

LE GRUYÈRE®
SWITZERLAND



presents the quarterly journal
of the Interprofession du Gruyère
Special edition

l'oiseau

Annual report **2015**
of the Interprofession du Gruyère



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interprofession@gruyere.com
www.gruyere.com

Editorial board:
Interprofession du Gruyère

Translation:
Ms Sarah Warburton

Graphic design:
Effet-i-media
bepbep@bluewin.ch

Message from the President

A crisis can also be an opportunity

Figures published by exporting businesses show clear evidence of the effects of the decision taken by the Swiss National Bank last year.

As a result of changes in the exchange rate, our Gruyère AOP was subject to a sudden rise of 20 to 30% on export markets and consequently a drop in sales.

In accordance with our strategy and despite massive price pressure, we decided to keep our prices the same and, if necessary, adjust production quantities in accordance with a reduction in sales.

The big question was how long it would take for the market to normalize.

In the second semester, the franc weakened again. Against the dollar, the exchange rate was even better than in 2014 and on the euro markets, we were again between 10 and 12% more expensive than in 2014.

The hot summer, cross-border shopping and the battle for retail market share did nothing to help sales on the Swiss market.

Despite restricting production by 3.5%, the cellars filled up and the balance between supply and demand became disrupted.

The money which we had made available for promoting sales in new markets and the acquisition of new clients was unfortunately used in the battle for market share between *affineurs*.

With difficulties in sales weighing heavily on stocks and the overall erosion of prices, we have no choice but to settle upon a total reduction of 10% for 2016.

What can or rather must we learn from this crisis?

In a liberal, dynamic and global economy, changes and challenges are common. It is imperative that all market players must make money if they want to exist in the mid to long term.

In order to be competitive within such a context, a clear strategy is needed alongside:

- patience to accept things which cannot be changed
- strength to change things which can be changed
- intelligence to distinguish one from the other.

We cannot change the exchange rate of the franc or the weather. We can only question its consequences on our activity and, according to the answer, make good decisions.

In parallel to the decision making process, we must also analyse the potential problems arising from our decision.

Take as an example our decision to reduce production levels by 10% and the marketing decision to invest 3.05Fr/kg in acquiring new markets.

- The 10% restriction on production levels has a considerable impact on our members' operating results
- 39 million kgs of milk per year will be released at a low price onto an already saturated milk market. Part of this will undoubtedly be turned into cheese to claim the 15cts subsidy.
- Innumerable specialities are produced, including cheese which bears a strange resemblance to Gruyère.
- If a higher return can be created in milk processing and trade using cheaper milk, then a vicious circle is created for Gruyère AOP.

Regarding plans to invest in the acquisition of new clients and markets, we decided that in 2015 we would support



additional sales with a contribution of 3.05 Fr/kg.

It makes no difference if this decision was not well communicated, poorly understood or wrongly interpreted.

However, if an affineur offers a discount of 3.05 Fr in order to take a client from a colleague, this may be a new market for him but for Gruyère AOP it is a disaster!

News travels fast amongst buyers and the result is an inevitable downward spiral of prices.

Let us ask ourselves the right questions:

- What did we do right?
- What did we do wrong?
- What do manufacturers of branded products do?
- Who does what in terms of marketing, promotion, merchandising and developing new markets?

We are smart enough to change what we have to change.

Just do it

No other Swiss cheese is as much of a household name as

Le Gruyère AOP Switzerland

Oswald Kessler
President of the
Interprofession



General situation

2015 should have been a year of consolidation as well as stabilization for Gruyère AOP. Moreover, this year was also the symbolic 900 year anniversary of this noble cheese. Unfortunately, the 15th January poured cold water on these hopes when the Swiss National Bank abolished exchange rate controls against the euro. As a result, the Gruyère AOP association spent the year battling the market and quantity management to absorb any fallout as best as they could. Initially, steps were taken to encourage the market and at the same time, as a preventative measure, a quantity management system was decided upon, based on limiting the volume produced during the first three months of the calendar year.

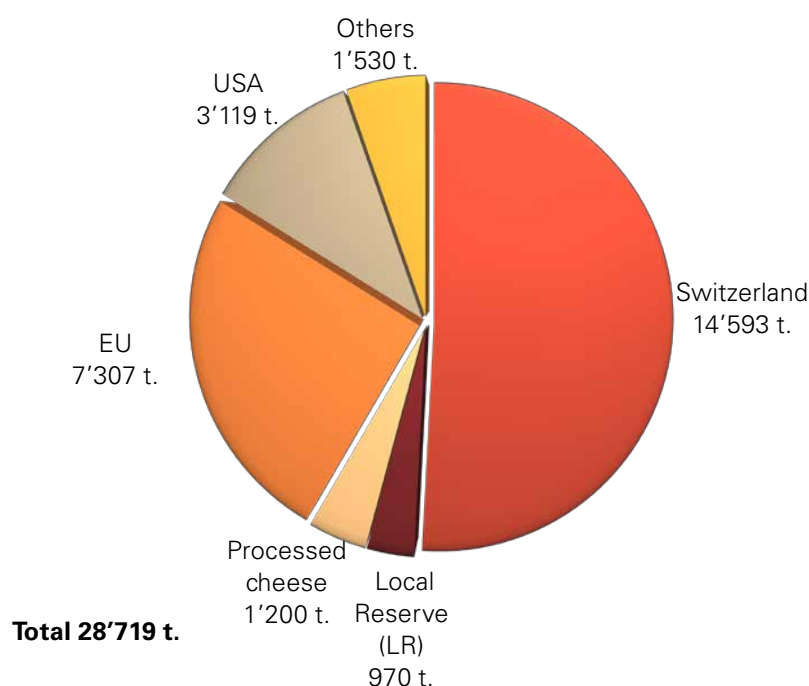
Unfortunately, it became apparent that from June onwards, export volumes were not meeting expectations. It was decided that global production would be reduced by 3.5%. Simultaneously, Gruyère AOP Bio saw its production capped at 95%. Production of Gruyère d'Alpage AOP remained

unchanged. This seasonal speciality was able to produce 100% of its quota.

To control stock levels, several measures to encourage sales were taken by the IPG's governing bodies. An extra 2 million francs were made available and a nationwide

promotional campaign celebrating Gruyère AOP's 900th anniversary was launched. Through the internet, social media networks, posters and TV and Leporello spots, a contest with over 40,000 participants was organised. This initiative was a resounding success, culminating in the fabrication of a 'Gruyère'

Repartition of the Gruyère AOP consumption during 2015 (tons)





