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VALLEY QUEEN COMMISSIONS NEW CHEESEMAKING EQUIPMENT *Production Runs Will Continue Through July*

MILBANK, SD -- July 2 was a milestone day at Valley Queen Cheese Factory, Inc., Milbank, as employees watched the first two vats of white cheddar cheese move through the company's new make room and packaging room.

"The production run kicked off a month-long start-up of new cheesemaking equipment recently installed at Valley Queen," said Doug Wilke, the company's CEO. "During the coming four weeks, employees will continue making adjustments to ensure that equipment, systems and processes are properly performing before Valley Queen completely transitions cheese production from its old systems to the new one."

The start-up is the culmination of more than two years of planning, design, construction and infrastructure upgrades by the company which turned 90 years old on March 1. Valley Queen has invested \$53 million to increase the plant's milk processing capacity by 25 percent to 5.3 million pounds per day to meet the growing demand for cheese and dairy ingredients. The expenditure is the largest investment ever made in the history of the company.

The project scope involved the construction of a new cheese make room and packaging room as well as infrastructure updates such as replacing milk silos, upgrading the wastewater treatment plant, and adding boiler and cooling capacity.

In June, Valley Queen completed the installation of equalization tank covers and air scrubbers at its wastewater treatment plant. The two technologies are designed to control odor coming from the wastewater treatment plant which was upgraded to accommodate increased cheese and dairy ingredient production.

A major part of the start-up involves training Valley Queen's 286 full-time employees on the new equipment and new processes.

"Eighteen seasonal employees and 10 interns have been hired to work at the plant this summer so full-time employees can participate in the retraining," explained Brian Sandvig, Vice President-Operations & Human Resources. "Our controls and process vendors also have teams here to support the training effort and assist with equipment modifications."

"The success of this start-up is three-fold," stressed Wilke. "We want to see an improvement in the safety environment for our operators. We want to ensure that customers are receiving

premier quality product. And, finally, we don't want to miss a beat. Our goal is that our customers continue to see the same quality product through the transition with increased product performance capabilities."

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About Valley Queen Cheese Factory, Inc.

Valley Queen Cheese Factory, Milbank, S. Dakota, was founded in 1929 by Alfred Nef and Alfred Gonzenbach. Valley Queen annually converts 1.5 billion pounds of milk into a variety of natural cheeses, dried lactose, WPC80 and anhydrous milk fat. These products are sold to some of the best-known food brands in the world. For more information, call (605) 432-4563 or visit www.vqcheese.com.

Photo Cutlines (*Please credit to Valley Queen Cheese Factory, Inc., for photo submissions; preference is this format: © 2018 Valley Queen Cheese Factory, Inc.*):

1. Valley Queen employees monitored safety, quality, equipment and process performance during the start-up of new cheesemaking equipment on July 2.
2. Packaging Room Lead, Luis Jimenez De La Torre, observes a box filled with cheese advance through the Valley Queen's new cheese packaging room.
3. Process Supervisor Mike Bogenrief (left) spearheaded Valley Queen's new cheese make room project. He had a front-row seat watching the first curd unload on the first drain table.