

International Cheese Market – Current State and Perspective

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Abstract

The paper discusses international cheese market, highlighting the changes in international trade and mentioning the major exporters and importers. The average world export of cheese in the period under research was 5.7 million tonnes with the tendency to increase to up to 4.6% per year. In terms of country analysis, Germany is the most significant cheese exporter in the world with the average export of 1 million tonnes, which represents 18.6% of total world export. Other great exporters are the Netherlands, France, New Zealand and Italy. They have modern production technology and tradition which resulted in a large range of high quality products. The dynamics of world import are increasing more than in the case of export (rate of 4.9%). With 625,000 tonnes and participation of 12%, Germany is also the world's main importer. Major importers are also Italy, Great Britain, Russia and the Netherlands, which constitute more than 40% of world cheese import.

Key words: *cheese, international trade, export, import, foreign trade balance*

JEL Classification: *Q10, Q13*

Introduction

Cheese is a quality food product with great nutritional and biological value. Its nutritional value comes from its concentrated form which contains a lot of milk components, mostly proteins, minerals, vitamins and milk fat. Cheese is a product made from coagulation of milk proteins, separation of whey and ripening. It is a highly valued foodstuff of pleasant taste and great nutritional value, containing all the valuable milk components (milk fat, proteins, minerals and fat soluble vitamins). Cheese proteins contain very important and essential amino acids¹. There are more than 400 types of cheese around the world. A large number of cheese types originated centuries ago and the production of many are still taking place in accordance with local traditions and specific natural conditions. Strongly reflecting the identity of the environment in which they are incurred, certain cheese types are called according to geographical origin, such as Camembert and Brie from France, Gouda and Edam from the Netherlands, Cheddar and

¹ Popović-Vranješ, A., Vlahović, B., Mirč, D., 2003, *Stanje i perspektiva izvoza sira iz Srbije i Crne Gore*, Agroeconomika, broj 2, Poljoprivredni fakultet, Novi Sad.

Cheshire from Great Britain, Emmentaler and Gruyère from Switzerland, Parmesan and Gorgonzola from Italy, Colby from the USA, etc.² They significantly differ in some regions and countries around the world. Every cheese has a special and recognizable flavor, depending on the type of cheese, milk and production technology. Cheese flavor greatly depends upon the region. Mountain and Mediterranean cheese has a more intense aroma than cheese produced in the plains. Cow cheese is milder than goat and sheep milk cheese³.

The aim of this research is to review the basic characteristics of international cheese market that is to determine the most significant participants in the international trade. Basic sources of data have been taken from the Food and Agriculture Organization of the United Nations (FAO) statistics database and International Trade Center (ITC) for the period from 2008 to 2012 by applying standard statistical and mathematical methods. The intensity of changes is quantified by calculating the rates of changes by applying functions with the most suitable trend lines to the original data. Occurrence stability is calculated by applying coefficient of variation (CV). Specific changes are shown in the form of tables and charts.

The results of the Research

Cheese Export

During the research period (2008-2012), average world cheese export was 5.4 million tonnes and realized the tendency of moderate growth at an average rate of 4.6% per year. In comparison with the first year, the export increased by 15% reaching 5.7 million tonnes in the final year of analysis. The increase of export is the result of world cheese production growth and increased demand on the international market. This indicates significant dynamics in the international trade. Out of total world production, 27% of cheese reaches international trade. Average world consumption is still at a very low level, slightly above 3 kilograms per capita/per year. Consumption in Europe is a bit above 14 kilograms per year (2012).

In terms of value, the average export totaled US \$26.7 billion which makes cheese a product with the largest participation in the world agro-industrial product trade. In the last year the export has been increased to US \$1.3 billion, compared to the first one. The average export price is US \$4.9 per kilogram. The price significantly varies depending on the type, milk fat content and consistency (soft, hard, processed, etc.).