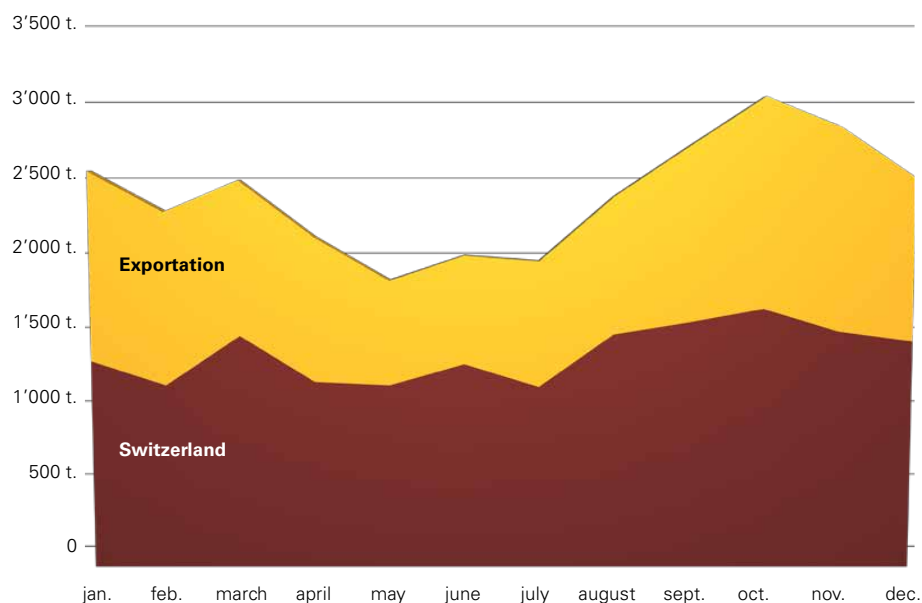
cheese at Bern's Federal Square on the 10th September in the presence of the Federal Councillor Mr. Schneider-Ammann alongside different national and cantonal councillors. As a symbolic gesture, a representative from each canton was presented with 1/8th of the Gruyère AOP wheel to take back

to his region. The beautiful weather, exceptional organisation of the event and the collaboration of the town and Mayor of Bern made this day a true ray of sunshine in an otherwise stormy year.

Despite this situation, it should be stressed that the quality of

Gruyère AOP has never been better, allowing it to be kept a little longer in the cellars before being sold at optimal maturity to consumers near and far. Furthermore, it should be noted that whilst quality and quantity have been closely managed, the pricing policy has been in no way modified, guaranteeing sound remuneration for the entire association.

Monthly sales 2015 (tons)



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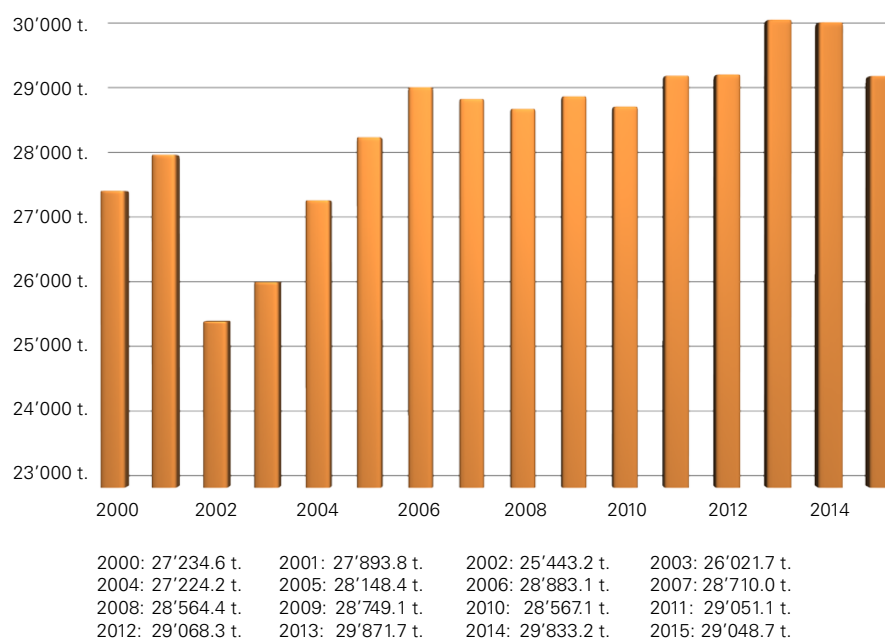
Quantity management

As already mentioned, quantity management has again been a constant concern of the Gruyère AOP association in 2015. As a preventative measure, at the start of the year the governing bodies decided to impose a maximum production level on the first three months of the calendar year. This was confirmed by the Assembly of Delegates during their session on the 10th June 2015, with a 3/9 system being put in place for at least 3 years. In terms of production quantities, the market forced the IPG authorities to limit global levels to 96.5 % for traditional Gruyère AOP and at 95 % for Gruyère AOP Bio for the start of the year. (It is to be noted that any new cheese dairies which began operating less than 5 years ago were subject to twice this reduction.) Gruyère d'Alpage AOP saw its potential confirmed at 100%.

The quantity restrictions put in place over the last few years due to concerns over quality have been renewed. Yet it should not be forgotten that due to constant improvements in quality, the number of dairies subject to such measures has significantly decreased.

Taking into account market evolutions and based on the same principles, at the end of the year the Assembly of Delegates decided to renew production at 97% for traditional Gruyère AOP and 94% for Gruyère AOP Bio.

Total production 2000-2015 (tons)





Market Situation

As mentioned several times in this report, 2015 has not been as positive a year as 2014.

Total sales have fallen, standing at 28,719 tons. Only exports outside of the European Union have reached record levels at 4,640 tons, of which 3,119 tons went to the USA. The USA now heads exports, moving in front of Switzerland's neighbour Germany where exports have declined to 3,029 tons. Within the European Union, it is the French market which has been of most concern to the Interprofession's governing bodies as exports have continued to decline to around 1,500 tons from 2,200 tons just 5 years ago. Without a doubt

there is strong competition from native cheeses and there is perhaps room for improvement regarding sales structures for Swiss cheese. In spite of everything, Gruyère AOP can now be found in 55 countries and, as outlined in the relevant chapter of this document, marketing methods are being strengthened to bolster sales. Unfortunately the strength of the franc and the repercussions of the Russian embargo weigh heavily on sales prospects.

The same consequences can also be felt in Switzerland. Thanks to reinforced promotional efforts, Gruyère AOP has held its position in mass-market retail, but market

shares have been lost in the industrial sector. Whilst some Gruyère AOP branded products such as cheese straws, cheese tarts or crackers have been put on the market, they face fierce competition from other Swiss or imported cheeses with incredibly low-priced products. Enormous European milk production and the resulting surplus along with Swiss overproduction make the outlook for this sector particularly bleak.

If Gruyère AOP is to retain its position, this will be down to renewed efforts by the sales team, further promotion of the Gruyère AOP brand and the intrinsic qualities of the product itself. Its strength lies in these characteristics, never called into question by the consumer. It is only in concentrating our efforts that we can make it through this difficult period.

Comparison of sales



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The AOP file and **the international situation**

2016 sees the end of transitional measures in the application of Gruyère AOP's Specifications. The agreement with the European Union over the mutual protection of designations and the last changes to the Specifications regarding labelling will come fully into force at the end of this year. This situation influenced the legal work carried out in 2015.

This means that parties involved in frontline sales have gradually begun to use the correct labels so that the 'Le Gruyère AOP Switzerland' brand is identified in a way which respects the réglementation. Under the mandate of the OIC (*Organisme Intercantonal de Certification*), the Interprofession du Gruyère checks all of the labels on the market to make sure that they conform.

Certification of the Specifications is carried out by the OIC and is important as it ensures that this document is respected and provides the legal basis for operations. For example, an appeal had been lodged over the origin of the milk used to produce Gruyère AOP. The case ended up in the Federal courts and reinforced the strict limits on the appellation area. It is pleasing to note that 15 years after being registered, the Supreme court confirmed the stipulations as defined by the Gruyère association and recognised at that time by the Federal Office for Agriculture. This decision is important in Gruyère AOP's campaign for a protected designation of origin.

