Note:

During the war years production of nonfat dried milk solids was stimulated by several means including price guaranties and financing of plants to divert production away from skim milk for animal feed and casein. Price ceilings were used to discourage production of casein.

Whey producers were encouraged to expand plant and equipment for increasing production for animal feed and milk sugar.

PRESIDENT PETERS: Thank you, Dr. Sprague. I don't think there is any doubt that the cheese makers feel as Dr. Sprague does about this whey problem. We had a meeting in Fond du Lac in April because of the seriousness of the whey volume at that time.

(President Peters then read a telegram addressed to George L. Mooney, Wisconsin Cheese Makers' Association, offering congratulations on the year's record and sincere good wishes for the coming year, from Milton Hult, President of the National Dairy Council).

(President Peters also read a telegram addressed to himself from Walter J. Kohler, Governor of Wisconsin, expressing regret that circumstances prevented his presence at the 63rd Annual Meeting of the Wisconsin Cheese Makers, also paying tribute to the organization and expressing commendation in the art of cheese making).

We will now go back to the first named speaker on the program, Mr. Sheldon Wilcox.

SHELDON WILCOX: Thank you and good afternoon, Ladies and Gentlemen: We had a little difficulty in starting this afternoon and I might say I think we have used this light projector at least one hundred times in the past two years and I think every time before we used it we said a little prayer about it holding together through the meeting and today I forgot to say something to the Man upstairs. Mr. Framberg told you how we have been attempting to extend our national program set-up in the merchandising department of A.D.A. What we will show you today is primarily a slide presentation to give you an idea how we merchandise cheese.

In today's modern grocery store, selling space is at a premium. Every foot of selling space must be used wisely. The
Dairy Department of today's grocery store meets this requirement because sales per square foot are among the highest in the store. Dairy food sales per square foot amount to $12.87 compared to meat $3.60, produce $4.31 and general groceries $2.55.

Cheese is the profit leader in the dairy department above all. It is bought on impulse and as it can be featured in hundreds of ways for young and old, for meals or snacks, for year-around and morning, noon and night time use, it is by far the greatest food item, displaywise to be found in grocery stores. We are here today to discuss with you what the American Dairy Association is doing to merchandise cheese.

Let us begin with the National Cheese Festival started by A.D.A. This event is now in its ninth year and is recognized as one of the outstanding food promotions in the country. Let's take a look at what makes it effective —

A.D.A. acts as the spearhead, advertising nationally and providing some of the point-of-sale posters for use in stores. But this is not a one organization show. The National Cheese Institute rallies its members to support the festival.

An aggressive cheese industry puts much of its advertising and merchandising talent to work on the festival.

Food editors both nationally and locally tell Mrs. Consumer how to use cheese.

Related food manufacturers feature cheese with their products during the festival.

Retail stores all over the United States join the festival with cheese promotions in their stores.

Yes, A.D.A. is the spearhead that gets these groups together behind the world's largest cheese sales promotion. This year, A.D.A. and the related food advertisers will spend over $2,000,000 on the Cheese Festival. Does this move cheese? Let's take a look at a couple of examples.

A large table display of bulk cheese was set up by Quinta's Foodtown Store in Cleveland, Ohio. The result — 1600 pounds of cheese were sold over one weekend during October, 1953.

In October, 1953, A & P reported the greatest cheese sales in their history.

Was this luck? Certainly not. Here's the real reason —
A&P plans their tie-in with the National Cheese Festival many months ahead. First, their stores get an early notice of the festival coming up. Second, cheese features are planned for the entire month of October. Third, orders are picked up on the cheese features. Fourth, the Cheese Festival theme and features are supported by A & P’s October advertising. Fifth, good, hard-selling displays are built to back up the advertising. Ladies and Gentlemen, this simple plan to sell more cheese is not hard to follow. As a matter of fact, each year more and more of the independent and smaller chain stores are learning and using this plan. And, it isn’t only A & P that is merchandising cheese. Another large chain store operation took a look at its cheese sales for October, 1953 and they found their cheese sales up 27% over the previous month and 40% over October, 1952.