In terms of regions, Europe is by far the largest world exporter with 4.3 million tonnes. It constitutes 80% of total world export and significantly increases its export at an average rate of 5.2% per year. The biggest world exporter of cheese is the European Union (27) which exports 3.9 million tonnes and represents 72% of world export. It also increases export at an average rate of 5.4% per year. The EU is also the world's biggest cheese producer (in front of the USA). Around 38% of total milk production is used in cheese production. An increase in cheese export from the European Union is expected in the following period (*Chart No. 1*). The European Union's cheese market continues to grow, although the rates are in a mild decrease. Average annual growth between 2000 and 2005 was 1.8% and then it dropped to 1.1% between 2005 and 2010. Annual growth rate for the period between 2011 and 2015 is expected to be 0.6%. In the European Union, average consumption of cheese is 18 kilograms per capita/per year⁴.

² Coker, C., Honor, C., Johnston, K., Creamer, L., 2009, *Manufacture and use of cheese products*, Food Science Section and Cheese and Milkfat Technology Section, New Zealand Dairy Research Institute, <http://nzic.org.nz/ChemProcesses/dairy/3D.pdf>

³ Marković, D. 2013, *Greške sira*, <http://www.zdravarsrbija.com/lat/Zemlja/Stocarstvo/1084-Greske-sira.php>

⁴ http://www.euromilk.org/eda/content_html.aspx?cid=12

The objective of the European Union's food safety policy is to protect consumer health and interests⁵. The European Commission states that "the economic importance and the ubiquity of food in our life suggest that there must be a prime interest in food safety in society as a whole, and in particular by public authorities and producers" (White Paper on Food Safety, Brussels 2000). All EU member states seek to protect the production of their cheese (primarily native ones). In 1993, the EU adopted Rules and Regulations 2081/92 and No. 1804/99 which enable the protection of cheese by its quality: origin *Protected Denomination of Origin* (PDO), geographical indication *Protected Geographical Indication* (PGI) and *Traditional Speciality Guaranteed* (TSG). Quality labels protect product names, which fulfill precisely defined criteria while the regulations are not in conflict with the Intellectual Property Law and the Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS) of 1994. They have protected their own producers with national legislation which enables better trade between the EU member states and promotes rural development as well. Native cheese protection also contributes to the protection of consumers who get accurate information about the product along with quality and authenticity assurance. Furthermore, the name registered by the European Committee signifies a protected product name and it is protected against imitation in all EU member countries⁶.

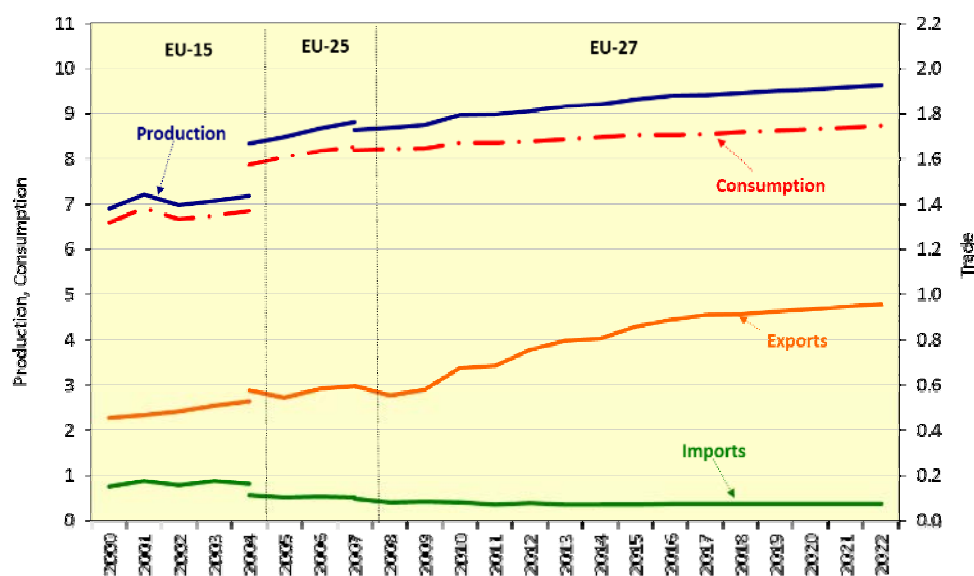


Fig. 1. State and projection of cheese market in the European Union

Source: Ovilo (2013)

