At 107, Tillamook Cheese still growing

By GAIL OBERST For the Capital Press

TILLAMOOK, Ore. — In 1853, three dairies were operating in the area, according to "The Tillamook Way," a history of the Tillamook County Creamery Association by Northwest author and journalist Archie Satterfield.

By 1856, Indian Agent William R. Raymond recorded making the first vat of cheese in Tillamook County. Thus began a tradition in the region now famous for its dairies.

Coincidentally, Patrick Criteser, president and CEO of Tillamook County Creamery Association and Tillamook Cheese, has traced his ancestry in Oregon back seven generations. Although his ancestors settled in the Willamette Valley, Criteser said he took the Tillamook job nearly four years ago because he wanted to work in his home state, Oregon.

The association board recruited Criteser after he had worked in administrative posts for brands including Nike, Disney and Proctor & Gamble and, more recently, as CEO at Coffee Bean International. Criteser is the eighth CEO of the 107-year-old farmer-owned Tillamook County Creamery Association.

The association is one of the Northwest's largest



Courtesy of Tillamook County Creamery Association Patrick Criteser is the CEO and president of Tillamook County Creamery Association and Tillamook Cheese.

dairy cooperatives, but unlike many others, Tillamook develops and distributes branded consumer products from almost all of the milk it gets from its Tillamook County owners.

Those products are marketed under the Tillamook brand, and 95 percent of them are sold west of the Rockies, although some non-branded milk byproducts such as powdered whey and lactose are sold internationally.

Criteser joined the company during a volatile period in the milk prices, from highs in 2014 to recent lows. Added to market, environmental and political challenges are those of running an operation that purchases milk from its 97 dairy

owners, then manufactures, distributes and promotes Tillamook dairy products to make a profit for its owners.

When market prices for milk are low, the challenge is to increase profits for farmer-owners at the sales end. When prices for milk are high, the challenge is to increase sales or reduce other costs to maintain profits.

Tillamook's revenues have grown by about 45 percent in the past four years, with profit growth exceeding that pace, Criteser said. The expanded earnings have come with expanded employment, up from about 650 four years ago to 850 this year in Tillamook and in Boardman.

In 2014, the company completed a 64,000-squarefoot expansion at its production facility in Boardman allowing it to increase whey processing — a \$95 million investment.

In addition, more than

1.3 million people visited the Tillamook Cheese factory in Tillamook — "About as many as the Space Needle," Criteser said.

He said his goal has been to spread the power of the Tillamook brand beyond its cheeses to its ice cream, butter, sour cream, yogurt and other products. Already, products are now made with fewer artificial ingredients — notice the mint chocolate chip isn't green anymore? — and new products, including Greek yogurts and ice cream bars are seeing success.

A new line of super-premium ice creams, gelatos and frozen custards was released this year.

"We think we can be strong in anything dairy, as long as we can bring something the consumer doesn't already have," Criteser said.