This clear recognition of Gruyère AOP's place in Switzerland paves the way for the protection of the Gruyère AOP name worldwide.

Coexistence with French Gruyère IGP has become a reality. The sharing of the name has allowed us to join forces to identify misuse of the term beyond our borders. A warning system that operates in conjunction with French authorities makes it possible to act in a quick and coordinated way to ensure the Gruyère name is used exclusively by Gruyère AOP Switzerland and French Gruyère IGP.

This work extends beyond Europe to the other countries of the world. Steps are primarily being taken in Anglo-Saxon countries such as the United States. Thanks to the registered trademark, action has been taken against injudicious use of the name. Numerous cases have now been resolved. Nonetheless, vigilance is needed to find the best possible solution for Gruyère AOP. Procedures involving state or legal authorities are also underway in Central and South America. It is encouraging to note that the notion of protecting a name is advancing in different regions around the globe. The renowned name and the good reputation of Gruyère AOP puts it at risk of being exploited to gain better market standing.

To carry out its work, the Interprofession relies on its lawyers and those appointed responsible in the countries where a problem has been encountered. It is helped

by Federal authorities such as the Federal Office for Agriculture and the Federal Institute of Intellectual Property, alongside the governing bodies of the European Union, especially France. National and international organisations such as Switzerland Cheese Marketing (SCM) and the Swiss Association for the promotion of the PDO and PGI are also of the utmost importance in this process. The experience of the association OrigIn is also primordial in reinforcing the arguments used.

On a national level, it is with much satisfaction that the Interprofession du Gruyère notes that the Swissness legislative project will come fully into force between now and the start of 2017. Working on concerns regarding protected designations of origin, this should again reinforce correct name usage. This will clarify things for consumers and in doing so reinforce the Le Gruyère AOP Switzerland brand.

These different measures are of primordial importance for the defence and positioning of Gruyère AOP on the market and require the unwavering commitment of each player and vendor of Gruyère AOP within the association.





The quality of Gruyère AOP

Taxation and controls

In full compliance with the terms of the product Specifications, each lot of Gruyère AOP is subject to taxation (gradation) once it reaches an average age of 4 and a half months.

A first qualitative assessment is carried out at the 3 month mark when the cheese is removed from the dairy cellars and responsibility for it passes to the affineur. Controls are carried out by a committee composed of a taxation office from the Interprofession du Gruyère, a second expert and a representative for the cheesemakers. Appeals can be made, after which the cheese is newly examined by the Board of Appeal composed of two representatives of the affineurs and a cheesemaker. The verdict is final. This set of proceedings guarantees the objectivity necessary for the qualitative assessment of Gruyère AOP sold on the market. Before leaving the cellars for good, Gruyère AOP wheels face a third assessment carried out by the affineur/ vendor.

This important work requires professionalism at all times and a certain rigour to ensure that the Gruyère AOP that makes its way onto the consumer's table, both in Switzerland and abroad, is of the highest quality.



Overall, the traditional and organic Gruyère AOP produced in 2015 was excellent. The proportion of IB fell yet again. It is worth noting that the measures taken over the last few years to improve the quality of Gruyère AOP have paid off. As a result, 97.88% of batches were classed as IA quality. The propor-

tion of batches obtaining 19 points or more increased to 60.45% from 60.29% the previous year. The proportion of IB was 1.97% and 2nd choice 0.12%. 53 appeals were made against the taxation, of which 26 cases won. These results allowed 5'237'666 million francs of quality premiums to be awarded.

Gruyère d'Alpage AOP 2015 production performed very well. Thanks to their knowledge and expertise, the cheesemakers were able to adapt to climatic conditions. 92.49% of production obtained IA classification while 62.09% attained 19 points or more.

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Chemical analysis

Moisture content and fat content

Systematic testing of the chemical composition of the cheese is carried out on each batch put on the market. 20 of these decisions were appealed, of which 8 won. It should be noted that over 2000 batches are analysed. Overall compliance with the levels detailed in the Specifications is tested over an average of 6 months. This objective was entirely met.

Listeria testing and specific testing

The Interprofession du Gruyère analyses the presence of listeria in the cheese and makes other checks relating to hygiene. In 2015, all of the samples taken tested negative for pathogens such as listeria. Gruyère AOP therefore fully complies with legal requirements. This continues to reassure consumers in their choice when buying additive-free Gruyère AOP.

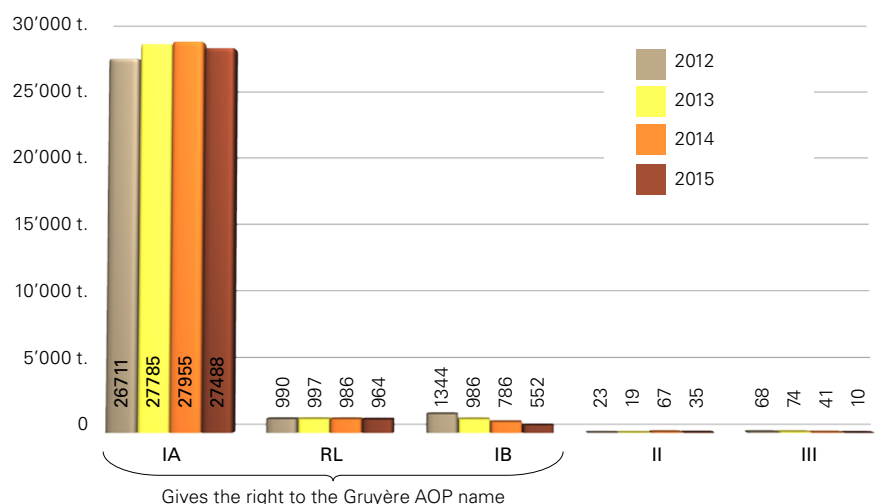
The Quality Commission

As stated in the chapter on the governing bodies within the Interprofession du Gruyère, the Quality Commission, or more precisely a delegation of this commission, is called upon to find a suitable solution for members of the association who struggle to meet quality standards. Once this objective has been met, the pro-

duction facilities concerned can aspire to a more tranquil economic outlook.



Comparison of quality by civil year (tons)





National and international honours for Le Gruyère AOP

The Interprofession du Gruyère is proud of its numerous prizewinners in the different competitions which took place throughout the year. It would like to congratulate all the members of the association who have made these excellent results possible thanks to the extremely high quality of our milk and exceptional standards of production and affinage. The outstanding quality of the cheese is Gruyère AOP's best guarantee of future success.

These distinctions reinforce the positive image of our cheese. They also give a nod to the notion that quality comes hand in hand with the respect of traditions, nature, knowledge and expertise and rigour in everyday work. These competitions reward the hard work of the entire association.

Swiss Local Food Competition, Courtemelon, 25th September 2015

An award-winning Gruyère d'Alpage AOP in the Swiss Local Food Competition.

On Saturday 25th September 351 medals were awarded over the course of the 2015 edition of the Swiss Local Food Competition.

The Gruyère d'Alpage AOP of Nicolas Brodard, from the Guignarde alpine pasture and refined by the Fribourg Alpage Cheese Cooperative, was one of two cheeses nominated for the Excellence Award in the dairy product category. He won the **gold medal**.

Mr Jean-Charles Favre's Gruyère AOP from the Vuarmarens dairy, refined by Mifroma SA, was awarded a **silver medal**.