The drivers of change may challenge companies active in the cheese sector to revisit traditional business models and develop new strategies. In a mature, competitive and increasingly volatile cheese market like EU market is, companies basically have six strategic options for targeting further growth and profitability:

- Consolidating market positions, creating competitive advantage, and increasing efficiency in marketing operations.
- Differentiating from competitors, improving the level of added value in the retail market by developing unique selling points (unique quality, specific handmade cheese, organic raw

⁵ http://europa.eu/legislation_summaries/food_safety/index_en.htm

⁶ Lucatelli, S., 2000, *Appellations of origin and geographical indications in OECD member countries economic and legal implications*.

materials) through new traits in the product itself, supported by dedicated marketing and, preferably, brands.

- Improving the added value in the retail market by offering secondary processing (for example slicing, cutting, shredding, as ingredient in snack food) and logistics services.
- Developing ingredient solutions for clients that use processed cheese or cheese made ingredients, in ready-made food products such as pizzas, sandwiches, cheese snacks and sauces.
- Creating specific product and service portfolio (such as wine and cheese tourism) in order to avoid having to ride the highs and lows of the global market.
- Targeting growth in markets outside the existing markets through dedicated export concepts⁷.

In terms of country analysis, Germany is the most significant cheese exporter in the world with an average export of 1 million tonnes, which represents 18.6% of total world export. It is also the world's second biggest cheese producer, behind the USA (FAO, 2011). Average production is slightly above 2 million tones. Germany has a long tradition of cheese production and export due to its diverse landscape, natural conditions, production methods and regional traditions. Most of cheese is produced in Bavaria, i.e. in Schleswig-Holstein Mecklenburg-Western Pomerania and Saxony-Anhalt region. Well known cheeses, such as Wilstermarsch, Tilsit and Altenburger Ziegenkäse (goat cheese) are produced in northern part of Germany (mostly very mild cheeses).

The heart of German cheese production is Allgäu, in the Alpine region of Swabia, in southern Germany where Allgäuer Emmentaler, Hirtenkäse and Bergkäse group of cheeses are produced. High quality of milk from Bavarian Alps, as a result of succulent grass from the green pastures full of aromatic herbs, explains why Bavaria is Germany's most significant region of milk and cheese production. Over 400 types of cheese are produced⁸.

According to latest marketing researches, organic and raw milk cheese production represents the rising trend among small local companies. With its outstanding quality, it soon might be exported in considerable amounts. With its outstanding quality, it soon might be exported in considerable amounts⁹. Organic cheese is made from organic milk that comes from farms which respect and preserve the nature's balance and animal welfare. Cows which produce this type of milk are fed with organic food which does not contain synthetic chemicals. Further, farmers maintain their pastures without any pesticides or mineral fertilizers and restrain themselves from using hormones or genetically modified organisms – GMO¹⁰.

The most significant German cheeses are the following: Hard cheese: *Allgauer Emmentaler, Bavarian Bergkase, Beemster Very Old, Klosterkaese*; Semi-hard cheese: *Beemster Old, Danish Feta, Edelpilz*; Semi-soft: *Beemster 2% Milk, Bierkase, Bruder Basil, Butterkase, Limburger*; Soft: *Doppelrhamstufel, Weichkaese*, etc.

Trend line shows export growth rate of 5.4% per year (*Table No. 1*) Germany exports almost half of the total domestic cheese production. The most important exported types of cheese are the following: *Bavarian Blue, Butterkase, Emmentaler, Harzer Käse, Limburger, Munster, Rauchkase, Tilsit*, etc.

⁷ <http://www.thedairysite.com/articles/2875/european-cheese-market>

⁸ <http://www.germanfoods.org/consumer/facts/guidetocheese.cfm>.

