

The Building of Team QLF

A flexible playbook, experienced players and competitive spirit has enabled the team at Quality Liquid Feeds, Dodgeville, Wisconsin, to successfully expand.

By Jean Van Dyke

It's appropriate, in light of their location in a state where former Packers coach, the late Vince Lombardi, is regarded as an icon, that Quality Liquid Feeds, Inc. (QLF) is a business textbook example of teamwork in action.

"Individual commitment to a group effort – that is what makes a team work, a company work, a society work, a civilization work," Lombardi said.

Cory Berg, president of QLF, concurs. A sign that reads "Play Like a Champion Today" is mounted in the stairwell leading to the transportation division at the company's Dodgeville, WI, corporate headquarters, and Berg expects each member of his team

to do just that.

Berg has overseen the continued growth of QLF's market share through geographic market expansion, expanded product offering, improved technical and market services, improved distribution capability, and expanded sales force and formation of strategic supplier alliances.

He has a different style than the "coach" he succeeded, his father, Kenny, who founded the company in 1977 and still serves as chief executive officer.

"Dad was a farmer – dairy and beef cows – and continued farming while he was building the business," Berg points out. "I have a degree in business finance – not in agriculture. I don't have pre-conceived notions about how to do things in the different areas of the company. I

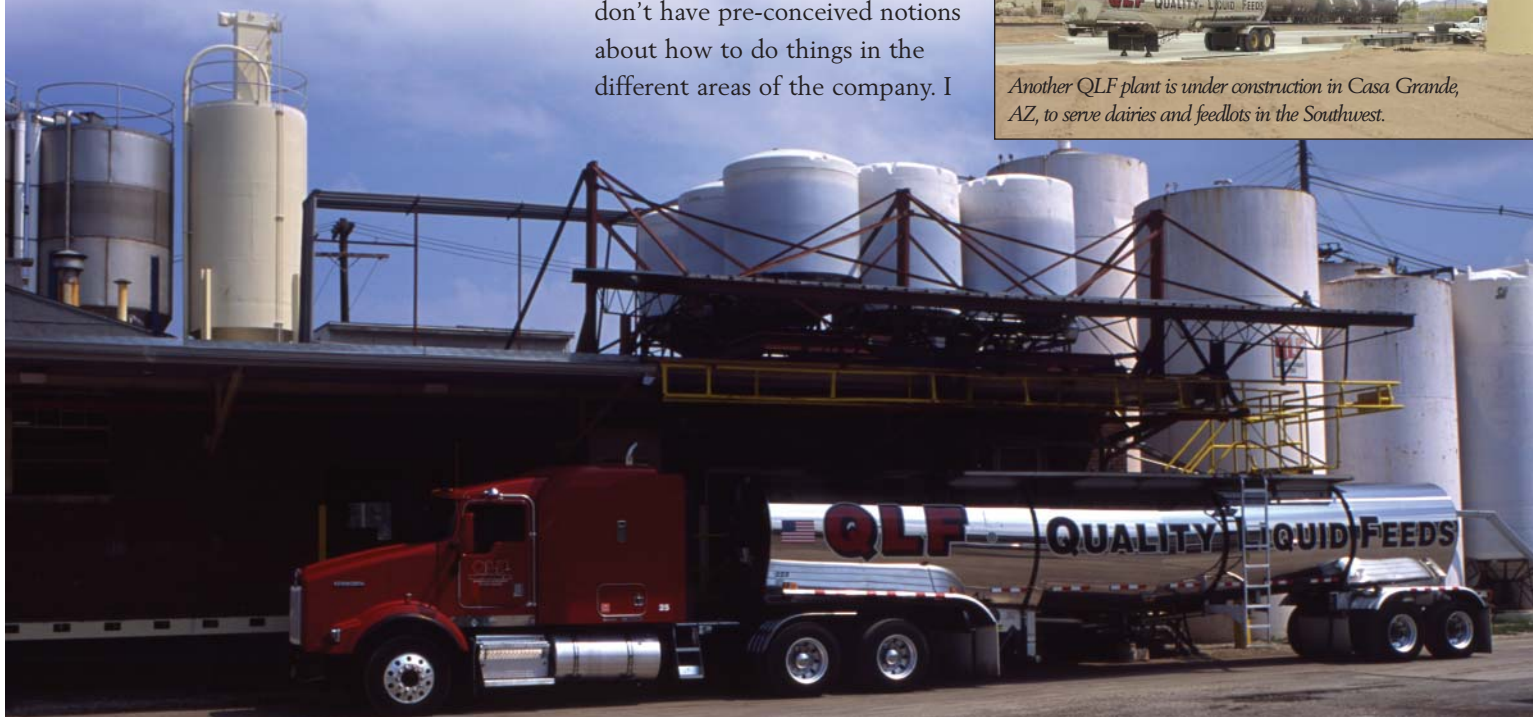
count on the other members of the team for their knowledge in each area."

Berg built the management team by hiring people with years of experience in livestock feeding, gained from working at major companies. "I see the management team as my assistant coaches, each with different areas of expertise – defensive, offensive, special teams – but in our case those areas are marketing, manufacturing, transportation and sales.

"They help me recruit the best players in each position to help QLF be successful," Berg con-



Another QLF plant is under construction in Casa Grande, AZ, to serve dairies and feedlots in the Southwest.



This key location in LaSalle, IL, on the Illinois River receives molasses by barge from the sugar mills of Louisiana. The river seldom freezes over completely, so they have a consistent supply year-round.

Members of team QLF gather for photos in LaSalle, IL, (left) and Dodgeville, WI, (below)



tinues. "We feel we have a great team today – and we know how important they are to our success."

