



THE FAMILY LAGRANDE: Joey, Ryan, Dannie and Randy LaGrander along side an open table of recently slabbed cheese.

LaGrander's Dairy Finding Niche In Traditional Styles Customer Oriented Approach Incorporates Blocks Towers

Stanley, WI—The crossroads at LaGrander's Hillside Dairy has a paved north-south road, and an unpaved east-west road.

That's a perfect metaphor for one of the company's latest decisions to expand with 40 pound block towers while most of the production still comes from granular and traditional cheddaring.

LaGrander's Hillside Dairy is a medium-size cheesemaking operation.

The company is famous for its Colby longhorns, earning another Best of Class award during the recent United States Championship Cheese Contest.

The company is run by Randy LaGrander and his two sons, Ryan and Joey. Its a company that Randy's parents purchased 50 years ago last November.

The company itself is at a crossroads: update technology to make higher volumes and less laborious cheese, or stay the path and continue making traditional hand-crafted, granular curd cheese.

"We're not giving up making traditional longhorns or deli horns," Randy LaGrander said. "Still, we need to keep our eye on the future and being flexible and diverse."

The company makes about 13 million pounds of cheese a year.

Last May, LaGrander's added 40-pound block towers to better diversify the company's product line.

"We're still doing the deli horns, traditional horns and curd, but when those markets slow down, we can go into the 40-pound block market," LaGrander said.

"The reason we went to towers is that we're looking to move to higher volume, otherwise we probably would have kept on doing what we were doing," LaGrander said. "I just felt we needed that capability."

Which is where the question of economics comes into play. It eventually comes down to labor costs, according to LaGrander.

"Labor is so expensive and it's hard work," he said. "People just don't want to be over the vat slabbing curd anymore. That's why the larger plants with higher volume have found more ways to become efficient."

Finding Niches In Traditional Cheeses

LaGrander's Hillside Dairy's product line is sold nationally and includes Colby, Cheddar, Monterey Jack, Pepper Jack and Co-Jack, but the top three sellers are Colby, Co-Jack and Pepper Jack.

The company offers traditional longhorns in six-inch diameters and deli horns – found in supermarket deli departments – in four inch diameters which are designed for slicing.

"The horn business tends to fluctuate a little," LaGrander said. "It used to be the traditional horns that were very popular, now it's the deli horns."

Up until 10 years ago, LaGrander's was making traditional horns and two-pound Cheddar daisies.

When the deli horns were introduced the company saw a spike in

business, LaGrander said.

However, more manufacturers eventually followed suit.

"We became more specialized, but like everything else – once something catches on, more and more people get involved," LaGrander said.

Current demand for deli horns is modest, "not great" said LaGrander.

"Ultimately, it's become a cut-throat market. That's why we're always looking forward – where can we go where there is a premium," he said.

Deli horns represent about one third of the company's total cheese production. Traditional horns and cheese curds account for the remaining two-thirds.

The Curd Business

Back in the early part of 2000, a large appetizer company approached LaGrander's to make cheese curd to be breaded and sold both at retail and in foodservice operations. It turned out to be a huge success for the company.

"We were very fortunate there," LaGrander said.

We were always making curd for retail sales, but to make the move to mass production for foodservice has been very good for us, LaGrander said.

"We're also building a lot of interest for our fresh curd market," LaGrander said. "We do curd in bulk 30-pound cases that are then sold at the store as one-pounders," he continued.

The company houses a cus-

tomized curd mill to adjust curd size to customer specifications.

The Beginning

LaGrander's Hillside Dairy traces its roots to the 1900s; it was first operated by Theodore Schultz. The company was sold to Leo Biel in 1933 and he operated the plant until 1960.

On November 1, 1960, Dannie LaGrander with his wife Lorraine purchased the facility.

Dannie LaGrander said he started making cheese at Nasonville Dairy in 1950 for Clayton Johnson. He obtained his cheesemakers license in 1952 and continued working at Nasonville Dairy until 1955.

After leaving Nasonville, Dannie LaGrander then managed Edelweiss Co-op of Stratford and Maple Grove Cheese in Blenker, Wisconsin before purchasing Hillside Dairy in Stanley.

"We had a lot of cheesemaking under our belt," Dannie said.

Dannie put the family to work. Lorraine had her own cheese maker's license, which was rare at the time, he said.

Randy got his cheese makers license when he was 15.