⁹ <http://www.germanfoodguide.com/cheese-search.cfm>

¹⁰ <http://ourcheeses.com/all-about-cheese/organic>

Table 1. World's biggest cheese exporters (2008-2012)

Country	Average value (000 tonnes)	Participation in world trade (%)	Rate of change (%)	Average value (millions of \$)
Germany	1.006	18,6	5,4	4.243
France	635	11,8	3,6	3.698
The Netherlands	629	11,6	9,6	3.474
New Zealand	282	5,2	2,9	1.052
Italy	271	5,0	0,9	2.311

Source: *Calculation based on INTRACEN*

During the period of research, export value was US \$4.2 billion per year. Average export price was US \$4.2 per kilogram which is slightly lower than the world average and it is a resultant of cheese production structure. The most significant export is destined for Italy (24%), then the Netherlands (11%), Russia (7%), France (7%) and Spain (6%). They acquire more than a half of the total cheese export from Germany (55%). It is evident that small EU countries are predominant. They also have the most intense trade.

The second place belongs to France with an average export of 635,000 tonnes which represents 11.8% of total world export. France takes the third place in world cheese production. The most significant types of cheese are the following: hard cheese: *Ardi Gasna, Beemster Very Old, Cantal, Comte, Crottin de Chavignol*. Semi-hard cheese: *Abbaye de Belloc, Abbaye de Belval, Abondance, Babybel, Beemster Old, Brebis du Lavort, Cantal, Esbareich, Fourme de Montbrison*. Semi-soft cheese: *Abbaye de Citeaux, Abbaye du Mont des Cats, Aisy Cendre, Ami du Chambertin, Aromes au Gene de Marc, Bleu Des Causses, Brie de Melun*. Soft cheese: *Affidelice au Chablis, Anneau du Vic-Bilh, Baguette Laonnaise, Banon, Bethmale des Pyrenees, Bleu de Laqueuille, Bougon, Boule Du Roves, Boursault, Boursin*. Fresh soft cheese: *Autun, Boulette d'Avesnes, Brocciu, Fromage Frais, Le Roule, etc*. The production is at the level of 1.8 million tonnes. One-third of domestic cheese production is exported. With over 70,000 dairy farms, France has a milk industry that covers more than 80% of its territory. This industry hires around 150,000 people, both in big international corporations such as Lactalis and second biggest French manufacturer Bongrain. There are also more than 1,300 larger cheese producers in the country. Trend line shows a mild export growth rate of 3.6% per year. Export value is US \$3.7 billion, chiefly thanks to the high export price of \$5.8 per kilogram. France has a long tradition and significant production of various types of cheeses. The most important exported types of cheese are the following: *Abondance, Banon, Beaufort, Bleu d'Auvergne, Bleu de Gex, Boursin, Brie, Buche de Chevre, Camembert, Cantal, Chaource, Chevres, Comte, etc*. The most significant export is destined for Germany (21%), Great Britain (17%), Belgium (12%), Spain (11%) and Italy (10%). They represent almost three-quarters (71%) of France's cheese export. Outside of Europe, cheese is mostly exported to the USA, Japan and South Korea¹¹.

The Netherlands is the next, with its long tradition of production of quality cheese. The most significant types of cheese are the following: Hard cheese: *Aged Gouda, Leyden, Parrano, Smoked Gouda*. Semi-hard cheese: *Beemster Classic, Gouda, Leerdammer, Maasdam*. Semi-soft cheese: *Limburger*. Soft cheese: *Kernhem etc*. Average export hits 629,000 tonnes which represents 11.6% of world export. Over two-thirds of total domestic production of cheese is exported, with an average amount of approximately 800,000 tonnes. Trend line shows a significant export growth rate of 9.6% per year, which is also the most intense growth in comparison with other major exporters in the world. In the last few years, it has been exceeding France and taking the second place among world's largest exporters. Export value is US \$3.5 billion per year. The most important exported

¹¹ <http://www.ambafrance-bd.org/France-would-not-be-France-without>

types of cheese are the following: *Blue de Graven, Edam, Gouda, Leyden, Maasdam, Nagelkaas, Smoked Gouda, Van Dijk*, etc. The most significant export is destined for Germany (37%), Belgium (11%), France (10%), Spain (6%) and the Russian Federation (6%). Aforementioned countries form two-thirds (68%) of total cheese export. The export is dominated by the European Union countries.

