



Cheese Market News®

Plant-based alternatives look to improve taste, functionality

By Rena Archwamety

MADISON, Wis. — As plant-based milk and yogurt alternatives have grown in variety and into mainstream markets, non-dairy cheese alternatives remained in mostly natural markets and purchased by those who could not or chose not to consume dairy products. That is changing now, thanks to a range of new products and innovative techniques from both newer specialty brands and established dairy companies.

"If you went back 3-5 years ago, what you saw was broad distribution but really a heavy core of vegan consumers. For traditional consumers, the product was very different in taste and texture," says Justin Lambeth, CEO of Treeline Cheese.

In the past couple of years the product quality of plant-based cheeses has dramatically increased, Lambeth says. Furthermore, there are more "flexitarian" consumers — those who are not vegan but are incorporating more plant-based foods into their diet, or live in

households where some members eat meat and dairy and some don't — who are interested in these products.

Traditional cheese and dairy companies also are now wading into the plant-based sector, serving customers who have expanded their offerings to incorporate non-meat and non-dairy alternatives.

Whitehall Specialties, which provides processed and analog cheese to customers across ingredient, foodservice and consumer channels, launched its NewFields plant-based cheese division in March 2019 and has just introduced its new Premier Line that includes Cheddar, Mozzarella, American, shredded Parmesan, grated Parmesan and Blue cheese-style flavors.

"We are innovators in formulating processed cheese. As innovators in formulating, that spurs innovation in plant-based," says Steve Snyder, president and CEO, Whitehall Specialties. "We're serving the same audience — people who love cheese — but also those with a passion for a vegan or

plant-based lifestyle. The challenge is good taste and good function. We can take our technical expertise and apply it against that problem."

Plant-based offerings are growing, with 58% of the top 100 foodservice chains in the United States offering plant-based or vegan menu options, according to the 2019 Good Food Institute Restaurant Scorecard.

Snyder says Whitehall's NewFields division is partnering with new customers as well as many of its existing clients, as there has been a surprising overlap in those who are interested in both dairy

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DGAC releases final Dietary Guidelines scientific report

WASHINGTON — USDA this week released the 2020 Dietary Guidelines Advisory Committee's (DGAC) final scientific report, an objective review of the latest available science on specific nutrition topics. The report's evidence-based findings will inform USDA and the U.S. Department of Health and Human Services (HHS) as they co-develop the 2020-2025 Dietary Guidelines for Americans.

"Science-based dietary guidance is critical to ensuring a healthy future for America," says Brandon Lipps, USDA food, nutrition and consumer services deputy under secretary. "USDA greatly appreciates the high-quality work done by this committee comprised of our nation's leading scientists and dietary experts. We look forward to thoroughly reviewing the report

and leveraging their scientific advice as we partner with HHS to develop the next edition of the Dietary Guidelines for Americans."

USDA and HHS are accepting written public comments on the committee's final report through Aug. 13. The public also will have an opportunity to provide oral comments on the scientific report to the departments at a public meeting Aug. 11.

The International Dairy Foods Association (IDFA) and National Milk Producers Federation (NMPF) say they are pleased that the DGAC's final report reaffirms dairy's crucial role in a nutritious diet.

"The U.S. dairy industry is pleased to see that the science has once again affirmed the unmatched health and nutrition benefits that

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CME cheese hits record-high \$3 then drops as volatility persists

By Alyssa Mitchell

MADISON, Wis. — Price swings for cheese at the Chicago Mercantile Exchange (CME) continued this week as Cheddar blocks reached a new record high of \$3 per pound Monday before dropping 34 cents this week to settle at \$2.66 per pound today.

Dairy market analysts took the run-up in stride, as CME block Cheddar prices have been hitting new highs since summer began.

Still, hitting \$3 is "definitely a 'wow' moment, especially when considering it happened just 61 sessions after the market traded at \$1 per pound," says Phil Plourd, president of Blimling and Associates, Madison, Wisconsin.

"It would be surprising to see pricing persist up here, but demand strength has consistently surprised for weeks," he adds.

"Midwestern cheese produc-

ers continue to relay demand is strong," says USDA's Dairy Market News. "Curd producers say buyers are very active. Barrel cheesemakers relay similar notes and say supplies are moving."

