

Klondike Cheese Expansion Credited to Luck & Hard Work; Takes Feta Category By Storm

Monroe, WI—The Buholzer family has good reason to celebrate. Not only has their company just completed a major expansion project, but their Feta is becoming a household name.

Klondike Cheese is a family-owned business. President Ron Buholzer, his brother Steve, vice president, and his brother Dave, secretary/treasurer, have just completed construction of the largest new cheese plant in Wisconsin since 1995, when Sorrento Lactalis built its Brie and Camembert plant in Belmont.

The new plant is adjacent to the old cheese plant, which is still used to make Muenster, Brick and flavored Fetas. The new 43,000 square-foot facility combines manufacturing with dry storage and cold storage, allowing Klondike to have everything in one central location for the first time.

“We started with a little vat sandwiched in between the other cheeses we made. Back then, we sandwiched everything.”

—Ron Buholzer, Klondike Cheese

It also holds one of only two Alma coagulators currently being used to make Feta in the US. The coagulator is 85 feet long and about 12 feet wide.

“The coagulator enables us to make a more consistent piece of cheese – we’re not going to be dealing with busted curd,” Ron Buholzer said.

The Buholzers decided to expand in 1999 and broke ground in November 2000.

“We talked about expanding off and on for many years. It was just a big step and I think we all knew we wanted to do it, but to bring ourselves to pulling the trigger took a great deal of time,” Buholzer said. “At this stage in our lives, did we want to do this or did we want to ride out what we were doing for the next five years or so?”

One of the reasons Klondike expanded in the first place was to rid themselves of labor intensive steps and be able to make products more efficiently.

“We had to find a way to make it easier. To take some of the physical labor out of it,” Buholzer said.

Quality and consistency and labor were the “really big reasons” driving Klondike’s expansion. More capacity is “definitely a plus,” and versatility also was a factor in the expansion, he said.

“We all decided we like making cheese and we weren’t ready to retire. Meanwhile, we all hope the kids take over – there’s no guarantees or anything,” Buholzer continued.

He was also very grateful for the help Klondike received from fellow cheese makers during the construction process.

“We can’t say enough about the folks at Weyauwega (Milk Products). Even though we are in a sense competitors, they opened their plant to us, showed us their equipment (the only other US company using the Alma coagulator), told us about the ups and downs. It was an awfully nice thing to do. Something they didn’t need to do,” Buholzer said.

Klondike’s First Batch Of Feta

The Buholzers admitted they weren’t sure Feta was the business to get into. At that time, Feta manufacturers were few and far between.

Wisconsin’s production of Feta in 1993 was roughly 8.1 million pounds, produced by just eight plants. Last year, Wisconsin’s Feta production was 35.7 million pounds with 11 plants manufacturing the cheese.

“We made our first batch of Feta cheese in November 1988,” said Ron Buholzer. “We started with a little vat sandwiched in between the other cheeses we made. Back then, we sandwiched everything.”

“It started with that small vat and just kept on growing. It wasn’t like we had this great master plan or anything. Maybe we were just in the right place at the right time,” he said.

Growth Began With Marketing

Although the details are slightly fuzzy, both Buholzer and Dan Carter

Industry, Patrons Get Good Look At Klondike Cheese



Cutting the Ribbon were from left to right Glenda, Melissa, Sue, Dave, slightly hidden behind Dave is Adam, Matthew, Alvin, Steve, Ron and Thea Buholzer. Absent were Rose and Luke.

Monroe, WI—Over 500 people attended open house ceremonies here Saturday as the new Klondike Cheese plant was opened to fellow cheesemakers and marketers, as well as state leaders and patrons.

Saying it was a special day for the Buholzers, Wisconsin Secretary of Agriculture, Trade and Consumer Protection (WDATCP) Jim Harsdorf, said “Their commitment is seen here today.”

Harsdorf thanked the Buholzers on behalf of all Wisconsin farmers. He said the new facility is “proof that dairy in Wisconsin is a growing.”

of Dan Carter, Inc., agreed their partnership began a long time ago and they’ve both had a lot of fun since.

Carter said the two were introduced by Marlene Zimmerman at the Dallas IDDA show in 1984. Ron recalls it as being Werner Zimmerman, Marlene’s husband, who first made the introduction during an IDDA show in Houston.

At any rate, Klondike Cheese was making Colby Longhorns when Buholzer and Carter first met.

“They (Dan Carter, Inc.) taught us that you have to go out and market. You’ve got to go to shows, you’ve got to meet people, you’ve got to show people what you’ve got,” Buholzer said. “They helped us meet the terrific network that they knew. Based on their knowledge and experience and what they taught and the context that they brought us, it was a turning point in our business. We wouldn’t have grown to this point without them.”

After a few years of working together, Carter mentioned a new cheese that was just starting to take off.

“We looked around and we mentioned that Feta is a growing cheese. We took them to a Feta plant when they finally bought into the whole idea,” Carter said.

For a company closely tied to its heritage, the Buholzers have tried just about every cheese a cheese plant can make.

“Economics drove us out of the Swiss business, as it has with Ched-

WMMB president James Robson congratulated the Buholzer family for its vision, saying it keeps Wisconsin on the leading edge.

WCMA executive director John Umhoefer said the pride of the Buholzer family is not only signified by this “wonderful facility,” but in the many cheesemaking awards Klondike has received.

Finally, Ron Buholzer thanked everyone for attending the open house and paid special tribute to his family, their patrons, Dan Carter, financial institutions and bankers, as well as the many contractors. •

dars and Colbys, and all that stuff,” Buholzer said.

Some of the cheeses the family has also tried include Monterey Jack, Colby horns, Mozzarella and Provolone as well as, very briefly, Hispanic cheese.