New Zealand takes the fourth place with an average export of 282,000 tonnes which represents 5.2% of total world export. Trend line shows export growth rate of 2.9% per year. Export value is slightly above US \$1 billion per year. The most significant types of cheese are the following: Hard cheese: *Barry's Bay Cheddar, Four Herb Gouda*. Semi-hard cheese: *Meyer Vintage Gouda*. Semi-soft cheese: *Airedale, Hipi Iti, Kapiti Kikorangi, Port Nicholson*. Soft cheese: *Jubilee Blue, Mahoe Aged Gouda, Whitestone Farmhouse*, etc. New Zealand has an efficient production system – quality pastures, developed dairy industry, high level of research, development of investment, high hygiene level in the production and creative marketing, all of which represent key advantages of dairy industry for milk processing and cheese making. The production is in compliance with the rigorous health and food safety standards¹². The most important exported types of cheese are *Cheddar* and *Whitestone*. The biggest export is destined for Japan (20%), Australia (18%), Korea (7%), Saudi Arabia (4%) and China (4%). Aforementioned countries represent more than a half (53%) of total cheese export. It is evident that Europe is not an export market for New Zealand, primarily because of the high costs of transport.

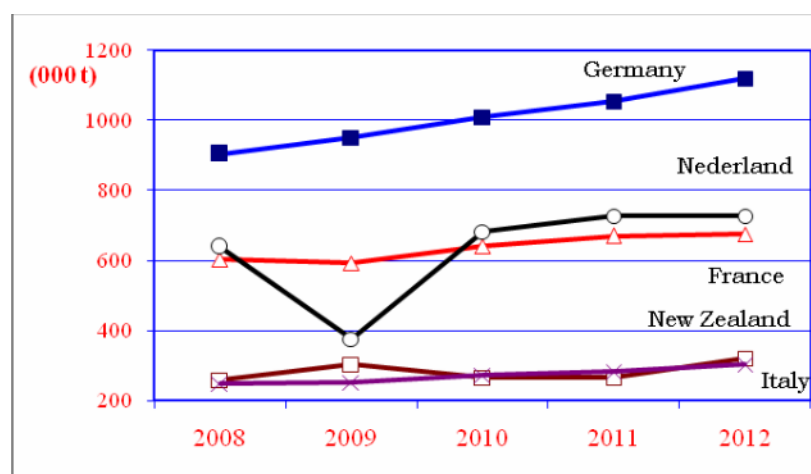


Fig. 2. Movement of cheese export of largest exporting countries

Source: Made by authors (2014)

Italy takes the fifth place with an average export of 271,000 tonnes, representing a 5% in world export. It is the fourth largest cheese producer in the world. With its 27%, Mozzarella cheese is predominant in the production structure, followed by Grana Padano with 16%, Parmigiano Reggiano with 11% and Gorgonzola with 5% (2012).

Aside from those, the most significant types of cheese are also: Hard cheese: *Asiago, Asiago d'Allevo, Bra, Calcagno, Canestrato, Fiore Sardo, Grana, Grana Padano, Montasio Vecchio, Parmesan, Piave Vecchio Selezione*. Semi-hard cheese: *Castelmagno, Fresh Truffles, Montasio Mezzano, Piave Fresco, Provolone Provolone del Monaco, Provolone Valpadana, Toma*. Semi-soft cheese: *Asiago Pressato, Bel Paese, Bocconcini, Casciotta di Urbino, Fontina Val d'Aosta, Fresh Truffles, Il Boschetto al Tartufo, Mozzarella, Pannerone*. Soft cheese: *Caciocavallo, Caciotta, Crescenza, Dolcelatte, Formaggio di capra, Fresh Truffles, Gorgonzola, Gorgonzola Cremificato, Mascarpone Montasio*. Fresh soft cheese and cheese spread: *Burrata, Fresh*