CME Cheddar barrels settled at \$2.43 per pound today.

Brian Fletcher, vice president of Rice Dairy, Chicago, notes over the course of the last several weeks, the block market has been very tight.

"I do not believe the market has long-term support in the \$3 or even \$2.50 area," Fletcher says. "I think we are in a period of time where supply has contracted and domestic demand from retail and subcategories of foodservice have performed very well. If U.S. prices maintain these price tiers, relative to the severely discounted global market, about 7% of U.S. cheese production (that is historically exported) will need to find a home domestically."

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RetailWATCH

NEWS & MARKETING IDEAS TO HELP SELL MORE CHEESE

NEWFIELDS

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and non-dairy options.

"For example, a foodservice customer who might want to serve a meat analog like Beyond or Impossible Burger wants to have a non-animal cheese that they can offer in a restaurant venue," Stryder says. "Pizza customers might have a plant-based, vegan pizza along with regular conventional pizzas. Even in a salad bar situation, they might want to have shreds so someone who is truly vegan and interested in most of the salad bar, but wasn't able to enjoy cheese, now will have plant-based options."

Vegan Foods, a newly-launched division of Schuman Cheese that caters to the plant-based segment, is aiming to make this category more approachable and accessible to everyone interested in these products.

"The plant-based segment is booming," says Keith Schuman, business unit lead, Vegan Foods. "We have seen a steady rise in consumers eating plant-based diets for years now, whether for environmental or ethical reasons, and those numbers are playing out on retail shelves, where consumers can find more and more options."

Particularly notable is how accessible plant-based items have become among mainstream grocers; they no longer are a category reserved for specialty stores, Schuman adds. He also points to the diverse demographics of those eating plant-based foods.

"While the audience skews a bit toward millennials, people of all ages eat plant-based foods for a wide range of reasons, whether they have dietary restrictions, such as lactose intolerance, environmental concerns or prefer animal-free protein," he says. "When it comes to dairy-free products, and specifically cheese, our primary research shows they're looking for plant-based options that are familiar: authentic flavor, the appealing texture of dairy cheese and a melt like dairy cheese."

• Cultured creations

For eight years Treeline Cheese has been making plant-based products, and its portfolio includes Classic and Cracked Pepper aged wheels and a soft French-style spread in Herb Garlic, Scallion, Sea Salt & Pepper and Chipotle-Serrano flavors. Earlier this month, the company announced a new line of cream cheeses made from cultured cashew nuts and other natural ingredients, available in Plain, Chive & Onion and Strawberry varieties.

Treeline sells mostly to retail consumers, with about 30% of this business in the natural channel and 70% in traditional grocery retailers, as well as directly from its website. It also provides a small amount for foodservice, either to restaurants or to meal kit companies.

There are two main types of non-dairy cheeses on the market: those with a coconut oil base and those with a cultured nut base, Lambeth notes.

"Coconut oil-based products are easier to make, less expensive and have really good melt and stretch. Those have been around 10 years or more," Lambeth says. "The downside is one, the taste tradeoff — they don't have a dairy taste — and two, they're high in saturated fat."

Newer brands like Treeline are typically made with nut bases rather than coconut oil, Lambeth says.

"We make ours with cashews, and also we culture the product using acidophilus. It's a richer product, and also a cleaner nutritional label," he says. "The two pieces of feedback we consistently get, one is around the flavor. It's a surprisingly good flavor, due to the simple ingredients and culture, how we make the product. The other thing customers point out is the simple ingredient statement. Take our Plain Cream Cheese — it contains cashews, water, lemon juice, salt, pepper and acidophilus."

Miyoko's Kitchen started out selling vegan butter and cheeses in a small storefront in Fairfax, California, in 2014. The company, which now does business as Miyoko's Creamery, now has plant-based products sold in 2,600 stores across the country.

"We went from 2-4 people in a cheese shop to a company that now employs 140 people. We own a manufacturing facility in Petaluma and even have co-packers helping us make other products," says Neil Cohen, vice president, Miyoko's Creamery. "Over the last four years, we have doubled production and doubled sales every year."