Competitive edge

QLF sells to 850 dealers, which includes cooperatives and feed stores, through their sales force.

The consolidation of farms has affected their business. Larger dairies need larger quantities, but these are not just volume-based commodity products, according to vice president George Barr, whose responsibilities encompass strategy and positioning of the company and its products.

"These are value added products," he explains. "We sell product uniformity and its nutritional benefits. Our liquid feed brings more than one feature to the producer. It's a carrier for specialty nutrients and feed additives – rather than adding five different products to the ration.

"And it fits itself to on-farm delivery, in herds of thousands of head," Barr adds. "We place the equipment and help them use it.

"Feedlot adaptation recently is

high and growing," adds marketing manager Milo Schwingle. "There's been a change in the thought process about liquid feed. It is more easily customized than dry feeds

"With the expansion of dairies in the upper Midwest, the use of total mixed rations and the economic benefits of making the best use of forage, we feel QLF has been under-understood and undersold in primary dairy areas, Schwingle continues. "It offers the nutrients that are basic to rumen function, and reduces the sorting of feed."

The upper Midwest is not the only region where sales growth is possible. "Any dairy is a potential customer," Schwingle says. "The dealers provide the local touch – maintaining relationships with the producer and keeping an eye on the animals when they are on the farm."

"Our dealers tell us where we can do better," Barr comments. "It rings back to us, so we know where we are with customers."

The primary trade area for each plant is within a 250-mile radius

of the plant's location. To fill an order, despite weather or supply glitches, they may truck product from another plant. Their manufacturing plants are in the central part of the United States, serving 30 states. Another plant is under construction in Casa Grande, Arizona.

Pride in performance

"It's important to realize that the game changes all the time," Berg points out. "You redo your playbook to meet the current needs of your customers."

One change to the playbook took place when QLF decided it was time to take transportation in-house, by developing a dedicated truck fleet.

QLF Transportation was launched in 1999, as a wholly owned subsidiary of QLF, to enable the company to expand its market territory and services beyond what was possible using contracted feed delivery. When transportation director Stuart Sliter came on board he started from scratch with a feasibility study.





Merlyn Kruger, director of manufacturing (left), Stuart Sliter, transportation director (right) and QLF president Cory Berg, (below).

"The transportation division was a blank slate when I started," recalls Sliter, who brought 25 years of trucking experience to the task. "QLF had been contracting for delivery with 10 trucks and drivers – we now have 52 trucks in the fleet, and 52 drivers. Any driver can go anywhere in the system, and can work in a number of states. They are home on weekends and holidays. Every one of them is willing to do whatever it takes to get the job done.

They dispatch around 490 loads per week – on demand. "Our customers know that if they order today, it's delivered tomorrow. If there are weather complications at one plant, we bring a shipment from another plant."

There are other benefits to having a dedicated trucking enterprise – their trucks and trailers serve as rolling billboards, and their own, professional

drivers take pride in quality delivery of a quality product.

In addition, cost-effective back-hauling has created business amounting to 20% of the fleet's revenues. "We haul only feed friendly materials for outside customers," Sliter explains. "We'll carry whey or steeps or other feed ingredients. It's critical that the trucks don't sit around during the off season, when a lot of animals are getting fresh forage."

All this earned QLF Transportation the Most Improved Truck Fleet of the Year in 2003 from the American Feed Industry Association.

Improvements in production.

"We have updated all production plants to improve production efficiencies and to deliver excellence in customer service," says Merlyn Kruger, director of manufacturing. "Improving the mechanics of the unloading and loading procedures was implemented to enhance employee safety and reduce errors. Bottom loading of trucks is a safer approach for our employees."

They have also enhanced their quality assurance program, reflecting their concern for the importance of food safety and the role they play in the food chain.

Consistency counts

Vice president Joe Saini served as nutritionist and project manager when the company built its original liquid feed plant in LaSalle in 1980. Relationships are crucial, Saini points out. "From the time QLF started, we have promoted our consistent quality and dependable service. Our salespeople helped establish our good name, and our manufacturing and delivery people backed it up. We've built customer relationships and loyalty because we deliver.

"We've also established good relationships with our suppliers, and with our barge and rail people" he continues. "Building storage at the Louisiana sugar mills in 1988 helped strengthen our position with them, and allowed for more convenient barge and rail shipments to our manufacturing facilities."

QLF uses only domestic U.S. grown molasses in its feed products, and has a contractual agreement with



Marketing manager Milo Schwingle (left) and vice president George Barr confer on an incoming order at QLF's corporate headquarters.

Louisiana Sugar Cane Products, Inc. (LSCPI), a marketing cooperative representing a large percentage of the Louisiana crop. QLF invested in storage tanks in Louisiana with a current capacity of 24 million gallons. They move the molasses via river barge, rail cars and trucks to its manufacturing plants.

Sky's the limit

"If we could get all the output from the Louisiana sugar mills and be the only company that can supply the best and U.S.-based molasses, that would be okay with me," Berg says. "Our partnerships with U.S. sugar mills are very important to QLF and they are strengthening each year. We have positioned ourselves to be an excellent partner. Our focus is to work with all of the U.S. sugar mills someday to bring our value to their molasses stream."

Asked how much further they can go in expanding the business, he gestures to the map on the wall and points out the areas in the southwest, northeast and west coast where manufacturing plants are not yet located. There's a definite gleam in his eye when asked "what more can you do?" and his attitude suggests the sky's the limit. "We jump all over opportunities," he asserts. Today the central United States and tomorrow, the entire United States? Why not? As Lombardi once asked, "If it's not about winning, why do they keep score?" ■