

Press release from 29 April 2022

Second best result for Appenzeller[®] cheese in the fiscal year 2021

In the second year of the Covid-19 pandemic, the Sortenorganisation Appenzeller Käse nearly managed to maintain the total sales of the successful previous year, or to fall only slightly short of it. In the export business, sales even increased significantly, so that the Sortenorganisation achieved its second-best result overall in the fiscal year 2021. The launch of the new brand campaign, which led to impulse purchases on the shelf and at the counter, also made an important contribution to this result.

After two years of the pandemic, everyone was finally able to meet again in person at this year's ordinary shareholders' meeting. Together, they reviewed the past year and noted the following positive developments.

A total of 9,743 metric tons of Appenzeller[®] cheese were produced in fiscal year 2021, which is the second-best result in the history of Appenzeller[®] cheese. Sales of Appenzeller[®] Organic Green Label and Appenzeller[®] Purple Label increased, and the new Appenzeller[®] Höhlengold / Cave d'Or was launched in the year under review, bringing the portfolio of longer-matured Appenzeller[®] cheeses to four products. Moreover, licensing agreements for processed products containing Appenzeller[®] cheese were concluded with various industry partners. It became evident that there is still great potential in this area.

Availability was ensured for the entire Appenzeller[®] range throughout the fiscal year, so that no delivery problems were experienced. In light of the many uncertainties in this second pandemic year, we can therefore speak of successful production control.

Declining result for the domestic Swiss market

After the previous year's strong domestic growth of 15 percent, it was foreseeable that this exceptional result could hardly be maintained. The impact of the hard lockdown and the border closures in the previous year, triggering a strong surge in home consumption, was too great. As a result, 4,459 metric tons of Appenzeller[®] cheese were sold, which corresponds to a decrease of 7.4 percent compared to the previous year. Compared to the pre-pandemic year 2019, however, this still represents an increase of 6.4 percent. This result was made possible by various distribution gains in German-speaking as well as Western Switzerland, packaging optimizations, the launch of innovations, new licensing agreements with industry partners, the reintroduction of tastings and active sales in the retail trade, and the newly launched, strong advertising campaign on television, billboards, and online, which once again focused on the core values of Appenzeller[®] cheese in a new way and ensured impulse purchases on the refrigerated shelves and at the counter.

Strong export business

The export business increased further by 5.8 percent to a total of 5,108 metric tons. The export share of total business thereby rose to a total of 53.4 percent. This was made possible by strong growth in the Benelux and French markets as well as in the rest of Europe, which more than compensated for the moderate decline in Germany of 2.1 percent. Despite the downward trend in Germany, this positive export performance meant that total sales were down by only 0.8 percent and the excellent overall result for the previous year was very nearly maintained.

Successful marketing and communication measures

A new international brand campaign was launched with great success, which was seen on television, web TV and social media. World-famous Hollywood celebrities such as Charlie Chaplin, Sherlock Holmes and Marilyn Monroe took part, but had to admit that even they were unable to coax the secret of the Appenzeller[®] taste from the silent Alpine herdsmen. In addition, an April Fool's joke in online marketing proved to be an extremely successful attraction and eye-catcher for the Appenzeller[®] brand: the first website you could smell! The national press reported on it throughout Switzerland. All year long, the Appenzeller[®] brand was made visible in all of the communication channels, online as well as offline, at the point of sale as well as on the shelves and presented in an appealing way. This contributed to the Appenzeller[®] advertising with the cheese secret to keep the brand firmly in the minds of cheese lovers.

A clear commitment to improved sustainability and animal welfare

During this year's shareholders' meeting, various new regulations in the area of sustainability and animal welfare were incorporated into the basic regulations by a vote. Thus, milk production is subject, as a minimum, to the Swiss industry standard for sustainable milk. In addition, young animals aged above one year and dairy cows in farms are covered by an animal welfare program, with regular outdoor time. Any soybean feed used must necessarily comply with the standards of the Swiss Soybean Network. Such soybean is only sourced from Switzerland or Europe, excluding Russia and territories annexed by Russia. Soybean from other continents may not be used.

Cheese factories and traders/refiners must also contribute to sustainability. Cheese factories are required to be registered with the Swiss industry standard for sustainable milk and comply with the "Energy Model after 2021" solution or implement the "Fromarte sustainability checklist". Traders/refiners agree to use energy and transport solutions that comply with standards DIN EN ISO 14001.

The Sortenorganisation Appenzeller Käse is convinced that by placing greater emphasis on animal welfare and sustainability, it is making an important contribution to society and taking account of the increased awareness of these issues among our consumers.

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