This is a double page ad for a special cheese promotion in Tucson, Arizona —

How’s this for showing bulk cheese? This is a part of the store display which was set up for the Tucson promotion in Hardy’s El Rancho Market. This is some more of the same display. In seven days, cheese sales were $17,373, an average of $2,484 per day.

This year, this October, the kick-off for the cheese festival was this four color, double page ad in Look Magazine on October 5. Please note that about all of the types of natural cheese are in this ad.

A.D.A.’s Bob Hope highlighted the cheese festival on October 1, 8 and the 15th and will feature it once more this coming Friday night.

The Bob Crosby Television Show featured cheese on September 30, October 5, 7, 12, 14 and 21. Also, our brand new T. V. show, Walt Disney’s “Disneyland” will cap the television advertising on cheese for October, 1954, tonight in its premier broadcast on the ABC network.

This poster was made available this year to the industry for use in stores. Actually, the poster which went out to the industry had a two inch space at the bottom for brand imprinting.

One last comment before leaving the 1954 cheese festival. The first reports indicate it to be a landslide for cheese. For
example, the consumer markets in Springfield, Missouri purchase and sold 35 tons of cheese for a two week selling period—most of this was aged cheddar. Also, the Wieboldt Stores in Chicago handled over 20 tons, and another example, the Wrigley stores in Detroit, over 18 tons.

You'll hear more about the October Festival in a moment but let's quickly review A.D.A.'s cheese merchandising plans for the rest of 1954 and the year 1955.

The gift cheese promotion last year had excellent results. Over 19,000 inquiries on gift cheese were received after this ad was run. Consumers sent in a coupon which was in the ad to get information on gift cheese. These inquiries resulted in 1,852 orders with each order averaging $9.73. We are going to repeat the gift cheese promotion this year and we suggest that if you package any gift cheese and are not on the A.D.A. mailing list to consumers that you get on it because it can mean extra sales to you.

While we are talking about gift cheese it might be well to mention that in about every dairy product display in National and State meetings that we have had a part in this year, gift cheese has been featured. I refer to such gatherings as the International Dairy Show in Chicago, the Dairy Show in Atlantic City and the National Corn Contest at Janesville, to name a few.

Cheese makes wonderful one-dish meals for Lent and we will feature it in ads like this during February and March, also carry the idea out on television and radio and encourage store displays.

Then in October, 1955 the Cheese Festival takes on added power. This approach will feature the grocery store as the cheese headquarters for consumers.

Here's another Cheese Festival ad consumers will see in their favorite national magazines in October 1955,

In November and December, 1955 a gift of cheese will appear with the theme, "A gift of cheese is sure to please."

Ladies and Gentlemen, the picture you see here may look a little out of place in a presentation on cheese but I assure you that it is one of the most important items we have to present to you today. This slide shows what we are doing to be sure of how we spend our members' money to insure sales returns from every promotion we try.
The American Dairy Association has a continuous survey to determine consumer attitudes toward cheese. We are working with the Alfred Politz sales research organization. They have already, for example, found these important facts sales-wise about cheese:

1. That nine out of ten families in this country eat cheese yet almost one-fourth of the cheese-eating families do not have cheese in their homes at a time, even when it is easily available to them, and secondly, the main reason that people like to serve and eat cheese dishes is because they like the taste of cheese. These are two items which can be hit hard in promotion.

A restaurant survey on dairy products including cheese is now being conducted by the Politz organization. Results of this will be released early in December. A.D.A. is also working with the United States Department of Agriculture in making market surveys on cheese. These tests will show why one market will consistently sell twice as much cheese as another and give sales reports also. A retail store merchandising test with cheese is now being carried on with the Kroger Company in Pittsburgh. Results of the first two Politz surveys on how consumers feel about dairy products are available now through A.D.A. The Pittsburgh market test survey will be available some time early in 1955.

All of these tests and this sales research will help the industry spend their money for promotion so as to get more sales and not waste it.

