

Ellsworth Meeting Cheese Curd Demand; Shifts Production To New Cheese Plant

Menomonie, WI—Ellsworth Cooperative Creamery opened its first-ever new cheese plant late last month to balance production of its growing cheese curd business.

While the new plant in Menomonie, WI, will handle the co-op's growing Muenster and American-type cheese production, the cheese curd business is booming at the co-op's nearby Ellsworth, WI, plant.

The new facility in Menomonie will also house new packaging capabilities of those Muenster and American-type cheese products.

"It's an exciting time for the co-op," said Paul Bauer, CEO of Ellsworth Cooperative Creamery. "This is the first new plant the co-op has ever built."

With the new and efficient Menomonie plant, Ellsworth has decided to cease cheese production in its Comstock, WI, facility.

Bauer said the Comstock plant will remain open as a retail store until the cooperative can find the plant's "next purpose in the dairy industry".

Ellsworth has approximately 280 members, the biggest with about 1,200 milk cows. That member brings in a large percentage of the milk but about 100 members bring in 90 percent of the co-op's milk.

Bauer said the co-op's milk production grew about 13 to 14 percent per member in 2019.

"We didn't expect that," Bauer said. "That was a surprise. Milk volume-wise, the new facility will absorb patron milk as they continue to grow. Every year our farmers get better. They produce better quality milk and we need to be prepared to handle that."

The new facility in Menomonie will also allow the co-op to take on new members.

"We have a lot of people asking to ship milk to the creamery," Bauer said. "We actually had to stop taking on additional milk 'cause we just didn't have production capacity in essence for the last

three years and that has continued until very recently."

Ellsworth will run about 2.5 million pounds of milk through its two facilities per day.

"We sell some milk to key customers," Bauer said. "But the majority we process."

Historically known for its barrel cheese production, Ellsworth will make under 50 million pounds of barrels really for the first time in many decades, Bauer mentioned.

Ellsworth mills its barrel cheese to get cheese curd out of the production.

"We will continue to make barrel cheese because we excel in that market," Bauer said. "But also because it is a function of making cheese curds and how we are set up."

To remain flexible with its production, Bauer said the co-op mitigated some risk a few years ago when it purchased Wohlt Cheese, a process cheese manufacturer based in New London, WI.

Besides the new plant in Menomonie, the cooperative has a cheese production plant in Ellsworth, WI.

The Comstock plant's production of Muenster, horns, and block cheese will be moved to Menomonie, while the co-op's New London's plant, Wohlt Cheese, will continue making process cheese, cheese food, and spread products.

"We are trying to capture all realms of the spectrum and try to get as much value as we can out of our members' milk," Bauer said.

When Bauer came to Ellsworth about 15 years ago, his goal was to transform the now 111-year old cooperative in order for it to stay relevant.

"We couldn't just stand still," Bauer said. "We had to be an energetic, entrepreneurial co-op. If not, we were going to be in the dust bins. If this was still a barrel cheese plant predominantly, we wouldn't be here today."

Ellsworth has been in the cheese curd business for over 20 years, but it wasn't until this past year that production shifted.

"I've been saying value-added to our farmers for so long sometimes they'd get mad," Bauer said. "We are really starting to come into our own and we have set some pretty lofty goals for cheese curd production."

Bauer said that in June of 2021, cheese curds actually outsold barrel cheese for the first time at Ellsworth.

"For years there was a subtle change of production. Our barrel cheese production would tick downward as we added more

to the cheese curd side," Bauer said. "Those ticks have increased significantly over the past years."

New Menomonie Plant

The cooperative's new plant started just last month to manufacture traditional production and to offset the closing of the Comstock facility.

The co-op has no patrons within 20 miles of the new plant but is perfectly located on the interstate. A large cheese store attached to the manufacturing plant will welcome Interstate 94 travelers.

"We shopped backwards as we have no patrons near here yet. It's still in our procurement area," Bauer said. "But it offered a perfect site to handle our wastewater and has plenty of room for expansion."

Bauer said the new facility will be close to running 700,000 pounds of milk a day, five days a week.

In comparison, the Ellsworth plant handles 1.8 million pounds of milk a day while the Comstock plant processed just 200,000 of milk a day.

In Menomonie, Ellsworth will be making American-style cheeses in blocks and horns and Muenster in loaves.

Bauer said the co-op has been making blocks in Comstock for many years and has had to ration some of its customers' production due to high demand and limited capacity. The new plant will alleviate some of those issues.

"I will have to say every product we make, demand has been up this year," Bauer said. "We may have oversold this plant already."

Capacity at the city's sewer plant is geared to handle 1.5 million pounds of milk a day at full plant capacity, he said.

Plans to expand the new Ellsworth facility are already in the works.

"We'll get started on phase two once the milk supply is ready," Bauer said.

He said Ellsworth probably put more into the building and the infrastructure to handle future expansion.

The new plant has plenty of room for possible wish-list items like more towers, bigger vats, or a DMC, Bauer said.

The plant added new packaging equipment to the operations which will allow the co-op packaging options it never had, as well as reduce labor costs.

"It really is a flexible platform in order for us to avoid adding sub-

stantially more bricks and mortar," Bauer said. "We may have to rip out a wall or two, but the footprint can handle more milk."

Bauer alluded to the

fact that a cooperative its size can't afford too many mistakes.

"It's just so expensive to do it over again. There is a reason this is our first new plant in 111 years. We added more to the size of the rooms and to the height of the rooms with intent. We'll keep that in the forefront as we plan the future; as we continue our growth, with well-defined objectives to add value to our members' milk," he said.

