the message you want to convey to consumers." For these reasons, it's very important for cheesemakers to "tell their story," said Janet Ady, DBIC market strategist and client product research.

12 Steps to Successful New Packaging

1. Base a brand image on the uniqueness of the company & product.
2. Write & focus on a brand development and a positioning plan.
3. Focus the package on a brand image and primary message .
4. Name unique cheese varieties and include a description on label.
5. Work with a graphic designer to develop a symbol or logo.
6. Determine the size, shape and type of packaging before working with a designer.
7. Include the brand logo or image as most important on packaging.
8. Make sure package elements contain all FDA required information.
9. Make package prototypes and test on focus groups before printing.
10. Use a packaging or label supplier who understands the product.
11. Use a brand logo and image on all materials and signage.
12. Protect your brand and logo and product through a trademark .

Other factors in labeling importance include increasing competition between items in the dairy and deli case — the cheeses all look the same without eye-catching labels. In addition, labeling goes further than the dairy/deli case; it's at the heart of a company's marketing strategy, and also aids in cross- and co-marketing with wine, crackers and other items that consumers think about pairing with cheese.

During the session, Ady presented findings from DBIC research on labeling terms and consumer and retailer trends in buying decisions. The research was based on input from 73 manufacturers, 68 consumers, 11 retailers and 89 industry representatives. The research was supplemented by 200 high-end consumers (recruited based on data from the Wisconsin Milk Marketing Board) in 24 focus groups dating from 2004 to the present. DBIC tested 22 labeling terms and their importance to those audiences, including terms such as "grass-fed," "rbST-free," "artisan," "certified organic" and others.

Cheesemakers must take these terms and "filter out" what is appropriate for them to place on their products. For example, some companies may want to highlight their ethical treatment of animals, an area of increasing importance to today's consumer. Ady cited Meister Cheese in Muscoda, Wis., for its Animal Friendly Family Farms, or "A Triple F," program. The program is a protocol of ethical treatment of dairy animals to which dairy farmers must follow, and for which they are audited. Meister Cheese says it plans to craft specialty cheese made from the "A Triple F" milk and market it via a differentiated retail chain.

Other companies may want to focus on where their milk comes from, whether their cows are grass fed or their products are certified organic.

Top ranked label items and terms by consumers and retailers included:

- Hand-crafted
- Award Winning
- Farmstead
- Description of the cheesemaking process
- Description of the cheesemaker
- Description of the ethical treatment of animals

Bottom ranked label items and terms by consumers and retailers included:

- Aged/Sharp
- All Natural
- Specialty
- Old World
- Homestead



Cheesemakers' product labels should point out unique characteristics such as the milk type or whether the cheese is handcrafted. Consumers want to know the history of the cheese, especially with the local food movement, Ady said. It's also important to provide descriptions of "uncommon" cheeses so consumers have an idea of the taste. "Give them cues on what to expect from and how to use it."

Further, cheesemakers aren't just creating a label — they're creating a brand, says Andrea Neu, DBIC client services and brand positioning consultant. "Packaging is your No. 1 marketing tool," Neu said. "Labels tell a brand's marketing story for specialty and artisan cheeses."

Thanks to Alyssa Sowerwine, Senior Editor, Cheese Market News, for supplying content for this article.

2. Team Column: Market Assessment of the Twin Cities Area



This month, we hear from **Jean Andreasen, DBIC Client Manager**. A native of the Twin Cities metropolitan area, Jean graduated from Gustavus Adolphus College in Saint Peter, Minn., with a BA in Fine Arts. She most recently served as the general manager of PastureLand, a small grass-based dairy cooperative in southeast Minnesota. Prior to PastureLand, Jean served as Midwest Marketing Coordinator for Food Alliance, and as Director of Member Services and Outreach for Mississippi Market Natural Foods Cooperative in Saint Paul, Minn. This month, Jean shares information on **“An Assessment of the Local Foods Market In the Twin Cities Metropolitan Area.”**

I’m sure many of you have heard the Midwest referred to as the “fly-over” part of the United States. We Midwesterners can be guilty of thinking of ourselves that way, too—especially when it comes to marketing our agricultural products. The marketing jackpots are always assumed to be located on the coasts, but it can be challenging for smaller sized producers to effectively access those markets.

However, when it comes to local food trends, we need look no further than our own back yard, or in the case of Wisconsinites, your neighbors directly to the west—for the Twin Cities metropolitan area can provide an excellent marketing opportunity for Wisconsin cheese, and especially artisan producers.

