

Department of Agriculture, Trade and Consumer Protection
Division of Marketing
Agricultural Development & Diversification Program (ADD)

2000 Grant Project Final Report

Contract Number: #15030

Grant Project Title: Vegetarian Style Cheese – Market research and Development

Project Beginning Date: 5-1-2000 Project End Date: 2-1-2001

Amount of Funding Awarded: \$27,602.00

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Addendum to Final Report

#15030

Overview of Third Party Verification System

As previously stated, we will be emulating the success of the Certified Organic Certification System. This is accomplished by using an internationally recognized set of standards for All Natural foods, creating a an independent third party certification system to verify these standards are adhered to and an audit trail to track the ingredients used in our product line.

Internationally recognized set of standards

This was accomplished by contracting with The Vegetarian Society U.K. Their marketing is firmly established in 8 countries and according to Mike Blane of Schreiber foods, the vegetarian society approved logo dominates the all natural foods category in Europe. We intend to duplicate their success.

Creating an Independent Third Party Certification System

We duplicated the paperwork process established by the Certified Organic Foods certification process. Paperwork requirements include:

1. Application to be certified - which is sent by and returned to the Vegetarian Society U.K.
2. Verification of production process/ingredients used in manufacturing - processing. An independent agent will visit your facility, verify the standards to be met/ingredients used and return the signed form to the Vegetarian Society U.K. (I have enclosed a list of the requirements we had to adhere to) In addition to our facility, we had individual inspections completed on all the family owned farms that supply our milk.
3. Once the Vegetarian Society has received the signed verification forms from the independent contractor and all fees are paid by the entity being certified, A certificate of certification is issued for the facility and each individual farm.

Once established, the marketing program we are refining will be a blue print to expand the Certified All Natural Foods category. This system could be applied to any agricultural product/production method/process. My end goal is to create a viable marketing program/certification system, then supply retailers with a full line of unique, high quality, upscale products. The Vegetarian Society approved logo will be used to establish brand recognition.

We did not encounter too many difficulties, yet the process of developing a standard for the paperwork and getting it approved by the Vegetarian Society was a timely and cumbersome task. The only real difficulty was approving an independent subcontractor with the knowledge and criteria demanded by the Vegetarian Society U.K. This was successfully completed through use of the Milwaukee Resource for Vegetarian concerns. Yet, further development of this segment of certification is required. We have identified several entities who meet the criteria and have expressed interest, yet we have not contracted with them to date.

Audit Trail

An audit trail is utilized to track the origins of our milk, vats used in production, storage/packaging facilities and an invoice to track where our products are being sold. Since this tracking process is an integral process in the cheese making industry, with a few modifications, we were able to complete this task in a timely manner.

Impact/Response

Response to our initial label heading “Vegetarian Style ” was excellent, yet we discovered the term “Vegetarian Style” was too defining. With the assistance of several retailers/distributors who believed in our project, we modified our label heading to Certified All Natural and changed the label color to an earth tone, green color. These modifications allow us to better define who we are and what we represent. The response has been overwhelming.

Retailer/Distributors – Retailers see the benefit of using our products to promote their all natural store image and receive an above average profit margin in the process. Distributors use our products to expand their all natural offerings. As previously discussed, since we introduced our new image we have expanded into 22 Independent stores (60 by March 1) and have retailers/distributors looking at our products. We should have answers by May, 1 2001

Processors – due to the rules/regulations/documentation required and high fees associated with the Certified Organic Certification process, processors are reluctant to invest in a start up project. Yet, as a marketer/wholesaler, if you complete these tasks and pay the fees, processors are willing to work with us in product development.*

*Assuming this process evolves as the industry standard – we will be emulating the Certified Organic Foods development process into a niche market segment.

Participant Benefit – Participants in this project will receive a higher price for the products they are producing/processing, new markets in which to sell their products and in most instances, they are able to do so without a huge investment in time and capital to adhere to program requirements.

Industry Opportunity – The development and successful implementation of our new food category - Certified All Natural foods - will give Wisconsin Agriculture the opportunity to develop agricultural products in all 3 natural food categories. This advantage alone, sets us apart from other state marketing programs and could provide the basis for an overall state marketing program where participants work together in a common cause. Another opportunity is in the area of rural development. With an established marketing program in place, our agriculturally based rural economies would benefit through product development, the building of processing facilities and or distribution systems to bring our products to market.

Please feel free to contact me at (608) 776-2477 if you require further clarification.

Sincerely,

Fritz Geissbuhler

CERTIFIED ALL NATURAL FOOD PRODUCTS
CHEESE- ITEMS TO BE VERIFIED

Certified All Natural

FARM

FEED (GMO USE)	YES
USE OF HERB/PESTICIDES	NO
CATTLE	NO
MILK (Rbgh use)	YES
NON USE OF ANTIBIOTICS	NO
CLEANING PROCESSES	YES
FARM INSPECTION	YES

TRANSPORTATION

USE OF SEPARATE VEHICLE	YES
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CHEESE FACTORY

MILK STORED SEPERATLY	YES
CHESE MADE SEPARATE (VAT)	YES
USE OF RENNETLESS PROCESS	YES
NON USE OFANIMAL RENNET/CRYMOSIN	YES
FACTORY INSPECTION	YES
CLEANING PROCESS	YES

STORAGE

STORED SEPARATE	YES
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PACKAGING FACILITIES

PACKAGED SEPARATE	YES
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INDEPENDENT THIRD PARTY CERTIFIED	YES
AUDIT TRAIL	YES