¹² <http://www.nzte.govt.nz/en/buy/our-sectors/food-and-beverage/dairy/>

Mozzarella, Fresh Ricotta, Mascarpone, etc. Average production reaches approximately 1 million tonnes of different types of cheese. One-quarter of cheese from domestic production is exported. Trend line shows only a slight export growth rate of 0.9% per year which is also the most moderate growth in comparison with abovementioned countries. Export value is US \$2.3 billion per year. It has the highest export price in comparison with other major cheese exporters in the world (\$8.5 per kilogram). Mozzarella and other fresh soft cheeses are predominant in the export structure, taking 36.4%. They are followed by Grana Padano and Parmigiano Reggiano with 25% and then Pecorino Romano, Gorgonzola and Provolone¹³. Other most important exported types of cheese are the following: *Asiago, Baita Friuli, Bitto della Valtellina, Bra, Burrata, Cacio di Fossa, Caciocavallo, Canestrato Pugliese, Castelmagno, Fiore Sardo, Gorgonzola, Grana Padano, Mascarpone, etc.* The most significant export is destined for France (20%), Germany (13%), the USA (11%), Great Britain (9%) and Switzerland (6%). Aforementioned countries take up more than a half (59%) of total cheese export.

Countries enlisted in *table No. 1* have absolute dominance because they constitute more than half (52%) of total world cheese export. They practically dictate the international market conditions (prices, trade conditions, quality, etc.). They have modern production technology and tradition which resulted in a large range of high quality products. Their cheese is in request in the world market so further export growth, although in moderate values, can be expected in the following period.

Cheese import

Average cheese import in the world was 5.2 million tonnes with the tendency to increase at an average rate of 4.9% per year. World's biggest importer is Europe with 3.5 million tonnes. It takes up almost three-quarters of world import (72%) with the tendency for growth at an average annual rate of 4.7%. The most prominent world importer is the European Union (27) which took up 3.3 million tonnes, which is two-thirds of world cheese import. In the researched period, it increased its import at the rate of 4.0% per year. The EU has a positive balance of foreign trade in the amount of approximately 600,000 tonnes.

Table 2. World's biggest cheese importers (2008-2012)

Country	Average value (000 tonnes)	World participation (%)	Rate of change (%)	Average value (millions of \$)
Germany	625	12,1	3,8	3.778
Italy	466	9,1	2,4	2.102
Great Britain	423	8,2	0,1	1.997
Russia	293	5,7	12,3	1.312
The Netherlands	219	4,2	17,6	974

Source: *Calculation based on INTRACEN*

Germany is world's leading importer of cheese with an average import of 625,000 tonnes which represents 12.1% of world import. It is also world's largest cheese exporter. This indicates an intense trade of aforementioned country. Trend line shows export growth rate of 3.8% per year (*Table No. 2*) Average value of cheese import was US \$3.8 billion. Import is a resultant of high cheese consumption of 23 kilograms per capita (2012) as well as the deeper assortment of high quality varieties of cheese. According to realized consumption, it is fourth in the world (2011). The largest part of the import comes from the EU countries, with the Netherlands participating with 36%, France with 20%, Denmark with 12%, Austria with 7% and Italy with 5%. Above-mentioned countries are the main suppliers of German market with the participation higher than three-quarters of import (80%). Germany has a positive balance of foreign trade of cheese in the amount of approximately 400,000 tonnes.

¹³ <http://www.wds2011.com/TextFlowPage.php?ID=375>

Italy ranks second with 466,000 tonnes and 9.1% of total world import but with a moderate growth rate of 2.4% per year. In the last few years, it has been showing a slightly stagnant import and consumption. Average value of cheese import was US \$2.1 billion. By reaching the consumption of 21 kilograms, it remotely lags behind Germany¹⁴. According to realized consumption, it is sixth in the world (2011). Germany represents the largest part of import (53%), followed by France (11%), Belgium (7%), the Netherlands (6%) and Lithuania (5%). Abovementioned countries dominate in the import structure with participation higher than three-quarters (82%). It is evident that the export is dominated by the European Union countries. Italy has a negative balance of foreign trade of cheese in the amount of approximately 200,000 tonnes.