When Klondike switched its concentration to Feta, it was making Colby, Monterey Jack, and Mozzarella.

“At the time it seemed like a good thing to do (getting into Mozzarella), but our timing was way wrong,” Buholzer said. “If you were going to get into Mozzarella, you needed to get in it years before we attempted.”

Getting into Mozzarella wasn’t such a bad thing, Buholzer said. Klondike expanded in 1990 to add a brine room for the Mozzarella.

“But as it turned out, we couldn’t make any money in the Mozzarella business. Fortunately, the Feta started taking hold so it wasn’t like we totally wasted the new addition, and when we got out of the Mozzarella business, we got back into making Muenster, where we needed the brine system anyway,” he said.

Buholzer said the growth of Klondike’s Feta business can be credited to a number of reasons.

“We were able to take advantage of an import situation and I think Feta moved beyond the ethnic market. More people learned about Feta and it gave domestic Feta a nice

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growth spurt.”

Buholzer thought that one of the things that helped displace the imports was creation of slight flavor adjustment.

“Typically, a domestic Feta is not quite as strong as imported Feta. As the market was being what I’ll call Americanized, it is a milder piece of cheese. It probably fit the American palate better,” he said.

According to Buholzer, as the ethnic markets continue to grow in the US, Feta and other popular ethnic cheeses will grow right along with that population.

“We believe the speciality cheese market will continue to grow. Consumers are going to continue to experiment with different cheeses and different flavors. It should leave good steady growth, which we think we can handle,” he said.

“I think it is important that we all take a look at what is being imported today, instead of making the same cheeses as our neighbors, instead to take advantage of cheeses from other areas of the world and introduce a new cheese to America,” Buholzer said.

“Over 95 percent of our business is foodservice,” he continued. “Our whole operation is kind of geared toward foodservice.”

For foodservice distribution, the company’s Feta comes in a variety of sizes from a 35-pound pail to a 30-pound bag of crumbles.

“I think the single biggest thing is that we’re very fussy about our quality. Nothing leaves the plant that isn’t a good product.”

—Ron Buholzer

Buholzer said with the new plant and increased capacity, the company plans to target the retail portion of the industry with increased efforts.

Linda Hook, national sales manager for Dan Carter, Inc. says Feta is a very competitive item both in bulk and at the retail level.

Klondike’s Feta is available for retail in 8-ounce chunks and 6-ounce crumbles; flavors include regular, tomato-basil, Mediterranean and peppercorn.

In conjunction with the WMMB, Dan Carter has already nationally distributed numerous free-standing inserts in newspapers with coupons for Klondike’s Feta. The agency also promotes Odyssey brand by attending distributor, retail and regional trade shows.

Last June, Dan Carter unveiled Odyssey’s new label at the International Dairy-Deli-Bakery Association’s (IDDBA) seminar and exposition in Minneapolis. Klondike’s Feta now sports an

upscale foil label with an authentic Greek design.

Hook said a great deal of research went into designing the label; marketers went so far as to study ancient Greek pottery for inspiration.

“The packaging itself is a marketing vehicle,” Hook said. “You’ve got to try and convey as much as possible on that vehicle as you can.”

In that vein, Klondike and Dan Carter used recipe development to promote the cheese. Under the lid of each cup is printed a recipe using Feta, with a different meal idea for each flavor. Usage ideas are also printed on the container, many of which suggest incorporating Feta in salads.

Hook said the Master Cheese Makers at Klondike Cheese refuse to forfeit quality for bargain-basement prices.

Four-Generation Company

Klondike Cheese is in its fourth generation of Buholzers. In 1925, Ernst Buholzer, a Swiss immigrant, started making cheese at a small cooperative

seven miles west of Monroe. In 1946, Ernst’s son, Alvin, joined him. At that time, the co-op built a making room and a cooler to handle Swiss.

Alvin, his wife Rose and sons Ron, Steve and Dave lived over the plant. Alvin worked for the co-op until 1973 when his sons formed a family corporation and bought the building. They dissolved the co-op when its members no longer had interest in the business.

Dan Carter, said the success of Klondike Cheese lies with Rose and Alvin Buholzer. “Rose has a lot of financial moxie and Al knew every farmer. Farmer relations have always been excellent,” Carter said.

In 1973, the company had 30 or 40 patrons, as well as buying surplus milk and running approximately 120,000 pounds of milk a day and making Cheddar cheese six days a week. Klondike grew and at one point, ran 400,000 pounds a milk in the early 1980s when the plant made Colby horns. Today, Klondike runs

about 350,000 pounds a day with a total of 70 patrons.

Last summer, Klondike made 44,000 pounds of Feta a day. Currently, the company makes 20,000 pounds of Muenster a day – it could make more if it had the brine room.

“Right now weve got my oldest son, Matthew, and Steve’s kids, Adam and Melissa, working with us here. My other son, Luke, is very interested in joining the business, too,” Buholzer said. “So, we have a really solid base of people to keep this going after we decide to slow down.”

Buholzer credits Klondike’s success with meticulous cheesemaking and a talented staff.

“I think the single biggest thing is that we’re very fussy about our quality,” Buholzer said. “Nothing leaves the plant that isn’t a good product.”

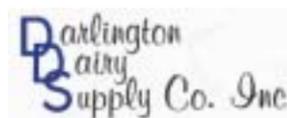
“It’s also a combination of the best customer service, and a great team of marketers that we have at Dan Carter,” he continued. •



To Ron, Steve, Dave and Everyone at Klondike Cheese Company

Congratulations on your Wonderful New Cheese Plant. And Continued Success in the Future!

From Your Friends at



DAN CARTER, INC.