Mr Pierre Buchillier's Gruyère AOP Bio from the Les Moulins dairy, refined by Fromco SA, was awarded a **silver**

medal.

Mr Jean-Daniel Privet's Gruyère AOP from the Le Pâquier-Montbarry dairy, refined by Mifroma SA, was awarded a **bronze medal**.

Mr Erich Hunkeler's Gruyère AOP from the Sommentier dairy, refined by Fromage Gruyère SA, was awarded a **bronze medal**.

Mr Vincent Tyrode's Gruyère AOP from the Auberson dairy, refined by Margot Fromages SA, was awarded a **bronze medal**.

OLMA Alpage Cheese competition results, St. Gallen, 9th October 2015

Mr Laurent Gachet's Gruyère d'Alpage from the Les Audèches alpine pasture won the **3rd prize**.

Mr Pascal Andrey's Le Gruyère d'Alpage AOP from the Les Cours alpine pasture won the **5th prize**.

Messrs Philippe and Samuel Dupasquier's Gruyère d'Alpage AOP from the Le Lity alpine pasture won the **7th prize**.

Messrs Pierre-André and Marcel Barras's Gruyère d'Alpage AOP from the Les Groins d'Enhaut alpine pasture, was awarded a **distinction**.

These four Gruyère d'Alpage AOP were refined by the Fribourg Alpage Cheese Cooperative.

Great Yorkshire Show, Harrogate, England, 15th July 2015

Mr Jean-Marie Dunand's Gruyère AOP from the Le Crêt dairy, refined by Fromage Gruyère SA, was awarded a **gold medal**.

World Cheese Awards, Birmingham, England, 28th November 2015

2,727 cheeses took part in this competition and several Gruyère AOP's

received awards. The cheese came from all over the world: participating countries included Australia, South Africa, the USA, Canada, Italy and many others. 270 judges were entrusted with the decision-making. Amongst this huge selection, Gruyère AOP came away with several prizes:

Overall Champion of the World Cheese Awards:

Le Gruyère AOP aged 14 months, Châtonnaye dairy, Alexandre Guex and family, refined by Cremo Von Mühlenen.

'Super Gold' medal:

Le Gruyère AOP aged 14 months, Châtonnaye dairy, Alexandre Guex and family, refined by Cremo Von Mühlenen.

Gold medal:

Le Gruyère AOP aged 14 months, Lanthen dairy of the cheesemaker Mr Markus Sturny, refined by Cremo Von Mühlenen.

Silver medal:

Le Gruyère AOP aged 14 months, Niedermuhren dairy, Adrian Scheidegger and family, refined by Cremo Von Mühlenen.

Le Gruyère AOP aged 12 months, Bouloz dairy, Roland Pittet and family, refined by Lustenberger und Dürst.

Bronze medal:

Le Gruyère AOP aged 9 months, Niedermuhren dairy, Adrian Scheidegger and family, refined by Cremo Von Mühlenen.

Le Gruyère AOP aged 9 months, Strauss dairy, Franz Jungo and family, refined by Cremo Von Mühlenen.

Le Gruyère AOP aged 9 months, Cremo dairy, refined by Cremo Von Mühlenen.



Marketing

As announced in the last Annual Report, a structural change has been made to reinforce Gruyère AOP's promotional activity. On the 10th June 2015, the Assembly of Delegates adopted a Guide to Best Marketing Practices which clearly defined the roles of producers, cheesemakers, affineurs and administration within the IPG. It ensures that the entire association is aware of their part in the best positioning of Gruyère AOP as a branded, value-added product.

This document also aims to reinforce the work carried out both in Switzerland and abroad. National promotion and publicity has been centered on the theme 'Born in Switzerland in 1115.' The highlight of this was a festive gathering at Bern's Federal Square where Switzerland's

political authorities took part in a symbolic celebration of the 900th anniversary of our noble cheese. Throughout the rest of the year, Gruyère AOP has been promoted via television spots, poster campaigns and advertising inserts. For the first time, Gruyère AOP sponsored the weather reports on the 3 national channels. Overall, this lively campaign has been well-received. An example of this was the promotion of the contest held on the occasion of the 900th anniversary where advertisements alluding to William Tell won a People's Choice award. 40,000 participants competed to win exclusively Swiss products ranging from a pair of skis to Gruyère AOP cheese.

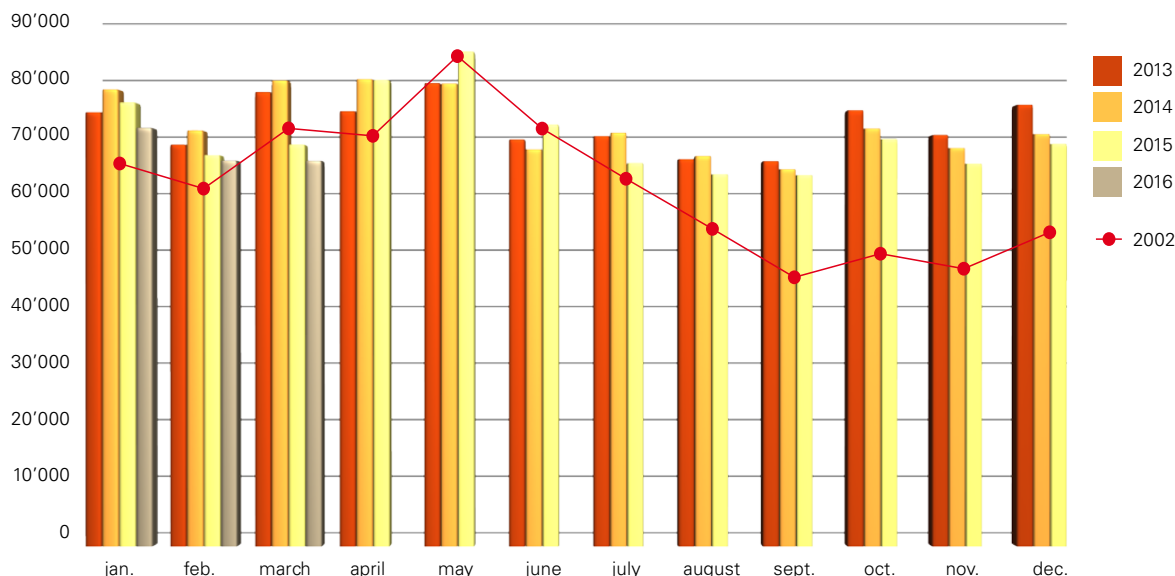
At a regional level, Gruyère AOP has been collaborating with the Produits du Terroir of the different cantons within its appellation zone. This has

given rise to the canton of Vaud's project to allow regional appellations such as ours and that of Etivaz AOP, Vacherin Mont d'Or AOP and the Terravin label to be included in the different hotel management school's curriculum.

In terms of sponsoring, Gruyère AOP has continued to accompany cyclists on Switzerland's roads through its ongoing support for the Tour de Romandie and the Tour de Suisse. Gruyère AOP has also been targeting a younger market through its presence at the Giant X Tour, a competition for young freeriders, and Mille Gruyère, where young middle-distance runners compete in the hope of one day earning a place on the tracks of Athlétissima or Weltklasse, also supported by Gruyère AOP.