The company originally manufactured 40-pound blocks, but eventually transition to waxed and Cheddar horns, daisies and midgets. This transition required more work, but commanded premium prices.

"I've always tried to look ahead, and never box myself in. We're basically a specialty plant, and put ourselves out there as such."

—Randy LaGrander

During the late 1960s, LaGrander began manufacturing Muenster and Brick cheeses along with Cheddar daisies.

"As we started growing, we didn't have the room, so we made the choice to get out of Muenster and Brick and went into the Colby horns," LaGrander said.

Back in 1972, LaGrander's processed about 25,000 pounds of milk a day. Today running five days a week, the company processes roughly 500,000 pounds of milk per day that it receives from about 140 patrons.

Eighty percent of the company's milk supply comes within 15-20 miles of the plant.

On a yearly basis, LaGrander's processes between 10 to 12 million pounds of cheese with a team of 45 employees.

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Customer Oriented Approach Leads To Diversification

"I never thought it would ever get this big of an operation," Dannie LaGrander said.

Although the company doesn't employ a sales team, it does work with a few brokers. Any new sales usually stem from word-of-mouth, Randy LaGrander said.

"We're pretty fortunate," he said. "We've never had a customer take more than 20 percent of all the production. Our top 10 customers probably account for 60 percent of our production. The other 40 percent is split up between roughly 20 customers."

"Our philosophy is that if our name is on the product we want it to be exactly what the buyer is looking for and expects."

—Randy LaGrander,
LaGrander's Hillside Dairy

"I never wanted to get tied up with just one account," Randy LaGrander said.

Traditional Old-Style Colby Is Biggest Seller

"People like traditional Colby and milled Cheddar. That's still the way we do it here," LaGrander said. "But,

for the most part, that's a thing of the past."

Washed curd gets you a different flavor – a fresh milk flavor, LaGrander explained. In washing the curd, you wash the lactose off of it. For granular Cheddar, there is no wash, so a flavor difference exists.

Then there is the question about openings in Colby. LaGrander said with modern technology those openings in Colby don't exist anymore.

"Nowadays with the vacuum machinery, cheese pretty much looks the same, whether you do Colby or granular Cheddar," LaGrander said. "When you take a 40-pound block, versus the hoops, there's a big difference. The tower will close them right up. In a press block, you can still get the openings, but once you go through that vacuum, you won't get the openings."

Being able to offer both styles of Colby allows Hillside Dairy to niche the product.

"One customer of ours prefers Tipper Tie machines to vacuum machinery," LaGrander said. "So they have larger openings. That's what he wants."

"We're very customer oriented – they dictate what they want. And we try our best to deliver."

Future plans

Among Randy LaGrander's future plans will be promoting his Master Cheese Makers certification.

"Stores and distributors want to see a story behind the product," he said.

LaGrander has earned three Master Cheese Maker certifications; Colby and Monterey Jack cheese in 2003, and one in Cheddar in 2006.



LaGrander's Hillside Dairy's product line is sold nationally and includes Colby, Cheddar, Monterey Jack, Pepper Jack and Co-Jack. The company takes pride in making traditional cheddaring styles as well as, most recently, 40 pound blocks using block forming towers.

The company also anticipates working on some variations of Gouda and Edam.

"We're trying to offer different cheeses – not in the traditional way, but to incorporate the product into a deli horn for slicing," LaGrander said.

"We've developed some formulas for flavor profiles, and whatever the customer is looking for, we're trying to obtain," he said. "Nothing is big volume."

Forward thinking and accommodating the marketer is a common theme at LaGrander's.

"I've always tried to look ahead, and never box myself in," LaGrander added. "We're basically a specialty plant, and put ourselves out there as such."

In terms of expansion plans, LaGrander will leave up to the third generation of LaGrander's – his sons, Ryan and Joey.

"We're probably at where we want to be right now – from here on in, anything new will be the boys' responsibilities," LaGrander said.

"These days consumers seem more aware of what they are putting in their grocery carts," LaGrander said.

Currently the biggest challenge LaGrander envisions for the company will be to maintain quality products and dedicated employees.

"We have been able to keep our quality," LaGrander said. "They (buyers) know what they're going to get, they know it's going to be consistent, and they know it's going to be of good quality," he said. "Our philosophy is that if our name is on the product we want it to be exactly what the buyer is looking for and expects."

For more information on LaGrander's Hillside Dairy, visit www.lagranderscheese.com 