

*Wisconsin Specialty Protein is a specialty whey protein business start up in Reedsburg, Wisconsin (Sauk County).*

*Tera Johnson, CEO, Wisconsin Specialty Protein:*

“We make all kinds of wonderful specialty and artisan cheeses in Wisconsin, more than any other place in country, and increasingly it’s made with specialty milk like organic cow milk or cow’s milk without rBGH in it, goat and sheep milk; we have cheese plants that make artisan and specialty cheeses with that milk, and what’s leftover is whey. There’s a growing market for whey for animal feed and also in nutritional supplement products for human consumption.. We will be selling bulk product and developing our own nutritional supplement product using these specialty proteins.

“This business started because the people I know people who own specialty cheese plants have been trying for a long time to find a way to add value to their whey. Whey protein processing is a very capital intensive process and you need a lot of whey to make a small amount of dried protein, so any one small cheese plant can’t do this on their own. There’s a bigger market every year for the fabulous unique cheeses we make here, so each year there’s more unique whey. I stand on the shoulders, metaphorically speaking, of a group of talented and dedicated cheesemakers who have been working toward this goal for years – I’m just the entrepreneur who is taking the leap and raising the capital to do it.

“We raised our capital from a group of investors, who with one exception are all from Wisconsin. These are private early stage investors; I’ve found people in Wisconsin understand a business like this. So many people here grew up around agriculture and remember agriculture, understand it—and they understand manufacturing, and that it’s a business you have to put a lot of capital into before it starts. People accustomed to investing in software companies don’t get that. We have investors here who understand businesses like this.

“We also had great support from a local lender on project, Baraboo National Bank. They have a number of small rural banks within their group and they understand agriculture and the value of a business like this to rural communities. This business will add value to milk produced by lots of different farmers and cheese plants, and it has an enormous multiplier effect in rural communities: Karna [Hanna, Sauk County Development Corporation] did a study that showed that every job I create creates five more. Karna and the SCDC were an incredible help to me locating this business. There are so many levels of government you have to talk to, funding programs that may or may not be available when you’re starting a business, it’s hard to know who right rep is for power company, things like that; Karna really helped me sort through all of this.

“I located the business here because the unique whey proteins are here. It goes back to why dairy is here: there’s a great climate in Wisconsin, there is an ideal environment for grazing animals in much of state, a very robust dairy industry and the entire infrastructure I need here. For example, if I need hauler to bring whey to my plant there are plenty of

people here who do that routinely—that’s just not the case in many other parts of the country.

“We had a lot of choice as to what community to locate in, with some boundaries--you don’t want to take whey a long way in a truck because it’s very expensive. We ended up in Reedsburg because the community has been very supportive of the project from the outset. Plus, it’s a good fit for them because they just expanded their wastewater treatment facility and this business has lots of wastewater. They also created a business park, which made it easier for me to locate there. They had already set it up, and they did in it in a way that uses water retention ponds and preserves the surrounding wetlands. It retains a natural setting that I find very attractive for my business.

“My plant manager had a choice between this opportunity and an opportunity in California, and he chose to stay here because of the quality of life he can achieve here versus California. In his mind that goes back to things like he can afford a home here, his commute time will be minutes,, and the overall standard of living here.

“The workforce here is a real benefit for us, because we have such a strong dairy industry here. Having a qualified workforce that’s worked in dairy plants or food processing facilities in the past and is well trained is a big plus.

“This business is a great example of a business that grew out of the strengths of our region. Thrive’s bio-agriculture sector focus is rooted in attributes of our region and that is reflected in this business. The open space here is well suited to dairy animal production, which is why the cheese businesses are here and that’s why *we* located here. The other part of what I’m doing, organics and caprine whey, is possible because people here understand the value of organic agriculture. Organic Valley is one of leading brands for organic milk in the country. We also have the largest Canadian manufacturer of goat cheese building a plant now in Lancaster, Wisconsin. They came here for a lot of the same reasons I spoke of, so it just makes sense that these target sector strategies would build on our legitimate strengths and help businesses to locate or grow up here.

“I also started this business here because I want to live here. We have incredible mix of diverse and interesting culture in Madison surrounded by incredibly beautiful countryside. I have worked in other parts of country and the world, but I want to stay here for that.”