Comparison of production (casein markings)

Number of wheels





Le Gruyère AOP also sponsored Fribourg Gottéron, flying the flag for French-speaking Switzerland throughout the winter. On a more cultural note, Gruyère AOP could be found in fondue pots or at a Hot fondue stand at Nyon's Paleo festival and Zermatt Unplugged. Members of the audience at the latter could also admire the electric buses decked in Gruyère AOP's colours as they wove their way round the streets beneath the Matterhorn.

To complete these efforts and further increase brand visibility for the general public, Gruyère AOP is present at the large regional and national fairs in all corners of the country year-round. Whether in collaboration with the Swiss PDO-PDI Association, Switzerland Cheese Marketing or simply thanks to local cheesemakers, the different Gruyère AOP stands are a chance

to discover or rediscover this culinary nectar.

A great number of supermarket cheese-tasting sessions are organised each year to boost

Numero 10

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**Aussi pour
Guillaume Tell.**

Le goût des Suisses depuis 1115.
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Suisse. Naturellement.

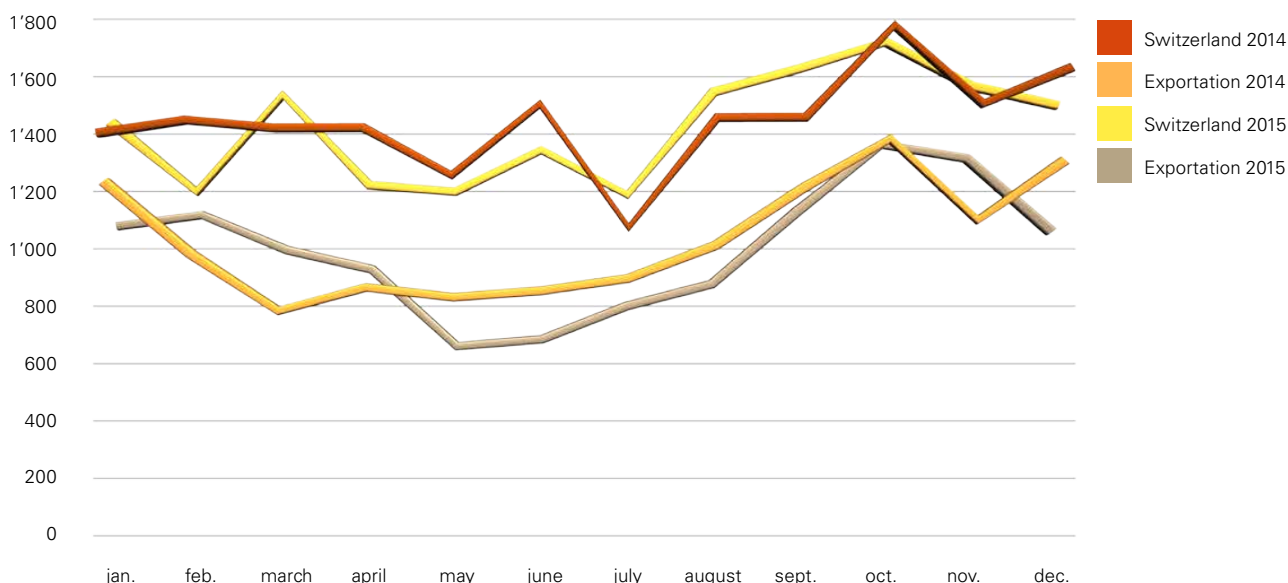


Notre Fromage Suisse.

www.fromagesuisse.ch



Sales 2014-2015 (tons)





Gruyère AOP's appeal. All of these measures combined have allowed Gruyère AOP to maintain its position in 2015 and feature amongst Switzerland's 10 most recognised brands.

Gruyère AOP's future progression also lies in increasing sales and notoriety in foreign markets. Active steps were made towards this in 2015 with the concretisation of the 'New Market' project. Aside from the traditional countries covered by Switzerland Cheese marketing - Germany, France, Benelux, Italy, Spain and for Gruyère AOP, Great Britain, the Swiss Confederation has also set aside a new budget to ex-

plore or strengthen other horizons. This has enabled the Interprofession du Gruyère and the affineurs to organise product promotion in the USA, Japan, China, and Russia in addition to the northern European countries of Sweden and Finland. Measures are being taken to produce documents and online content in numerous languages, be this for product descriptions or recipes. The success of these initiatives lies in their ability to increase product knowledge and notoriety whilst also benefitting sales, as we saw in the case of the USA.

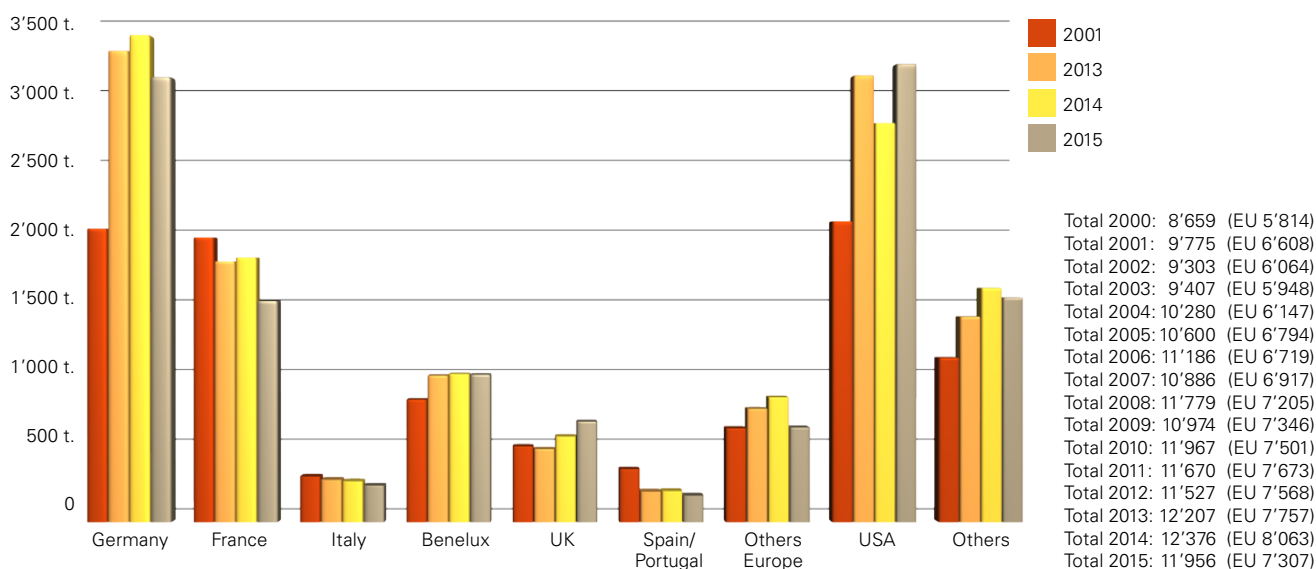
In Europe, a new campaign launched in Germany and France has had very

different results in each country. In Germany the volume of sales has remained high, whilst results in France fell short of our expectations given the level of investment. A television campaign and other actions on the ground such as tasting and other proven 'winners' were unable to stop sales from falling.

Following Germany's example, it is maybe time to now introduce new merchandising projects or new ways of presenting products, such as offering pre-cut cheese slices in supermarkets.

Gruyère AOP's promotional work has been reinforced by sponsoring

Comparison of Gruyère AOP yearly exports (tons)





efforts which included involvement in European Athletics Association events, the Gruyère European Curling Championships and a brand new partnership with the Cross country skiing World Cup and Tour du Ski. The latter increased brand visibility across Italy, Switzerland, Germany, Norway, Finland, Canada, Sweden, Slovenia and the Czech Republic from November to March, whilst television and the internet coverage extended this reach worldwide.