Like Treeline Cheese, Miyoko's also specializes in cultured specialty products. It offers Organic Cultured Vegan Cheese Wheels in standard and limited edition varieties, including Sundried Tomato Garlic, Double Cream Chive, Herbes de Provence, Sharp and Smoked



Photo courtesy of Whitehall Specialties, NewFields Cheese, www.NewFieldsCheese.com

AUTHENTIC MELT — Whitehall Specialties' NewFields division specializes in plant-based cheese alternatives for foodservice and industrial customers. The company has seen growth in plant-based or vegan menu options among many top foodservice chains.

Farmhouse, Winter Truffle and Black Ash. Other products include Vegan Butter, Vegan Mozz, Vegan Cream Cheese and Vegan Roadhouse spread.

"We're using a traditional technique, making milk with nuts, oats or whatever plant we choose, and then culturing it, as you would butter or cheese," Cohen says. "The trick is knowing what cultures will do what with different milks. It's not like you can take a cow dairy culture or

enzyme and make it work. It took years and years of trial and error and experimentation for Miyoko (Schinner, CEO and founder) to figure it out."

Cohen says that in the past, vegan cheese alternatives got a bad rap as they were so different from the flavors and textures of traditional dairy cheeses.

"Vegans would say, 'This reminds us of cheese,' but omnivores and flexitarians

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Nasonville Dairy introduces new random weight deli slicing loaves in eight flavors

MARSHFIELD, Wis. — Nasonville Dairy this summer is introducing new random weight deli slicing loaves in eight flavors and two sizes.

The new loaves are available in 2.5-pound or 5-pound sizes for slicing. They are available in eight

varieties including Asiago, Blue Marble Jack, Colored Cheddar, Feta, Habanero Jack, Horseradish Jack, Pepper Jack and Smoky Ghost Pepper Jack.

For more information, visit www.nasonvilledairy.com. CMN

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SCHUMAN

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wouldn't eat it," he says. "We want to change that perception. If you were to taste our butter, cheese wheels or Roadhouse pub cheese, you would go like, 'No way is this vegan!'"

• New divisions

Schuman Cheese launched Vevan Foods in March 2020. Its initial retail offerings include shred and slice formats in three flavors: Ched, Mozza and P'Jack. Its products are available to foodservice, and Vevan this summer also is adding regional and national retailers, from major supermarket chains to club stores to local grocers.

Schuman says the inspiration for Vevan came from a realization that there is an entire segment of consumers who have chosen plant-based diets and are settling for products that don't taste or perform the way cheese products should.

"Vevan's biggest point of differentiation is the care we've put into creating an experience that allows plant-based consumers to rediscover familiar textures and flavors they've been missing," Schuman says. "Each recipe has been perfected by artisan dairy cheesemakers who have decades of experience crafting award-winning cheese. They know how cheese should taste, what the texture should be when you bite into it and how it should function, especially when it comes to a perfect creamy melt

and a nice stringy stretch."

Schuman says the response so far to Vevan products has been "incredible."

"We've had buyers tell us they'd easily mistake Vevan for behind-the-glass slicing cheese, and our social platforms are getting flooded with comments from consumers thanking us for creating a plant-based option that tastes so good," he says. "We get Instagram videos daily from consumers showing us @vevan foods how they're using and enjoying Vevan with their families and friends."

Whitehall Specialties' NewFields division has just launched more than 30 SKUs in its first full line of plant-based cheese options. These new products are certified vegan, non-GMO, gluten free and were created with minimal

ingredients and natural integrity in mind, resulting in cleaner labels. This Premier Line of plant-based cheese ingredients and products was developed for customers across all channels with a focus on foodservice and industrial customers, including cheese and dairy manufacturers.

Snyder notes that Whitehall Specialties was one of the large-scale plant-based cheese industries' early entrants with its soy protein plant-based cheese.

"As the category grew, we recognized we needed to dramatically increase our focus and investment in talent and equipment to respond to the demand," he says. "We are becoming experts at managing plant-based starches, water and other flavors, colors and ingredients in a plant-based food matrix. We have a long history of optimizing functional properties such as stretch and melt, along with color and taste, to make great-tasting analog cheeses."

NewFields now uses a range of different plant-based protein bases for its cheese alternative depending on customers' specifications, and offers a full range of formats from blocks, shreds and slices to grated, crumbles and chunks. The company uses allergen control and hygienic zoning to ensure its plant-based products are completely isolated from dairy.