In a national survey conducted by SustainLane, Minneapolis was rated number one in local foods consumption among the 50 most-populous U.S. cities (www.sustainlane.com) Recently, Minnesota Department of Agriculture marketing specialist Paul Hugunin cited the following figures regarding the popular Minnesota Grown program, which would seem to support SustainLane’s conclusions:

- Farmers markets have increased statewide from 45 in 2002, to 108 in 2009
- Community Supported Agricultural farms (CSAs) have increased from 27 in 2008 to 39 in 2009 (and this does not include the CSAs in western Wisconsin serving the metro area)
- Demand for the Minnesota Grown Directory continues to increase, growing from 60,000 copies printed the first year of publication in 1988 with 230 farmer listings, to 190,000 published in 2009 with 736 listings
- The Minnesota Grown on-line directory served an estimated 175,000 to 200,000 people in 2009.

Consumer values are driving the continuing increase of local foods interest. Many people value taste, freshness and quality over price when making food-purchasing decisions. While there are many food venues where consumers can purchase local foods, what is truly unique to Minnesota is its plethora of food co-ops. The Twin Cities area has more independent food cooperatives than any other major metropolitan area in the country—over 66,000 area residents are members of a food cooperative (roughly 2 percent of the population).

Cooperatives were marketing local foods long before they became popular. The metro area co-ops define “local” as food produced within the five-state region. In fiscal year 2009 the Twin Cities natural foods co-ops generated \$127 million in sales, with 28 percent of sales from locally produced food, representing almost one-third of sales— if not more, as this number does not include sales generated from food products made on site (delis, bakeries and meat counters).

Consumers want to know how their food is produced and where it comes from, and consumers want to support local farmers and producers. The co-ops recognize that their customers value authenticity and a direct connection to their food producer. Co-op consumers are inclined to make shopping decisions that are guided by their values more than by their pocketbooks. And they carry their values, knowledge, and preferences to other settings when making food purchasing decisions.

The Twin Cities metro area also supports a variety of restaurants— from fine dining to neighborhood cafes to pubs and delis—that feature local foods. Some have been working with local producers for decades. While offerings may vary in percentage on a day-to-day basis, many of the chefs and owners of these establishments have touted their commitment to local foods as part of their value proposition, and are continually looking for ways to share their commitment with their customers.

Want more information about the Twin Cities metro area to determine if your dairy products are a good fit for this market? Do a little homework before you take the plunge and explore the Twin Cities through the following:

- The DBIC resource “**Fundamentals of Cheese Marketing**” features Twin Cities distributor Classic Provisions, retailers Lakewinds Natural Foods Co-op, Kowalski’s Market, and Premier Cheese Market, and First Course Bistro. Contact the DBIC for a copy of this DVD.
- For a taste of the natural foods co-op scene visit The Mix (www.themix.coop). The Mix is a bi-monthly publication of the Twin Cities Natural Foods Co-ops. You can access links to the metro area co-ops through the website (under Co-op Locations).
- Consider introducing yourself to the market by attending the Twin Cities Food and Wine Experience as part of the Wisconsin Milk Marketing Board booth (www.foodwineshow.com/index.php). Or you may want to attend the Living Green Expo (www.livinggreen.org), which is held the first weekend in May.
- You can get Twin Cities demographic information and a complete list of food co-ops, a selection of upscale grocers, cheese markets, and local foods restaurants by downloading “**An Assessment of the Local Foods Market in the Twin Cities Metropolitan Area**” by visiting the DBIC website. Go here to download a copy: www.dbicusa.org/dbic_sponsored_research.php

3. Industry News

- **New Dairy Artisan Research Paper:** A new paper detailing The Dairy Goat Products of Germany and the Netherlands is now available on the DBIC website. In June 2009, Larry and Clara Hedrich visited these European countries to learn more about their dairy goat industries, and to glean information useful to potentially starting their own farmstead dairy operation. View here: http://www.dbicusa.org/dairy_artisan_reports.php



4. Upcoming Important Dates

- **May 7: WSCI Member Meeting, Seymour, Wis.**

The Wisconsin Specialty Cheese Institute will meet on Friday, May 7 at the Crystal Springs Golf Course, N8055 French Rd., Seymour, Wis., at 11 a.m. Prior to the meeting, members are invited to tour Seymour Dairy Products. Those interested in participating in the tour should arrive at the Seymour Dairy facility located at 124 E. Bronson Road, Seymour at 9:15 a.m. The tour begins at 9:30 a.m. and is expected to last 1.5 hours. Contact Kathy Brown at 262-740-2180 or email planningoptions@charter.net to RSVP your attendance.