The Maison du Gruyère has continued to act as an Ambassador to Gruyère AOP, giving tourists from both home and abroad the op-

portunity to delve into the world of Gruyère AOP cheese-making. Second in line is the Fromagerie des Ponts-de-Martel. In 2015 a visitors centre also opened at the new dairy in Montrichier. Each of these provide a great opportunity to discover the ins and outs of the making of Gruyère AOP.

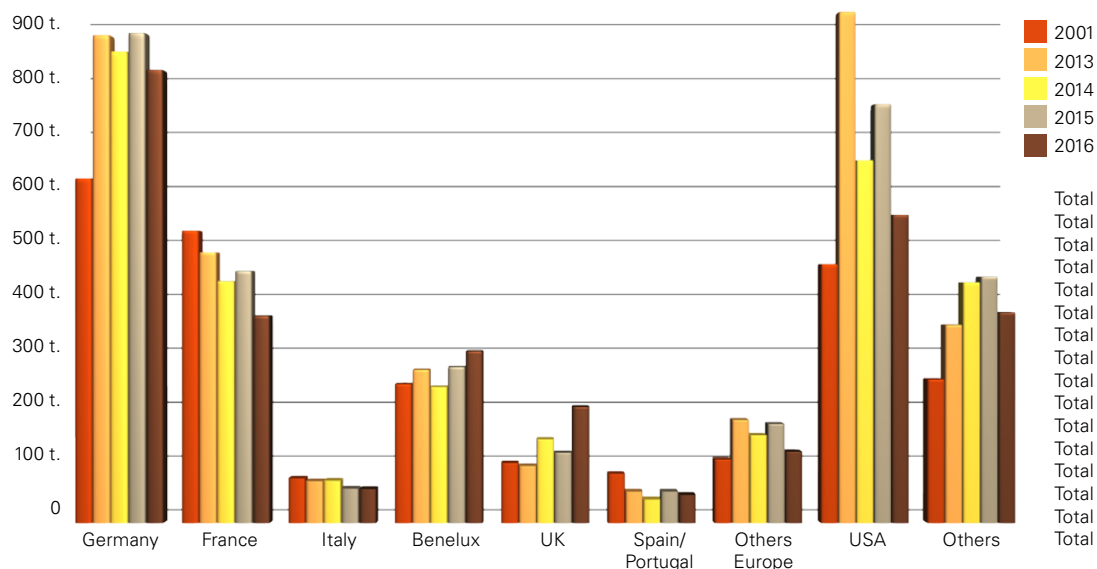
Thanks to all these measures, Gruyère AOP has the potential to become a strong and dynamic brand across the globe. To achieve this, it is paramount that we use all the means available to us, and we work together as a team. Even if the Confederation's help is welcomed, we must be careful to avoid this be-

ing a source of counter-productive red tape.

It is only by working efficiently that Gruyère AOP will be able to find its place on the world stage.



Comparison of Gruyère AOP exports from January to March (tons)



Total 2001:	2'461	(EU 1'752)
Total 2002:	2'421	(EU 1'563)
Total 2003:	2'401	(EU 1'524)
Total 2004:	2'588	(EU 1'492)
Total 2005:	2'409	(EU 1'693)
Total 2006:	2'602	(EU 1'734)
Total 2007:	2'497	(EU 1'742)
Total 2008:	3'024	(EU 1'816)
Total 2009:	2'367	(EU 1'813)
Total 2010:	3'066	(EU 1'906)
Total 2011:	2'814	(EU 1'849)
Total 2012:	2'796	(EU 1'881)
Total 2013:	3'293	(EU 2'020)
Total 2014:	2'979	(EU 1'915)
Total 2015:	3'170	(EU 1'998)
Total 2016:	2'820	(EU 1'906)



2015 Events

January to March 2015

Giant X Tour

10th - 11th January 2015

Men's FIS Alpine ski races in Adelboden

11th - 13th January 2015

Winter Fancy Food Show in San Francisco (1)

15th - 18th January 2015

Swiss Expo in Lausanne (2)

6th - 15th February 2015

Muba in Bâle

21st February - 1st March 2015

Paris International Agricultural Show and The International Cheese Show (3)

5th - 8th March 2015

European Athletics Indoor Championships in Prague (4)

5th - 8th March 2015

Schlaraffia in Weinfelden

14th and 15th March 2015

AOP market in Bourg-en-Bresse

14th - 18th April 2015

Zermatt Unplugged

24th April - 3rd May 2015

BEA in Bern

24th April - 3rd May 2015

LUGA in Lucerne

28th April - 3rd May 2015

Tour de Romandie (5)

Between May and September 2015

Regional finals of Mille Gruyère (6)

3rd - 21st June 2015

Tour de Suisse

20th and 21st June 2015

European Athletics Team Championships in Cheboksary (7)

28th - 30th June 2015

Summer Fancy Food Show and Cheesemonger Invitational in New York

9th July 2015

Athlétissima, Lausanne (8)

15th July 2015

Visit of the Club des Chefs des Chefs in Gruyère (9)

20th - 26th July 2015

Paléo Festival, Nyon

7th - 9th August

Swiss Food Festival, Zermatt

3rd September 2015

Weltklasse, Zurich (10)

10th September 2015

Gruyère AOP's 900th anniversary celebration in Bern's Federal Square (11)

8th - 18th October 2015

OLMA in Saint Gallen

25th September - 4th October 2015

Züspla, Zurich

2nd - 11th October 2015

La Foire du Valais, Martigny

28th October - 1st November 2015

Salon des Goûts et Terroirs, Bulle (12)

13th - 15th November 2015

Slow Food Market, Zurich

20th - 28th November 2015

European Curling Championship, Esbjerg (13)

21st November 2015

Mondial de la Fondue in Tartegnin

November 2015 to March 2016

Cross country World Cup (14)

4th - 6th December 2015

Salon des Saveurs et Artisans in Martigny

13th December 2015

Spar European Cross country Championships

Winter season 2015-2016

- Fribourg Gottéron
- Fondue evenings on the Lake of the Four Cantons

Year-round

- Poster campaign on all the electric buses in Zermatt (15)
- Swiss cheese on all SWISS International Airlines economy flights





Governing bodies within the Interprofession du Gruyère

Under the dynamic leadership of the President Mr Oswald Kessler, the Committee met on 14 occasions including a 2 day discussion seminar in Kandersteg. In Mr Adolf Ogi's homeland, the Committee reaffirmed its commitment to the harmonious growth of the association through strict quantity management whilst maintaining prices. In addition to this, the brand 'Le Gruyère AOP Switzerland' should be brought to the fore.

