

CONNECT

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Russell Associates

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By Daniel J. Vance
Photo by Kris Kathmann

Le Sueur interactive training/testing provider learns many life lessons from having to face adversity.

Training Camp

Most young Minnesotans simply don't aspire to having a career caring for dairy animals 7-days-a-week, 365-days-a-year for years. Jerry Van Oort lived that hard life early on. It would teach him nearly everything necessary for later business success, including the art of surviving change and adversity, of which he would have plenty.

"I learned a lot from what I experienced on the family farm and the responsibilities that went with it," said 58-year-old Van Oort, president/chief executive officer of Le Sueur-based Russell Associates. His business custom designs computer-based interactive training and testing solutions to mostly food and agribusiness industry manufacturers and processors. It also offers off-the-shelf training videos to any class of company.

He said, "My friends living in town in Fulda (rural Minnesota) would laugh at all I had to do on Saturdays. Of course, their Saturdays involved having fun or going downtown. A typical one for me was doing chores." His responsibilities, along with those of his four older brothers and younger sister, included caring for animals and producing milk, meat, and eggs. Though learning a great deal about business and life from working hard, and enjoying working with his family, Van Oort nonetheless had an untapped extroversion that yearned for more contact with people and less with Bessie the Cow.

"Having extracurricular activities in high school helped a lot," said Van Oort of his extroversion. "I had involvement in student council, drama, music, FFA, and 4H. My junior year, I played lead in 'A Connecticut Yankee in King Arthur's Court.' I also was involved in some one-act plays."

After graduation, he commuted to Worthington Community College for a time while working on the family farm. Meanwhile, his father was improving their farm operations by expanding the dairy herd, renting and buying additional land, building facilities, and purchasing equipment. But at age 24, in 1976, Van Oort felt the time was right for a heart-to-heart discussion with his father, whose expectation had been that Jerry would continue working on the farm ad infinitum.

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That calling manifested itself first in Van Oort being an animal feed and health salesman covering southwest Minnesota for Standard Chemical. About a year into that position, he heard Murray County Feed and Grain in Slayton, Minnesota, was up for sale. So in 1977, Van Oort, his father, and an outside partner purchased the business.

Much of his future business success would be the direct result of his ability to learn vicariously through his father’s example. The elder Van Oort was progressive and innovative, said Jerry, and one of the first southern Minnesota dairy farmers post-World War II to use artificial insemination. In 1958, his father was the third dairy farmer in Minnesota to construct a milking parlor, in which workers standing in a recessed area could milk up to twelve cows simultaneously in assembly-line fashion. By 1977, the Van Oort dairy herd had more than 100 cows, a large number for its day.

“My father’s nature was to continuously look at how to get better,” said Van Oort. “He purchased equipment and changed management practices to improve feed quality and was always looking at how we could grow more or produce more milk from a ton of feed.”

The younger Van Oort had that same attitude while running his new feed and grain venture in Slayton. Besides being general manager, he was the primary salesperson. Business went along well until the company started feeling the heat when a top customer collapsed under the weight of high interest rates and land devaluations in the early 1980s.

“I blamed myself,” he said. “We had a customer so big that when

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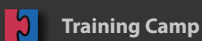
they went under, they pulled us with them. I had a bent for pushing the limits of what we could do and trying to find ways to expand our business. I got connected with one particular operation I should have walked away from.”

During this time, he also became very involved with Jaycees on a statewide level. He acknowledged having personally grown in terms of gaining leadership, managerial, and interpersonal skills while serving the organization, but regretted not having spent more of that time growing his own feed and grain business. He said, “That causes me now to look back and say, ‘Would I volunteer like that again?’ I’d advise anyone to get involved in any organization focused on growing your personal and professional skills. But there has to be a balance between that and business pursuits.”

In 1982, he and his partners had to sell. Due to his past success selling nutritional products and expertise, Van Oort had several job offers, except he couldn’t act on the ones he desired most. To complete the sale of Murray County Feed and Grain, the purchasing company had Van Oort sign a five-year non-compete, which meant to stay in the industry he would have to leave Minnesota. Although he didn’t want it, he, his wife, and four young children packed bags for Grand Island, Nebraska, when Jerry was hired as a territory marketing manager for International Multifoods’ Supersweet Feed.