- **May 22: Dairy Sheep Field Day. Strum, Wis.**

Dream Valley Farm in Strum, Wis., will host a field day from 1 p.m. – 3 p.m. on Saturday, May 22. Owners Tom and Laurel Kieffer will give a tour of their operation, which includes more than 200 milking ewes which graze on the hillsides of central Wisconsin, and which are milked in a crowd-system parlor. The Kieffers will also discuss their lam rearing system, and Dr. Bob Leder, a practicing large animal veterinarian and sheep producer, will discuss important topics related to lam rearing. Location: Dream Valley Farm, N 50768 County Road D, Strum, Wis. The field day is free and open to the public, but registration is encouraged for event planning. Call Claire Mikolayunas, DBIC Dairy Sheep Initiative, at 608-332-2889 for more information.

- **July 20 – 22: Wisconsin Farm Technology Days. River Falls, Wis.**

Farm Technology Days is the largest agriculture exposition in Wisconsin--a three-day outdoor event that showcases the latest improvements in production agriculture. Each year, it is held in a different Wisconsin County on a different host farm. This year, hosting are Roger & Beverly Peterson in Pierce County. Hours: Tuesday & Wednesday 9 a.m. - 5 p.m., Thursday 9 a.m. - 4 p.m. Admission is \$5. More information:

<http://www.wifarmtechnologydays.com/>



- **August 14: Dairy Sheep Field Day. Antigo, Wis.**

Eckerman Sheep Company in Antigo, Wis., will host a field day from 1 p.m. – 3 p.m. on Saturday, August 14. Darlene and Steve Eckerman will give a tour of their farm operation, which includes more than 150 dairy ewes milked in a movable stanchion. Paul Jandrin, an AgSource representative, will discuss milk testing of dairy ewes, including how to sample milk and interpret milk analysis results. Location: Eckerman Sheep Company, N681 South Rollwood Road, Antigo, Wis. The field day is free and open to the public, but registration is encouraged for event planning. Call Claire Mikolayunas, DBIC Dairy Sheep Initiative, at 608-332-2889 for more information.

- **August 25 - 28: American Cheese Society Annual Conference. Seattle, Wash.**

Save the dates for the 27th annual American Cheese Society Annual Conference and cheese competition. The conference includes both cherished annual events such as the Festival of Cheese, as well as newer events such as a Retail Marketing Competition and Meet the Cheesemaker Event. Three full days of educational workshops and networking opportunities await you. More info: <http://www.cheesesociety.org/>



5. The Last Word ... with DBIC Manager Norm Monsen



Every week and sometimes almost every day, we (the DBIC) learn or hear of events or happenings in the industry that too often go unnoticed. With that in mind we are adding this short section to the monthly newsletter. Titled the " The Last Word," we hope to pass on to all of you interesting happenings that we all need to know about. With that goal in mind our first column needs to recognize some events and people that have made big news in the past 6 months.

First of all congratulations to the members of the Wisconsin Cheese Makers Association, the staff, and executive director **John Umhoefer**. The contests and Expo they sponsor continue to grow and get better every year. We should never take for granted these events; they add to the mystique of Wisconsin as "the dairy place."

And from the University of Wisconsin..

- **Rusty Bishop** moves on to the position of the director of research and development at Schreiber Foods, Green Bay. Congratulations to you, Rusty, and thanks from many for the leadership and vision you provided in your role of Director of the Center for Dairy Research. Good for all of us that Rusty will be staying in Wisconsin.
- Congratulations to **Mark Johnson** who was recently named interim director of the CDR. For the very few who haven't met Mark, do know that he is one of the world's best cheese judges, came to Wisconsin from "out West" to join the CDR, and in his spare time travels to the far ends of the state (and world) to collect fossils. Good luck Mark and thanks for taking on this important role.
- Congratulations to Professor **Scott Rankin** who early this year was appointed Chair of the highest ranked Food Science Department in the nation- that being UW- Madison Food Science. Seems like just yesterday that Scott and his wife decided to leave the University of Maryland and move to Wisconsin. A little know fact about Scott - he is regarded in youth soccer programs in Madison as the coach who always provides ice cream at half time and the end of games.
- Congratulations to **Karen Nielsen** who late in 2009 was named director of the Babcock Institute of International Dairy Development. With a mission of developing Wisconsin dairy markets, the Babcock Institute brings the world to Wisconsin dairy as well as taking Wisconsin dairy out to the world. A little known fact about Karen is that her first employment out of college was working as a carpenter in the Twin Cities area building homes for a habitat for humanity type program.

To the above we say thanks for all you do. Until next month ...

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 or contact Jeanne Carpenter at 608-358-7837, email: jeanne@wordartisanllc.com.

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