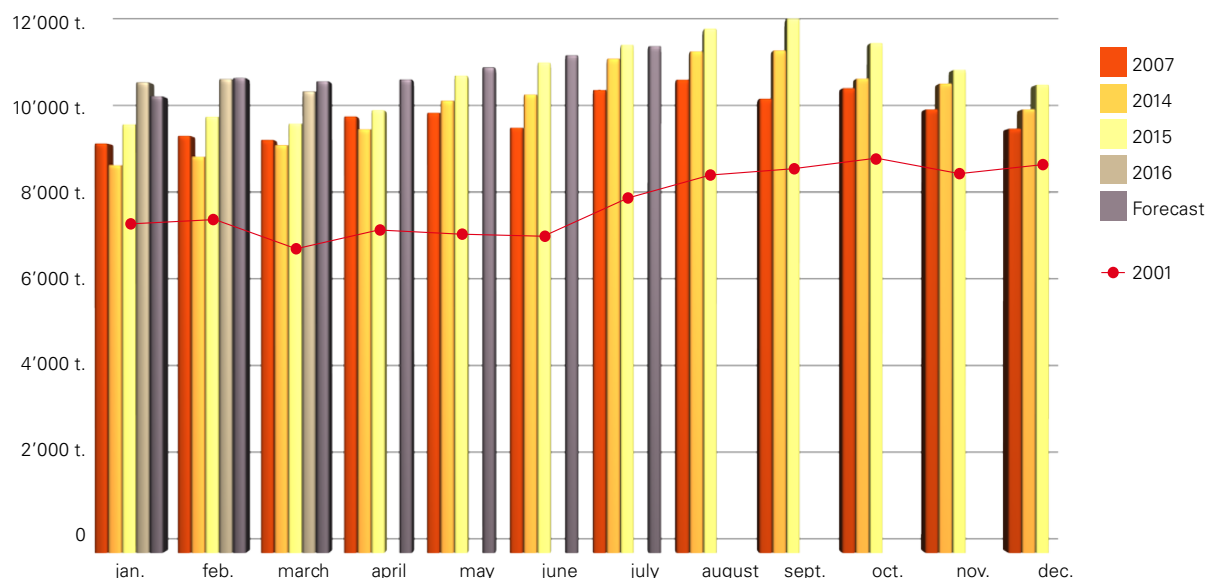
The Committee discussed matters of current concern, dominated by the decision made by the National Bank to unpeg the franc. This situation has influenced quantity management throughout the year. The Committee also worked on the decision made by the Assembly of Delegates to put a guide to good marketing practice into place alongside a guide to Gruyère d'Alpage AOP production. The Committee was also pleased to note the improvement in the overall quality of Gruyère AOP following the decision

to pursue the strict quality management of all processes from milk production to affinage. Quality and compromise never go hand in hand!

The Committee also regularly analyses plans to renovate and regroup dairies to follow the direction prescribed in the guide to good practices.

The Board of Direction met once to coordinate the Committee's activities and define staff salary policy.

Comparison of stock evolution (end of March 2016, tons)





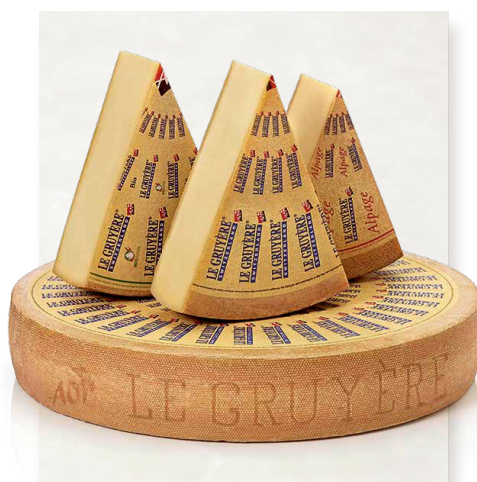
The Assembly of Delegates held two sessions, one for accounting and the annual report, and the other for the budget. During these sessions, a new guide to good marketing practices which better defines individual roles in promoting Gruyère AOP was adopted, in addition to a guide to good practice in the production of Gruyère d'Alpage AOP. The latter sparked an important discussion concerning the possibility of the creation of an organic Gruyère d'Alpage AOP. It was decided that in the case of this type of cheese, it was the title 'Alpage AOP' that distinguished the cheese more than any other label and so further clarification was unnecessary. The Assembly of Delegates also adopted a new quantity management system based on a 3/9 system of annual management with a maximum being placed on the first three months of the year. This new scheme draws on the affineur's experience regarding how sales are spread over the course of the year and different levels of maturity.

In order to prepare for the Assembly of Delegates, the Gruyère d'Alpage AOP Commission held 6 sessions to put in place production conditions for 2015 and define Gruyère d'Alpage AOP's own guide to good practice. Within this framework it clearly states that the traditional character of the production of this type of cheese should be encouraged, be this through the use of firewood, certain building materials, production tools or energy sources.

The Bio Commission held 2 sessions. Even though the quality of Gruyère AOP Bio has significantly improved, it is worth noting that

the market is not performing as well as expected. The 1100 tonnes produced exceed what can be absorbed by the market. This is why a decrease of 6% was decided upon by the Assembly of Delegates last autumn. An effective marketing strategy which does not diminish the intrinsic values of Gruyère AOP itself needs to be found to promote Gruyère AOP Bio.

The Marketing Commission met 5 times overall, taking into account sessions held by the Marketing Working Group that was put together last year to produce the guide to good marketing practice.



This document was endorsed by the Assembly of Delegates in 2015 and clearly defined the roles of all concerned. Aside from this, the Marketing Commission dealt with problems encountered on certain markets following the unpegging of the franc and the indirect consequences of the Russian embargo. Several measures were proposed and decided upon by the Committee to support sales both nationally and internationally. The main difficulty with marketing and

promotion is finding the middle ground between advertising and different sales promotions on the shop floor to optimize volumes purchased by the end consumer.

The Planning Commission met on 9 occasions. They looked at the issue of quantity management and specifically questions surrounding the limits placed on production over the first 3 months of the year. This measure, although necessary, proved difficult to apply within the different societies and division amongst the different producers was particularly delicate. Pragmatic solutions were found which allowed each society to fulfill the conditions that had been laid down. It is worth noting that the quantity management system used by the Interprofession has been followed by the different parties of the association since its creation. The system is democratic as the quantity management appeal commission met on two occasions to deal with 4 appeals, all of which were rejected.

The Quality Commission met twice. All measures put in place have had a positive effect as overall the quality of the milk and that of Gruyère AOP has significantly improved, as evidenced by the taxations. However the ad hoc commissions, put in place in parallel with the new quality plan, met several times to meet the societies and cheesemakers who routinely caused concern, despite this becoming increasingly rare. Different delegations met 8 times to maintain an overview on quality.

Administration continues to be led by Mr Philippe Bardet, Director, and Mr Marc Gendre, Vice Director. The



Tribute to Mr Thomas Raemy

2015 was the year we lost one of Gruyère AOP's eminent ambassadors. Thomas Raemy passed away in the dawn of his 70th year. As Director of Gruyère Cheese SA, he was one of the founding members of the Interprofession du Gruyère and continued his involvement as its Vice President. His great love for Gruyère AOP and the men who craft this noble cheese led to him becoming one of the architects of its growth. He was actively involved in the drawing up of the Specifications for Gruyère AOP, taking great care to conserve its traditional characteristics. But above all else, Thomas Raemy was a man who prioritised the human factor, be this sharing moments with his Grangeneuve students or participating in the reenactment of the Route du Gruyère in 2011 where he proudly played the role of a merchant. Gruyère AOP has lost one of its great supporters - a man with a remarkable ability to transmit his love and passion for this cheese. His memory serves as encouragement to continue his mission to defend our Gruyère AOP.

former coordinates the marketing team composed of Mrs Laure Rousseau and Mrs Lucie Monney in addition to Mr Philippe Gremaud. This structure will be reinforced in 2016.