Great Britain follows with 423,000 tonnes which represents 8.2% of world import but it is showing the tendency of stagnation at the rate of 0.1%. Average value of cheese import was US \$2 billion. With the consumption of 11 kilograms per capita, Great Britain lags behind the European average. Cheese consumption has significantly increased in the last few years. Cheese from Ireland represents the largest part of import (30%), followed by France (24%), Germany (7%) and the Netherlands (6%). Abovementioned countries dominate in the import structure with participation higher than three-quarters (80%). It is evident that the export is dominated by the European Union countries. Great Britain has a negative balance of foreign trade of cheese in the amount of over 300,000 tonnes. It is also the highest negative balance of cheese trade in comparison with other major world cheese importers. One of the reasons for high import is the expanding and deepening of assortment of quality cheese in domestic market.

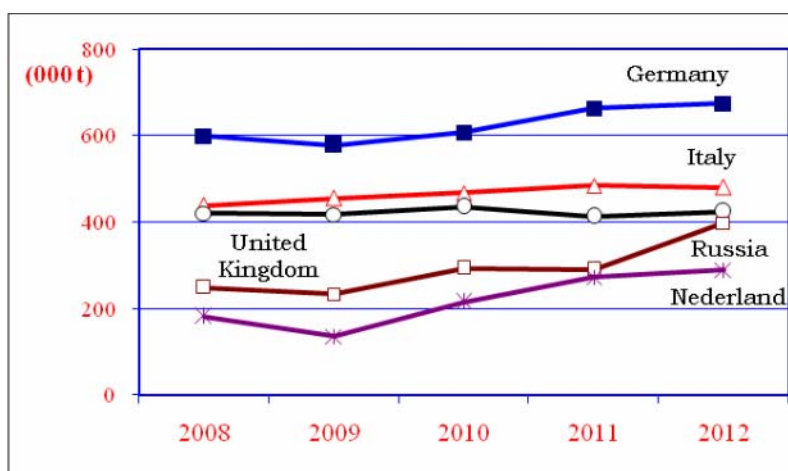


Fig. 3. Movement of cheese export of largest exporting countries

Source: Made by authors (2014)

Russia takes the fourth place with 293,000 tonnes and 5.7% of total world import but with an intensive growth rate of 12.3% per year. Average value of cheese import was US \$1.7 billion. With the realized consumption of 6 kilograms per capita, Russia lags considerably behind the European average. An increase in cheese consumption is noted in 2012. It is the result of spreading the knowledge about types of cheese and gastronomic qualities of different types of cheese, the growing culture of wine consumption and thus cheese consumption. In addition, the offer of varieties of cheese is becoming wider in large supermarket chains. One of the reasons is the growing number of Italian restaurants where cheese is a major part of the traditional cuisine. It led to popularization of cheese, primarily Mozzarella but other Italian cheeses too¹⁵. However, Germany represents the largest part of import (23%), followed by Ukraine (22%), Lithuania

¹⁴ <http://worldtradedaily.com/2012/07/08/cheese-hs-code-0406-world-market-overview/>