Three years later, he accepted a position with a Kansas co-op. “Here I got to use what I learned at Murray County Feed and Grain in terms of financial and business skills,” he said. “This was an opportunity to do what I thought I could do well and where I could improve others and myself. We had a successful operation. But this particular co-op went through challenging times. They wanted to know if I would be willing to put together a group to acquire the feed side of the business. I made an attempt, but to do it I couldn’t be an employee and had to resign. I put together an investor group, but we couldn’t come to terms on an agreement that was workable for us and them.”

Unemployed then, he returned to International Multifoods, but this time as a territory marketing manager based in Springfield, Minnesota. His five-year non-compete agreement had expired. It was here when Van Oort was shaken to the core when one of his children developed non-Hodgkins lymphoma.



Solid Trust

“It’s interesting having switched chairs with Jeanne (Doheny),” said Van Oort of his former boss, who co-founded the business with Bill Russell in 1980. Van Oort and his older brother, Dean, purchased all the assets in 2008. Doheny has remained on part-time and been an invaluable resource and mentor to help Van Oort move business forward.

He said, “She and I have developed a trust over the years, especially after Bill passed away. I have been able to tap into her vast amount of experience. When she talks, she talks like an owner though she no longer owns it. She can’t help it. She was an owner for almost 30 years. I trust her and put a tremendous amount of confidence in the areas she manages.”

"My son having it caused me to look outside myself and develop a stronger faith in God. To me, that faith represents stability and hope," he said. "Life suddenly wasn't about business success. That, and the business failures before and after, made a huge impact on my faith. It caused me to be less internally focused and to realize God had a plan. As long as I look to Him now, what happens in life is somewhat immaterial. I'm no longer putting my future just on what I can accomplish." (For the record, his son survived and today is doing well.) In 1988, International Multifoods promoted him to Western Operations region manager responsible for half of a division with 25 Midwest operations. Then more change: International Multifoods sold its agribusiness to a joint venture put together by AGP and ADM.

"So I went from being regional operations manager to being general manager of all agribusiness center operations by 1994-95," he said. "The group we were part of did almost \$1 billion in sales and my piece was worth a couple hundred million."

AGP wanted to sell off the 25 operations to member/owners and Van Oort was tasked with spending nearly a year divesting the company of the businesses. In this capacity, he became frustrated at times having to report to a steady stream of new bosses with constantly changing philosophies and business objectives. Such was the ebb and flow of agribusiness consolidation. Change, change—and more change.

In 1995, he accepted a position as retail division manager with United Suppliers of Eldora, Iowa. Four years later, he jumped at an opportunity to return home to Minnesota in 1999 when Land O'Lakes hired him to manage its retail sale program.

"Local cooperatives contract with Land O'Lakes Feed to bring in its experts in various specialty areas or generalists in sales," he explained. "There were more than 300 people working on the Land O'Lakes payroll contracted to individual cooperatives or groups of

cooperatives—depending on the position and level of specialization. Another 300-500 were employed by co-ops, such as Watonwan Farm Service, who looked to us to run training classes, workshops, and seminars. I managed the retail sales program, which also included training and administration, benefits, incentives, and development of the people in the program. And this is where I delved into what I'm doing now. All the training reported to me, including technical or sales, soft skills and technical skills. I worked with various product areas and technical people to develop curriculum and make sure we were delivering what those salespeople needed to be successful."

In terms of sales, the industry had evolved into salespeople having to be more consultative and professional. Van Oort, in a strategic role, was overseeing the training of salespeople who were now dealing with buyers more sophisticated than in decades past, such as farmers with large operations, many employees, and multiple sites.

In 2002, in another consolidation, Van Oort suddenly was on the outside looking in yet again when Land O'Lakes acquired Purina Mills. His having to leave this position was a head-count issue, he said. But this time, after leaving, he found a place where finally he could hang his hat.

He had first met Bill Russell and Jeanne Doheny while working for the AGP/ADM joint venture. They co-owned Russell Associates, a computer-based training business in Le Sueur, Minnesota, which they had founded in 1980. Van Oort had used their services while with Land O'Lakes, too.

"When all this happened (with Purina Mills), Bill was getting close to retirement," said Van Oort of Russell. "He was looking for someone capable of managing the company and to get involved in owning it." Rather than bounce around like a pinball the rest of his life, Van Oort liked the idea of staying in one place. Sink or swim, the company would be partially his. He also enjoyed the prospect of being able to move a business nimbly and quickly, which hadn't been at all the prevalent atmosphere in many companies he had managed. His background in agribusiness fit hand-in-glove with the food and agribusiness industry manufacturers and processors Russell Associates specialized in. And Van Oort had plenty of industry connections.

