

Canada's Woolwich Dairy Selects "America's Dairyland" To Expand Goat Cheese Operations

Lancaster, WI—Woolwich Dairy, Canada's largest goat cheese producer, has tabbed Lancaster, WI as the locale for the company's first expansion into the US.

So big was the news that several state and local dignitaries, including Wisconsin Governor Jim Doyle, used the company's announcement Tuesday to trumpet the continuing growth of Wisconsin's specialty cheese industry.

Woolwich Dairy announced that it plans to take advantage of the growing goat cheese industry in the US and build a new 30,000 square foot greenfield cheese plant to better serve US consumers.

The cheese plant should be in operation by the fall of 2007.

"Our new Lancaster facility is strategically situated to serve the expanding US consumer base while providing access to new markets," said Tony Dutra, CEO of Woolwich Dairy.

"Having a US operation...is part of our dream...With your support we will make this the US hub of goat cheese manufacturing."

—Tony Dutra, CEO of Woolwich Dairy

"We look forward to this expansion to assure long-term economic success for both Woolwich Dairy and the Lancaster community," he said

Woolwich Dairy began manufacturing goat cheese in Canada in 1983 when Dutra's family immigrated from Portugal to Ontario.

In 1989 the Dutrass, making cheese under Nova Cheese Inc., purchased Woolwich Dairy Inc.

Dutra credits the company's expansion to quality and innovation. "The one thing we have long stood for is our ability to be creative and our ability to stick with the tradition of quality without compromise. We're very proud of that," Dutra said.

Dutra said Woolwich was currently the leading goat cheese producer in Canada. The company has two facilities in Canada; one is in Quebec and the other in Ontario.

Woolwich currently collects milk from 250 farms and processes the milk in a 30,000 square foot federally inspected state-of-the-art cheese factory on three acres of land in Ontario.

"Woolwich Dairy continues to grow and expand throughout its North American market," Dutra said. "The US and Canadian markets are loving their goat cheese; specialty cheese. So it allows us to expand our business."

Dutra said Woolwich Dairy has a long tradition of serving the US.

"We've been exporting to the US since 1986. When it came to deciding where our next plant was going to be it was pretty simple. The US was going to be the location for us."

"As far as we are concerned, Wisconsin is America's Dairyland," said Michael Domingues, director of sales and marketing for Woolwich Dairy. "It seems like the most logical place for us to go. With all the passion Wisconsin has for cheese and for dairy it really jumps out at you."

Dutra also pointed out that the Wisconsin location would provide for convenience in market access, logistics and an association with other cheesemaking professionals as reasons for the location selection.

Goat Milk Availability

According to figures from USDA's National Agricultural Statistics Service (NASS), Wisconsin ranks tied for second, with Texas, in the number of milk goats, at 30,000, up 2,000 head from 2005. Only California has more.

"We've been working on increasing goat milk production for the last six to nine months in anticipation of this announcement," said Jim Cisler, dairy value chain consultant for the Wisconsin Department of Agriculture, Trade and Consumer Protection (WDATCP).

The number of plants handling goat milk has also been increasing in Wisconsin in recent years. According to the WDATCP, there were six plants handling goat milk in 1999; by last year, there were 11 plants handling goat milk. That total includes both plants that handle goat milk exclusively as well as plants that handle goat milk in addition to cow's milk and/or sheep's milk.

"They shared with us their expectations for a goat farmer and held meetings with communities to see which farmers might be interested in supplying milk, Cisler said."

Domingues said Woolwich isn't worried about the supply of milk. He said it is more of a challenge, a challenge similar to when the Dutrass started in 1983. As the business grew, so did the farmers, Domingues said.

"From the people we've talked with, not only is a base of goat's milk available already, so we have that good foundation to build on and we can only grow," Domingues said. "That's why Wisconsin, with that eagerness to grow and expand the agriculture goes along with our dream for the future."

Cisler sees some of the area's older cow farms taking advantage of the new opportunity and converting to goat farms. For whatever reason certain farms may be "too far gone to modernize their cow operations but are still very viable for goat and sheep operations," Cisler said. "Those are the ones that we have encouraged to look at milking goats."

"They are going to have to get



Tony Dutra and Olga Dutra, center, accept the key to the city from Lancaster, WI, Mayor Jerry Wehrle. Wisconsin Governor Jim Doyle (left) called the Woolwich expansion to Wisconsin a big deal for Wisconsin's specialty cheese industry.

their milk" from someplace, Doyle pointed out. "This is great news for a lot of farms in this area. The location of this operation is not only just the jobs that work in the plant itself, but also the jobs for farms throughout this region that will supply the milk."

Goat Cheese Outlook

Domingues believes goat cheese consumption will continue to grow.

"The industry itself is growing at about 15 percent every year," he said. "That's a pretty healthy growth."

Domingues said the goat cheese sector is only about 2 percent of the entire cheese category.

Domingues points to two different trends on which to base the company's projections: health and education.

"Thankfully for us, there are a lot of pluses with goat cheese as far as the health benefits," Domingues said. "It's a lower cholesterol, lower fat product."

He said as people travel more, they get better educated to different foods and they want to try them at home. Domingues calls it the "wow factor".

"It's that wow factor that specialty type cheeses are allowing people to have as they entertain. People go to different places throughout the world and try different types of products. So when they have people over, they want stuff that is different and wow their guests."

Woolwich Commitment and Plans

As they have done in their other locations Woolwich plans on becoming a member of the community.

"Having a US operation here on US soil is part of our plan, part of our dream. We are committed to this community," Dutra said. "We believe we understand the needs of this community and with your support we will make this the US hub of goat cheese manufacturing."

Dutra said the company had made projections for growth and future expansion of the Lancaster facility to 2012.

"We plan on expanding by 2012 by 50 percent. That will put our

plant to 45,000 to 50,000 square feet. That's very exciting for us. We believe we can accomplish this."

Domingues expounded further on Woolwich's commitment to the Lancaster facility by saying, "We are not going to be complacent with the 30,000 square foot facility. As far as we are concerned, we'll come here, grow the amount of farmers to work with and keep growing the business."

Gratitudes and Platitudes

"We believe in the high quality of milk in Wisconsin," Dutra said. "With the eagerness of the state officials in Wisconsin, with the eagerness of farmers, with the commitment to the dairy industry, we believe Woolwich will continue to grow and not only be the leader in Canada and also be the leader in the United States of America."

Dutra thanked the mayor of Lancaster, Jerry Wehrle; Governor Doyle; Dan Carter and Jim Gage of the Dairy Business Innovation Center and Cisler and Rod Nilsestuen of the WDATCP for their efforts.

"These are the people that have worked with us very closely. I think it is important for a community to understand these people have a passion; they are committed and they have really made a difference how we view Wisconsin and the reasons we are coming here."

Nilsestuen said Woolwich's expansion serves as an example of the state's commitment to the specialty cheese industry.

"It is particularly pleasing to see, perhaps one of the most visible examples" of what Wisconsin is doing, Nilsestuen said. "We've got more milk in the state than a year ago. We've got 7 percent more specialty cheese than last year, 17 new processing plants; 13 new greatly expanded dairy plants."

"Our dream is where this started with. Our goals are simple. Come here, be welcomed and give back to the community and truly make something really special," Dutra mentioned. "After all, Wisconsin truly is the heart of the US dairy industry." •