Work on quality controls is presided over by the Vice President and divided between Mr Thierry Bize, Mr Christophe Magne and Mr Jean-Louis Andrey who has been working at 60% since last year.

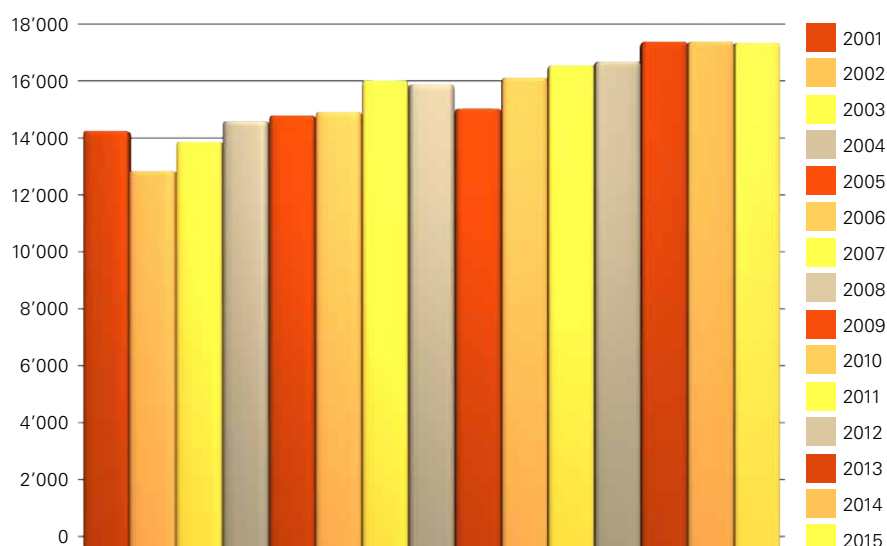
Secretarial work is covered by Mrs Christine Grandjean et Mrs Corinne

Berbiers, each working at 80%. The latter decided to leave the company at the start of 2016. Accounting is carried out by Mrs Magali Vuichard and Mrs Sandy Uldry.

This motivated team will continue its hard work for the promotion and defense of Gruyère AOP throughout 2016.



Comparison of Alpage production (casein markings, tons)





Committee of the Interprofession du Gruyère

President	Oswald Kessler*	Yverdon-les-Bains
Producers	Romane Botteron Didier Roch* Nicolas Savary Pascal Surchat	La Sagne Ballens Sâles (Gruyère) Blessens
Cheese makers	Nicolas Schmoutz Jean-Marie Dunand Didier Germain*# René Pernet	Mézières FR Le Crêt Les Ponts-de-Martel Peney-le-Jorat
Affineurs	Jean-Marc Collomb Gilles Margot Jean-Charles Michaud Gérald Roux*	Fromco SA, Moudon Margot Fromage SA, Yverdon Mifroma SA, Ursy Fromage Gruyère SA, Bulle
Guests	Jean-Pierre Huguenin Olivier Isler Daniel Koller	Avocat, Boudry Fromarte, Berne PSL, Berne

* Member of the board of direction

Vice-president



Outlook for 2016

The Interprofession du Gruyère is working towards positioning Gruyère AOP as a powerful brand in the different markets in which it is sold.

- **Quantities.** The Interprofession will continue its policy of strict quantity management where volumes are matched to predicted sales. The association must monitor this closely in order to assess whether the decisions taken last autumn are sufficient to match stock levels with market capacity.

- **Quality.** Quality and production controls are a daily concern. The new quality management policies put in place last year will be maintained to guarantee the excellent quality of the Gruyère AOP produced from raw milk.

- **Profitability.** Every effort will be made to maximize profitability for all parties in these times of economic uncertainty. This is why the association chose to maintain its prices and strengthen quantity controls.

- **Value for Gruyère AOP's customers.** Promotional activity will be intensified again in 2016, focusing on Gruyère AOP's guarantee of traceability and unique taste. 'Le Gruyère AOP Switzerland' brand positioning will be reinforced and supported by both political and juridical action to find a suitable place for it on the market.

- **Training.** At all levels, from producers to cheesemakers to affineurs, every effort will be made to guarantee the best possible training to guarantee the future of the traditional and artisanal production of Gruyère AOP. The Specifications and Guide to Best Practices are integral to training at all levels.

- **Viability and the future of those involved in the Interprofession du Gruyère.** The association will continue to insist that each group, and particularly each body, remain independent to ensure a peaceful future and continued employment opportunities. Vertical integration is not an option within the framework of the

Interprofession and no group should take the place of another.

- **Communication.** Global communication remains the prerogative of the Management and the Presidency.

The Interprofession must remain clear-sighted in each of these decisions so as to guarantee the association a positive future in the long term. It must take care to follow the political evolution of different agricultural and brand protection cases both nationally and internationally.

It is upon this basis and within the context of current economic difficulties that the Interprofession du Gruyère will rise to challenges ahead to return to optimal sales for Gruyère AOP.



Recapitulation of the distribution of the total production potential for Gruyère AOP per cheese dairy and per canton for 2016

Canton	Villages			Bio			Villages + Bio		Alpages			All		
	Quantities (Kg)	(%)	Nbre	Quantities (Kg)	(%)	Nbre	Quantities (Kg)	(%)	Quantities (Kg)	(%)	Nbre	Quantities (Kg)	(%)	Nbre
FR	13'296'549	51.83	84	302'551	30.25	4	13'599'100	51.25	184'110	35.48	30	13'783'210	50.98	114
VD	7'214'263	28.12	41	285'107	28.50	3*	7'499'370	28.03	313'598	60.43	20	7'812'968	28.59	62
NE	2'555'433	9.96	15	86'325	8.63	1	2'641'758	9.90				2'641'758	9.73	15
JU	637'546	2.49	3	131'115	13.11	1	768'661	2.83				768'661	2.78	3
JUBE + al. 1	774'452	3.02	6	87'104	8.71	1	861'556	3.22	21'203	4.09	3	882'759	3.23	9
BE	753'840	2.94	9	108'046	10.80	1	861'886	3.20				861'886	3.14	9
Other cantons	422'044	1.65	6				422'044	1.57				422'044	1.55	6
Total	25'654'127	100	164	1'000'248	100	11*	26'654'375	100	518'911	100	53	27'173'286	100	218

* Cheese dairies producing Bio: 10 cheese dairies producing both traditional and bio Gruyère AOP plus 1 dairy producing only bio.

LE GRUYÈRE®

SWITZERLAND



The Original 'Small Batch' Food



It often comes as a surprise to many Gruyère AOP fans that the cheese they love, and that is enjoyed worldwide, is created by our group of small producers—170 in total, many producing 10 or 12 wheels (or fewer)—in a day. This is a matter of love for our people, who have cared for each wheel that we've produced for more than 900 years. Gruyère AOP may be the world's first 'small batch' food!

Le Gruyère AOP Switzerland is 100% natural and 100% additive free, and 100% cared for, one wheel at a time. And of course, naturally free of lactose and gluten, as it has always been.

For more information on our production, history, and some great recipes, please visit us at gruyere.com

Gruyère AOP

Born in Switzerland in 1115.



All Natural, only from Switzerland.
Naturally Gluten- and Lactose-Free.
www.gruyere.com



Switzerland. Naturally.



Cheeses from Switzerland.
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