The American Dairy Association of Wisconsin has been doing some extra cheese merchandising here in Wisconsin, mainly through such events as the Madison and Statewide Dairy Food Festivals, held last May in Madison and Oct. 1st to the 9th in the state.

You may remember that cheese sales made up a sizeable part of the 3,000,000 pounds of milk sold in Madison last spring. Actual sales increases ranged from 40% to 70% on cheese. Not all the reports are in on the State Festival but Madison cheese sales were higher than last spring and Waupun just reported a forty-four percent increase during the first nine days of this month. We plan to do much more cheese merchandising in the months to come, getting more retailer and supplier cooperation in these National merchandising events and testing some Wis-
cousin ideas, too. We are working right now on a better system for industry use of our point-of-sale materials. We need your ideas very definitely, the ones that will sell and we need your help and cooperation in the use of these materials as far as possible. We are offering our help to you in any way that we can — feel free to suggest and to request our aid, even if it is only a colorful poster to dress up your plant.

I would like to quote Mr. Wade Hill, Merchandising Manager for Dairy Products of The Kroger Company — quote “The Farmer’s Organization, the A.D.A. has the answers to our dairy problem in sales promotion. If the industry will get together and use them, this problem will cease to exist,” unquote. Those are good words to hear.

Ladies and Gentlemen, there’s just one big thing needed in this picture and that must come from you. I wonder if the gentleman will stand up who is seated in the seventh row back, the fourth seat over — yes, the gentleman seated right next to the lady in the red coat? Will you look under the seat you are sitting on?

(Voice from audience: There is nothing there).

Yes, there is something there under that little brown square.

(Voice from audience: A $1.00 bill).

This man has, by exerting some effort, increased his income by one dollar. Hasn’t he?

I hope that we have proven here that with the proper amount of effort a job can be done. Please tell your farmers what A.D.A. is doing to help you and them sell cheese, encourage them to continue to support their own organization or to start to if they have not already done so.

Thank you.

PRESIDENT PETERS: If you want a ten second break so that everybody may stand up and look for a dollar bill you may have it. I don’t think there is any doubt that you all realize the importance that the American Dairy Association means to the dairy industry in not only one phase but all phases of it. I can remember when A.D.A. first started and there was a lot of squabbling about advertising. Some said it did not pay anyway but many of you who have followed A.D.A., even as an outsider you might say, can realize what they have done. In
some of these stores the merchandising is tremendous. I know that from my own experience and I wish the contribution from the producers was 100 percent in the state. I know it is not but the plant operators try to get our farmers to contribute their support.

The next speaker is a man I personally met for the first time today but I had heard quite a bit about him. He is the legislative director for the Farm Bureau Federation at Madison and he has worked with the officials from this organization, Mr. Mooney and the late Mr. Kopitzke, and the cooperation between our association and the group he represents has been very excellent.

At this time I have the pleasure to present to you, William Kasakaitas.

WILLIAM KASAKAITIS: I must say that we all exerted a little effort but it did not pay off as well as it did the gentleman that sat in back of me. I wonder why a dollar bill had not been placed under my seat — I would have been happy for it.

I want to say that I have appreciated very much working with the staff members of your organization and was extremely grieved when your President passed to his reward. I want to say that I enjoyed the companionship and relationship with the rest of the members of your staff, particularly George Mooney and Mr. Mulloy and I also want to say that they command a great deal of respect from the people with whom they associate and I am looking forward to working with them in the future. I want to say that we have not always agreed. We have had our differences but I think we have evaluated each other's ideas and I am sure that we are going to share those ideas in the future for the welfare of the dairy industry, of which we are a part. It certainly is an honor and a privilege for me to come here and visit with the members of the cheese industry in this state, and also to exchange some ideas as to problems that we may have. The industry is certainly beset with many problems — these problems are neither simple nor are they easy to solve as Dr. Sprague has indicated in his very learned message earlier this afternoon.

During the last several months, particularly the last several weeks and the last several days, the Wisconsin Farm Bureau and the A. F. B. Federation have planned and continued the present farm program that is on the Statute Books of this great