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—Paul Bauer,
Ellsworth Cooperative
Creamery

One of the key attributes of Ellsworth, Bauer described, is that the co-op revolves its equity every 10 years.

"On the dot," he said. "While it is not written in stone, it might as well be. We very much adhere to the 10-year revolvment. We try to pay a competitive price as well as add value to our member's milk check. And with that, we do have a waiting list."

Cheese Curd Line

Ellsworth Cooperative Creamery has been making cheese curds for over 20 years.

The co-op's flavored cheese curds earned a first and a second place in the World Champion

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Ellsworth Cooperative Creamery's new cheese plant in Menomonie, WI, will make American-type cheese in blocks and horns, as well as Muenster in loaves. It will also house a new cheese packaging line that will increase the co-op's services to retail operations. Located just a mile off Interstate 94, the new cheese plant features a cheese store for travellers.

Photo courtesy of Hunter Haase

Ellsworth Creamery

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Cheese Contest held in early March in Madison, WI.

Ellsworth also earned two first place awards in pasteurized process cheese.

“The cheese curd business just keeps growing,” Bauer said. “We’ve been expanding the business pretty rapidly over the past few years. We have been very fortunate.”

Bauer said the co-op makes frozen cheese curd for industrial use and fresh curd in branded and in private label.

“One of the ways that we like to get sales is we find good companies to partner with and bless their hearts they order 1 to 2 percent more per month. That we can handle,” Bauer continued. “The problem is they are not ordering 1 to 2 percent more, they end up ordering 3 to 4 percent more a month. We are making room for that kind of growth.”

Ellsworth provides the curd in 40-pound boxes for converters, and then in 5-pound bags for restaurants. Flavors for industrial and foodservice include white Cheddar cheese curds, hot Buffalo white Cheddar cheese curds, and beer-battered white Cheddar cheese curds.

“America is just learning what a fried cheese curd is,” Bauer mentioned. “We have some very large chains that take a truckload a week and they’ll bread them in their stores.”

This year, curd sales are up significantly and Bauer said they don’t even have several companies back operating due to the pandemic shutdown.

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“When you look at the data, a cheese curd appetizer is generally the number one menu driver in the appetizer section,” Bauer said. “For our customers, it’s their number one profit center on appetizers. Coast to coast.”

For fresh curd, Ellsworth packages range from two ounces up to a one-pound bag. Flavors include natural, Cajun, Garlic, Ranch, Taco, and Hot Buffalo.

“The two-ounce is aimed at the school convenience or the quick snack in your lunch,” Bauer said. “The five-ounce sells very well outside Wisconsin, while in Wisconsin the one-pound bag is the best seller.”

Bauer is so high on cheese curds he said the future of cheese curd is in fresh and for deep frying but now also for freeze drying.

“I really think the key is to add value to whatever product you have. To take that product as far as you can,” Bauer said.

He said while the pandemic slowed introduction and growth of new products, Ellsworth has some interesting items it will be bringing to market soon.

“We have a lot of great things in the hopper yet,” Bauer said. “We’ll continue expanding our product line and get some more unique products out to market. We’re going to mesh some new technology with some really old-school things.”

One of the new products hampered by the pandemic was the introduction in June 2021 of the co-op’s Cheddar Curd Crunchers — a freeze-dried crunchy, not squeaky, cheese curd.

“They really haven’t been out there all that long,” Bauer mentioned. “They have a huge shelf-life so they are perfect for on-the-go snacking domestically as well as for export. There is no refrigeration needed.”

According to Ellsworth, the Cheddar Curd Crunchers are keto-friendly, made from 100 percent natural cheese, and have 10 grams of protein.

They are also high in calcium and contain no added sugars and zero trans fats, making them an enjoyable healthy option for everyone.

Bauer said that while the Crunchers come in Cheddar flavor, the cooperative is looking at introducing, Ranch, Dill Pickle, and Jalapeno flavors to the Crunchers’ line.



Introduced in June, 2021, Cheddar Curd Crunchers are a freeze-dried crunchy, keto-friendly cheese snack. Paul Bauer of Ellsworth Cooperative Creamery said this is just one of the new and interesting new products the 111-year-old dairy cooperative will be releasing in the near future.

“No refrigeration is needed, huge shelf-life, good calcium and it’s made in the US. I don’t think people understand how much foreign companies want products made in the United States,” Bauer added.

We’re not done yet. We’ll get this one done and we’ll start the next one, Bauer continued. We’ll start turning our cheese makers loose over the next year or so and we’ll be releasing several new products.

“The export market is an elite market,” Bauer said. “We look at cheese curds as something that’s easy to find. Cheese is a high-end product in most countries. So you only need a few of those cities to hit before you’re selling a lot of cheese.”

He said the dairy industry has not even begun to really tap the export market for cheese.

“Everyone talks about exports for our lowest commodities, whey,

lactose, milk powder and that’s not where the money is,” Bauer said. “The money is in cheese and Europe is already over there. Our freeze-dried cheese curd is competing against the European product already.”

In addition to being hampered by the pandemic, the trade wars also were a setback to growing the cooperative’s export markets, Bauer said.

“We do a lot of whey exports and that helped us get into cheese exports,” Bauer said. “We were on track to grow one truckload a month then the trade wars came in to play. And then it just dropped down to nothing. But there is a huge appetite for American-made products overseas.”

For more information on Ellsworth Cooperative Creamery or the cooperative’s new cheese items, including Cheddar Cheese Crunchers, visit www.ellsworthcreamery.com

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