

Klondike Cheese Company

Klondike Cheese Company located in Monroe, Wisconsin, manufactures some of the finest cheese in the country and is a third generation family owned and operated business that has been manufacturing cheese since 1925. Three Buholzer brothers, Ron, Steve and Dave, with help from fourth-generation family members, operate Klondike today.

In 1946, the factory was taking in about 8,000 pounds of milk, based on the recollection that one kettle of Swiss production held roughly 2,000 pounds of milk. Klondike has come a long way from the copper kettle to a vast factory that is high-tech all the way with a computer-driven, fully automated coagulator and other equipment needed to produce Feta. The coagulator takes most of the brute work out of the process. Klondike had to expand their facility to accommodate their growth and SBA was able to assist with this expansion through their 504 program.

Over the years, because of economic pressures, Klondike has made transitions from one type of cheese production to another. These transitions, all gradual, began with Swiss, going from wheel to block, to Cheddar, to Colby and Monterey Jack, to Colby horns, then Muenster, then Mozzarella and Provolone. In 1988, the brothers began making Feta cheese. Feta is a Greek-style cheese, originally made from goat's or sheep's milk and now made from cow's milk with an enzyme added to attain the desired tangy taste. They gave a sample to two Greek brothers who were Chicago cheese buyers. The brothers liked the cheese but said it wasn't creamy enough. The Buholzer's worked on their cheese and came back with another sample and this time they had it right and, now had a market. Beginning at a modest 1,000 pounds of Feta sold the first week; the volume has continued to grow ever since and now has over 100 buyers for the 80,000 pounds of Feta made daily. Feta now comprises seventy-five percent of Klondike's output.

Changes at Klondike have been explosive, resulting in a transformation from traditional cheese making and marketing to high-tech production and selling to niche markets throughout the United States. Klondike's Feta sells nationwide and markets it under many labels. Klondike presently markets around 35 million pounds of feta, muenster, brick, and Havarti cheese annually. To turn out this volume of cheese, Klondike buys about 1.28 million gallons of milk monthly from its 85 family owned dairy farms.

Klondike is always looking for better ways to do things. One of the biggest projects the company has undertaken the past two years is a new wastewater treatment system. Construction of a lagoon system for waste treatment is complete and operational. The system is made up of three lagoons that hold a total of eleven million gallons of liquid. Wastewater is transferred from anaerobic to aerobic lagoons as bacteria break down waste material. The finished product is used to irrigate several hundred acres of farmland.

Klondike always buys locally whenever possible to support the local economy and other small family owned businesses in the community. They work in cooperation with other cheese companies in Wisconsin to strengthen the Wisconsin cheese industry. They are members of the several cheese associations and other industry organizations and are currently or have previously served on the boards of several of these organizations. Klondike also believes in reinvesting in the community by giving generously to many local charities and organizations to improve the quality of life in their community.

Buholzer brothers Ron, Steve and Dave, the Klondike Cheese Company team, are SBA's Wisconsin and Region V 2008 Butland Family Owned Small Business award winners. To win this state and region award, the Buholzer brothers were judged on their success as measured by sales and profits and increased employment opportunities for family members and non-family members for the business. They also had to demonstrate their potential for long-term business success and economic growth and voluntary efforts to strengthen family-owned businesses within the company.

The end product is what is important to the Buholzer's. Making cheese, even with the automated equipment, is still an art. It's not something you can learn out of a book. It takes years and years of doing. Experience gives you the feel for what is going to happen, what needs to happen and how to adjust for different conditions.

Klondike Cheese Company is the kind of small business that is the bedrock of America and SBA looks forward to watching Klondike grow and prosper to feed the many cheese lovers in Wisconsin.