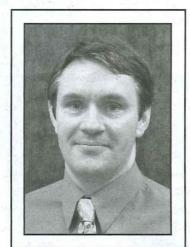
COLUMNIST





Perspective: Industry Issues

John Lucey is director of the Wisconsin Center for Dairy Research at the University of Wisconsin-Madison. He is a guest columnist for this week's Cheese Market News®.

CDR focuses on five key program areas, looks to future growth

The dairy industry in the United States continues to move forward and there have been notable developments in the past few years including the phenomenal growth in Greek yogurt, domestic production of functional dairy proteins and increased emphasis on the export of ingredients and cheese.

At the Wisconsin Center for Dairy Research (CDR), we work with the

U.S. dairy industry to understand opportunities, meet challenges and find practical, research-based solutions to technical issues facing our industry. As a result of strategic planning and extensive consultation with the industry, CDR has identified five key program areas where we are focusing our efforts. These areas include cheese applications and research, cultured products, dairy ingredients, safety/quality and dairy processing. I want to highlight what we do in these areas and the reasons why we are focusing on these priorities.

Cultured products (like Greekstyle yogurt) and dairy ingredients are examples of product areas that have seen significant growth in the past several years. CDR serves as a technical resource in both of these areas providing short course training, technical advice, know-how and prototype development. CDR works with dairy and food companies on the development of snacks, beverages, confections and other foods containing dairy. In fact, it was work at CDR that first identified that permeate could potentially be used as a sodium replacer in some foods. We also are conducting research related to the development of novel functional proteins such as milk protein concentrate (MPC) and whey derived from milk (native whey). We support the industry as it explores the production and applications of these innovative products.

The dairy processing program area was developed to assist industry in developing innovative ways to process dairy products like milk, whey and permeate. Wisconsin is the largest whey producer in the country, yet a sizable percentage of whey solids are under processed, primarily the permeate fraction. Solids such as lactose and minerals in permeate often end up in low value-added products like animal feed. Whey solids are potentially worth a significant amount to those who are able to economically process them. Drywhey value is a component of Class III milk pricing so cheese factories not processing, or under processing, their whey are paying for their cheese milk based on the "expectation" that they will extract all the value in whey; this is thus in effect another financial "penalty" compared

to large plants that are able to extract all possible value from whey. We are working with various groups to better understand what is happening to whey solids across our industry and to develop feasible options for capturing greater value from all co-product streams.

The cheese applications and research program at CDR is our flagship program with cheese production being an important part of Wisconsin's economy. We provide the industry with relevant research, education and technical support. We also will provide troubleshooting and pilot scale manufacture of products in the CDR pilot plant as well as product testing in our modern sensory applications lab. Our programs provide many U.S. cheesemakers with the tools and knowledge they need to be successful in producing high quality cheese. In fact, at the 2012 World Championship Cheese Contest 89 percent of all U.S. winners had taken at least one of our 22 different industry short courses. The experienced cheese applications and program staff are here to serve industry as a technical resource regarding cheese varieties that will be sold domestically and abroad. In the case of exporting cheese, manufacturers are quickly learning that different countries and even different regions within each country have specific preferences and performance expectations.

As always, the safety and quality of all dairy products, whether sold domestically or exported, remains a vital part of the dairy industry's success. With an increase in safety and quality programs, audits and regulatory requirements, including the Food Safety Modernization Act (FSMA), the British Retail Consortium (BRC) and Safe Quality Food (SQF) programs, CDR continues to work closely with plants

Turn to LUCEY, page 7 ⇒

NEWS/BUSINESS



LUCEY

Continued from page 6

and industry groups to maintain the highest safety and quality standards.

I see a bright future ahead for Wisconsin and North America's dairy industry. As opportunities continue to grow, however, it is vital that CDR have a modern, state-of-the-art facility that will allow staff to continue to provide the research and services needed to maintain the dairy industry's success. The Campaign to Secure Wisconsin's and North's America's Dairy Future will rebuild and renew Babcock Hall, home to CDR and the UW-Madison Food Science program and support innovation, education and training as these are the cornerstones on which exceptional quality dairy products are made. CMN

The views expressed by CMN's guest columnists are their own opinions and do not necessarily reflect those of Cheese Market News®.