Training Camp

Mentor Thoughts

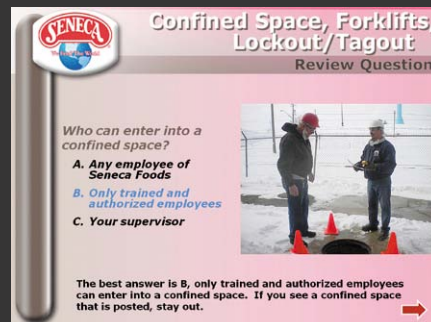
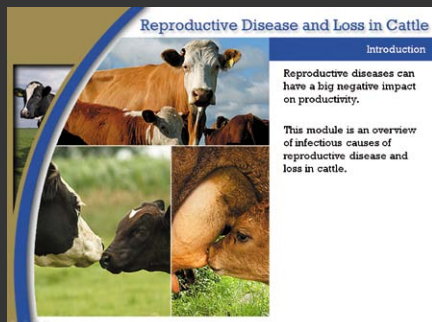
CONNECT: What went through your mind when you learned Bill had passed away?

VAN OORT: He was extremely bright and articulate. He had a great grasp of not only our business but also the world and industries we worked in. He was generous. From a company standpoint, he could take a particular product or area in which we needed to gain insight and do the research, prepare the documents and proposals, and work with me as I approached a potential customer. And with his dying, we lost that literally over night. It was devastating to personally lose a mentor."

Training Camp

Willing Wife

Said Van Oort, "Without my wife Kathy, and her support and willingness, there is no question my career wouldn't have worked out. We moved so much. I have been working at a high pace most of my life. But she was willing to accept who I am and my work ethic. I like to work. On a typical weekend, I will work six to ten hours on something that needs doing before Monday morning. Being a dairy farmer hasn't left me."



Screenshots of training programs created by Russell Associates.

“Agribusiness has stayed a focus on our company,” Van Oort was saying, “from food companies that grow, process, and put food into packages to ones that sell inputs to producing it, whether livestock or crops.”

When Van Oort had been there about five years, in 2008, Bill Russell unexpectedly passed away. It was a personal loss because Russell had not only been a business partner and mentor, but also a close friend. Not long after, Van Oort and his brother, Dean, bought the company, with his brother more or less being a silent partner.

Today, Russell Associates has seven employees and another dozen on contract. It sells its services on the theme of helping make a busi-

With Valspar, an American company manufacturing paints and stains, Russell Associates indirectly teaches Asian furniture company line employees using Valspar products the step-by-step job task of how to finish furniture—and doing it in languages such as Vietnamese and Mandarin Chinese.

ness’ training more effective and efficient, two standards that can be measured by tracking worker productivity and retention. About 65 percent of sales are custom work crafted specifically for each customer’s processes.

Although most of this segment is involved in teaching new and experienced salespeople, front-line manufacturing employees, and supervisors in an interactive, Web-based format how to do their jobs, Russell Associates can teach any employee just about any knowledge, skill, or process. The company produces custom instructor manuals for lab or classroom use, too.

“With new salespeople,” said Van Oort, “we can custom document, step-by-step, what they need to do, all the way from walking in the door to signing a purchase order. We also teach salespeople things like selling on features and benefits, how their product is positioned, and the sales environment that fits a particular product best. We have a learning management system we use to host, deliver, track, and test all our interactive learning programs.”

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Said Van Oort, “We also have off-the-shelf training programs developed by other companies that we resell and deliver to customers.” These training programs, which include ones made by industry giant SkillSoft, account for about 35 percent of company revenues. This segment has been growing rapidly, said Van Oort, and at times has provided entrée into accounts needing customized training resources. Training videos in this category cover a wide range, and include ones on safety, computer software skills, software development, management and leadership training, and sales and customer-facing skills. One particular growth area in off-the-shelf training has been with companies with 50-1,000 employees—much smaller than the 2,500-employee and up companies that have driven business to date.

Nowadays, Van Oort enjoys his business and his daily interactions with people, a significant departure from his younger days of “communicating” with dairy cows. 