At the end of the day, people want delicious options, and that's most important, Snyder says.

"I think some of the real innovations are being able to break into Parmesan and the hard cheese segment. I think our Cheddar is outstanding," he says. "Our Blue cheese is surprisingly good. It's a really hard thing to mimic, particularly in a dressing application. It's just fabulous, to a point where I would choose it on its own right."

Snyder emphasizes that NewFields is not replacing cheese, but rather adding new options beyond cheese for those who have that preference.

"We're fans of cheese," he says. "We're growing the market for people who could enjoy all the characteristics of cheese. If you like cheese, keep eating natural cheese. But if you have other drivers and preferences, we feel it's important to provide options using our innovations."

Schuman says Vevan's ability to market to a whole new audience is very liberating. He adds that an interesting nuance of marketing Vevan is the obvious dichotomy of a dairy company making plant-based cheese.

"We deeply respect the work our partner dairy farmers do on the dairy side of our business. That means we don't shy away from our dairy heritage; conversely, we embrace it," Schuman says. "Our core demographic is consumers who love and miss cheese, who are likely flexitarian and somewhat fluid in their food choices. Our marketing leads with Vevan's exceptional flavor and performance and celebrates the contributions artisan cheesemakers are making to the brand." CMN

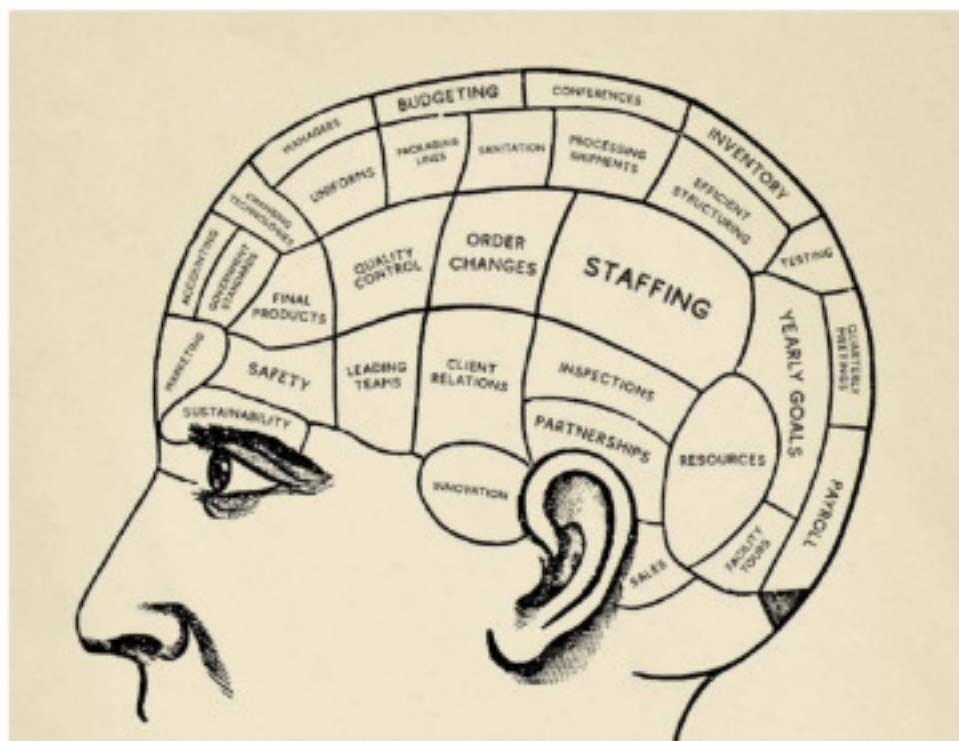


Fig. 1: The Food Manufacturer

Running a business takes serious thought. Cheese shouldn't.



Fig. 1

At SCHUMAN CHEESE, we understand the challenges that come with running a business. The last thing you want to think about is whether your cheese supplier can quickly accommodate all your needs. Leave that to us. Since 1945 we've consistently supplied food manufacturers with superior award-winning tastes. Because we know you've got more important things to think about.

You'll find us at www.SchumanCheese.com

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