¹⁵ <http://www.euromonitor.com/cheese-in-russia/report>

(11%), Finland (10%) and the Netherlands (9%). Abovementioned countries dominate in the import structure with participation in the amount of three-quarters. Russia has a negative balance of foreign trade of cheese in the amount of nearly 280,000 tonnes. Depending on the price, the tradition of consumption and the specialness of cheese type, different market segments significantly vary in the demand of particular types of cheese. For example, hard cheese is in the greatest demand in Russia where it represents traditional and everyday food – unlike other types of cheese which are bought only for special a occasion (blue cheese, etc.). In the Russian market, the competition varies in each category of cheese. For instance, soft white cheeses are highly branded and have prominent leaders who take a significant part in the market. The soft white cheese category includes the following leading suppliers: *Arla Foods* (Denmark), *Flecharde SA* (France), *Hochland SE* (Germany), *Käserei Champignon Hofmeister GmbH & Co. KG* (Germany), *Lactalis Group* (France) and *Unilever* (Great Britain–The Netherlands). In the category of hard yellow cheeses main rivals are not the existing brands but a large number of unbranded types of cheese. Many Russian and foreign suppliers, including companies from former Soviet Republics, compete in this segment¹⁶. Russian cheese market has a problem of decrement of raw materials, which is caused by the great decline of livestock and raw milk production, as well as the lack of normal milk quality standards which reduces the quality of cheese. It means that Russia will remain a major importer of different types of cheese in the following period¹⁷.

The Netherlands is the fifth largest importer with 219,000 tonnes which is 4.2% of total world import. However, it has a quite high growth rate of 17.6% which is also the most intense growth rate in relation to other major world importers. Average value of cheese import was US \$974 billion. With the consumption of 21 kilograms per capita, it represents a major cheese consuming country. Germany represents the largest part of import (48%), followed by Belgium (16%), France (8%), Great Britain (6%) and Denmark (4%). Abovementioned countries dominate in the import structure with participation in the amount of 82%. The Netherlands has a positive balance of foreign trade of cheese in the amount of over 400,000 tonnes. It is also the highest positive balance of cheese trade in relation to other major world cheese importers.

World's largest importers shown in *table No. 2* represent 40% of world import. All major importers have the tendency of cheese import increase, with the Netherlands having the precedence. Based on the realized tendencies, further expansion of international cheese trade can be expected in the following period. It will primarily depend upon the consumer purchasing power, that is to say, of economic factors. Quality of cheese does not come only from good raw materials or long tradition. Outstanding technology, standards, quality staff and complete devotion of the producer are also necessary. Making quality cheese is not enough but significant investments in marketing activities are required as well, in order to create a good image of manufacturer.

Native types of cheese will be given more and more importance in the future. They originated in a specific region as a result of the long-time development of traditional production. A large number of cheeses famous worldwide originate from their native regions e.g. Emmentaler from Switzerland, Gouda from the Netherlands, etc. Native cheese conserving has a great importance because it also conserves ethnographic heritage of the country but at the same time provides a recognizable gastronomic and travel offer and product launch in the international market. Native cheese production in households is becoming a growingly important source of income. In order to launch the native types of cheese in the international market, it is necessary to apply traditio-

¹⁶ Golovnev, D., Kostina, O., 2010, *Brand audit of Russian cheese market*. Russian food & drinks market magazine №4. Moscow, Russia.

¹⁷ http://www.export.by/en/?act=s_docs&mode=view&id=3348&doc=64

nal but standardized technology with quality and safety assurance to meet the requirements of the European Union market¹⁸.

Conclusion

During the research period from 2008 to 2012, average world cheese export was 5.4 million tonnes showing a tendency of an average growth rate of 4.6% per year. In terms of value, the export had an average of US \$26.7 billion which makes cheese a product with the largest participation in the world agro-industrial product trade. Germany is the world's largest exporter with 1 million tonnes and participation of 18.6% in the world export. It also increases export at an average rate of 5.4% per year. The most significant export is destined for Italy (24%) and then the Netherlands, Russia, France and Spain. Other major exporters are also Italy, Great Britain, Russia and the Netherlands, representing more than a half (52%) of world cheese export. They have modern production technology and tradition which resulted in a large range of high quality products. With 625,000 tonnes and participation of 12.1%, Germany is also the world's main importer. The largest amount of cheese is imported from the Netherlands (36%), France and Denmark. Large importers are also Italy, Great Britain, Russia and the Netherlands and they represent more than 40% of world cheese import. Based on the realized tendencies, further expansion of international cheese trade can be expected in the following period. It will primarily depend on the consumer purchasing power i.e. on economic factors. Making quality cheese is not enough for facilitating great export. Significant investments in marketing activities are required as well, in order to create a good image of the manufacturer.

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